

CMG Capital Management Group, Inc.

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Brochure

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This brochure provides information about the qualifications and business practices of CMG Capital Management Group, Inc. (“Registrant”). If you have any questions about the contents of this brochure, please contact us at (610) 989-9090 or todd@cmgwealth.com. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about CMG Capital Management Group, Inc. is also available on the SEC’s website at <https://adviserinfo.sec.gov/>.

References herein to CMG Capital Management Group, Inc. as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.

Item 2 Material Changes

Following is a summary of the material changes made to this Brochure since it was amended on March 31, 2021:

- As of November 5, 2021, Registrant amended Item 4 to reflect that it will invest client assets in one or more exchange-traded funds managed by Syntax Advisors, LLC. Syntax Advisors, LLC is indirectly owned by Rory Riggs, who maintains a ten percent (10%) ownership interest in Registrant. For more information and a discussion on the conflicts of interests this arrangement creates, please see Item 4 below.
- Registrant updated and provided additional disclosures concerning conflicts of interest and how Registrant addresses such conflicts of interest in Item 4.
- Registrant updated information, as of September 30, 2021, in Item 4 concerning regulatory assets under management.

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Item 4 Advisory Business

- A. Registrant is a corporation formed on October 26, 1992 in the Commonwealth of Pennsylvania. Registrant registered with the SEC as an investment adviser in March 1993. Stephen B. Blumenthal is the founder and majority owner of Registrant. Mr. Blumenthal also serves as Registrant's Chief Executive Officer.
- B. As discussed below, Registrant offers investment advisory services utilizing allocation strategies. Registrant also offers asset management platform services to investment advisers and provides investment management services to various proprietary mutual funds (each a "Fund") registered under the Investment Company Act of 1940, as amended (the "Company Act"). References throughout this Brochure to clients generally refer to Registrant's separate account clients and investors and not to the Funds.
- C. Registrant offers investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will discuss specific investment objective(s) and conduct a risk assessment with each client. Registrant shall allocate each client's investment assets consistent with their risk profile and designated investment objective(s). Clients may, at any time, impose restrictions, in writing, on Registrant's services.

Registrant also offers financial planning services (including, but not limited to, investment account reviews) to separate account or retail clients. Registrant does not, however, offer or hold itself out as offering or providing legal, tax, estate planning or accounting services.

INVESTMENT MANAGEMENT SERVICES

CMG Mauldin Core Fund, CMG Tactical Bond Fund, and CMG Tactical All Asset Strategy Fund

Registrant provides investment management services to three affiliated mutual funds: the CMG Mauldin Core Fund (the "Mauldin Core Fund"), the CMG Tactical Bond Fund (the "Bond Fund"), and the CMG Tactical All Asset Strategy Fund (the "All Asset Strategy Fund"). Each is a series of the Northern Lights Fund Trust, an investment company registered under the Company Act. Registrant receives management fees as the investment adviser to each of the Mauldin Core Fund, the Bond Fund and the All Asset Strategy Fund in the amount of 1.05%, 0.95% and 0.75%, respectively. A complete description of each fund, its strategy, objectives, and costs is set forth in its prospectus, a copy of which is provided to all clients investing in a fund. Disclosure relative to each fund is also set forth in the Investment Advisory Agreement. Pursuant to the terms of the Investment Advisory Agreement, Registrant has discretion to invest client assets in each fund. If client assets are invested in any fund, Registrant will receive only management fees from an affiliated fund and will not receive any investment advisory fee for the portion of a client's account allocated to the affiliated fund.

INVESTMENT ADVISORY SERVICES

CMG Separate Account Clients, Strategies, and Programs

Registrant also manages accounts on a discretionary basis. Generally, Registrant will recommend clients invest using one or more investment strategies, each of which is listed below and described in detail further below. Please note a proprietary strategy and any underlying model is subject to change without prior notice. The fees that Registrant charges for its services are set forth in Item 5 and the material risks of investing in its strategies are described in Item 8.

CMG Managed High Yield Bond Program	CMG Tactical Fixed Income Strategy
CMG Managed High Yield ETF	CMG Tactical Equity Strategy
CMG Managed High Yield Annuity Bond	CMG Beta Rotation Strategy
CMG Tactical All Asset Strategy (formerly known as the CMG Opportunistic All Asset Strategy)	CMG Large Cap Long/Short Strategy
CMG Tactical All Asset ETF Strategy (formerly known as the CMG Opportunistic All Asset ETF Strategy)	CMG Large Cap Long/Flat Strategy
CMG Tactical All Asset Variable Annuity Strategy (formerly known as the CMG Opportunistic All Asset Variable Annuity Strategy)	CMG Total Portfolio
CMG Tactical Rotation Strategy	CMG Mid-Cap Long/Flat Strategy
CMG Tactical Rotation Strategy Annuity Program	CMG Mauldin Smart Core Strategy
CMG Strategic Conservative Portfolio	CMG Strategic Moderate Portfolio
CMG Strategic Aggressive Portfolio	CMG Dynamic Portfolio
Mauldin Conservative Portfolio	CMG High and Growing Dividend Portfolio
Mauldin Moderate Portfolio	CMG High and Growing Dividend Risk-Managed ETF Portfolio
Mauldin Growth Portfolio	CMG Managed Gold Strategy
CMG Absolute Return Strategy	Ned Davis Research Dynamic Allocation Strategy
Peak Capital Management Dynamic Risk Hedged - U.S. Growth Strategy	3EDGE Asset Management - Total Return Strategy

Through an arrangement with Greenrock Research, Inc. (CRD# 131825/SEC#: 801-69664), an investment adviser registered with the SEC, clients can gain access to investment strategies created, designed, or developed by other independent, third-party advisers/strategists. For marketing purposes, Registrant calls this arrangement the “Mauldin Portfolios Platform.” Following is a current list of these strategies.

- ARK Investment Disruptive Technology Platform
- Gould Small Cap Growth Strategy
- Greenrock Research – High and Growing Dividend Stock Strategy
- Greenrock Research – Mid-Stream Pipeline MLP Strategy
- Kingsland Transformational Growth Strategy

Registrant also offers its management services to other investment advisers and investors through various investment platforms, including Axos Advisor Services

(formerly E*TRADE Advisor Services), Charles Schwab & Co., Inc., and TD Ameritrade.

Certain strategies invest in exchange-traded funds (ETFs), which are offered by prospectus only. Investors are advised to read each ETF's prospectus before investing. Investors are also advised to consider the underlying fund's investment objectives, risk, charges, and expenses carefully before investing.

Registrant may also invest the assets held in the individual investment sub-divisions of a variable annuity or life insurance product owned by clients. Registrant uses the following investment programs when providing this service: CMG Managed High Yield Bond Program, CMG Tactical All Asset Strategy, CMG Large Cap Long/Flat Strategy, and CMG Tactical Rotation Strategy. When providing services to these investment products, the client acknowledges that Registrant is limited to the investment products or securities available and offered by the sponsor of the product.

Investment Strategies

Investing in strategies and securities involves risk of loss that clients should be prepared to bear. The investment performance and success of any particular investment cannot be predicted or guaranteed, and the value of a client's investments will fluctuate due to market conditions and other factors. Investments are subject to various risks, including, but not limited to, market, liquidity, currency, economic, and political risks, and will not necessarily be profitable. Certain investments are not suitable for all clients due to their specific risk tolerance. Clients are advised to discuss their specific risk profile with their financial adviser or representative. Past performance of investments is not indicative of future performance.

Please note that all strategies and underlying models are subject to change without prior notice.

CMG Managed High Yield Bond, CMG Managed High Yield ETF and CMG Managed High Yield Annuity Bond Programs

The CMG Managed High Yield Bond Program trades high yield mutual funds, exchange-traded funds (ETFs) and/or variable insurance trusts (VITs) using a proprietary quantitative buy/sell/hold investment process. The model identifies opportunities where the short-term and intermediate-term direction of the U.S. high yield market can be predicted with high probability. The strategy looks at daily data such as price, volume, yield spreads and default rates to identify trends. The investment objective is growth and income with downside protection.

CMG Tactical All Asset Strategy and CMG Tactical All Asset ETF Strategy

The CMG Tactical All Asset Strategy is a rules-based investment trading strategy that analyzes a global universe of ETFs or mutual funds to determine an optimal

allocation. The strategy seeks growth opportunities with the ability to defensively position in fixed income asset classes and cash. The investment process analyzes the individual price trends of ETFs seeking to capitalize on opportunities across the U.S. equity, International Equity, Fixed Income and Commodity markets. The ETFs are analyzed based on price momentum indicators such as relative strength, trend following and mean reversion. The portfolio allocates to 10 ETFs in the portfolio but fewer than 10 positions may be held if cash is demonstrating the strongest relative strength. The strategy may be appropriate for a portion of an overall investment portfolio and is designed to serve as an active, risk-managed solution.

CMG Tactical All Asset Variable Annuity Strategy

The CMG Tactical All Asset Variable Annuity Strategy is a rules-based investment trading strategy that invests across a global universe of variable investment trusts (VITs) to determine an optimal allocation. The strategy seeks growth opportunities with the ability to defensively position in fixed income asset classes and cash. The investment process analyzes the individual price trends of asset and sub-asset classes seeking to capitalize on opportunities across the U.S. Equity, International Equity, Fixed Income and Commodity markets. Positions are analyzed based on price momentum indicators such as relative strength, trend following and mean reversion. The portfolio allocates to 10 VITs in the portfolio but fewer than 10 positions may be held if cash is demonstrating the strongest relative strength. The strategy may be appropriate for a portion of an overall investment portfolio and is designed to serve as an active, risk-managed solution.

CMG Tactical Rotation Strategy and CMG Tactical Rotation Strategy Annuity Program

The CMG Tactical Rotation Strategy seeks to generate returns in all market conditions based on the concept that various asset classes and sectors experience bull and bear markets at different times. The strategy utilizes a proprietary tactical investment model that analyzes various technical indicators to determine which asset classes are in a bullish environment and likely to achieve a positive return. The strategy employs an equally-weighted strategic rotation process that allocates the portfolio to the top two asset classes from a universe of six: Domestic Equities, International Equities, Bonds, Commodities, REITs, and Cash/Cash Equivalents. The investment objective is moderate growth with downside protection.

CMG Tactical Fixed Income Strategy

The CMG Tactical Fixed Income Strategy enhances the foundational role of bonds in investment portfolios by employing a disciplined trend-following investment approach to fixed income investing. The strategy follows a rules-based investment process that evaluates a universe of nine fixed income investment options. The following fixed income categories are considered: U.S. Treasury Bills, Investment Grade Corporate bonds, U.S. Treasury bonds, Convertible bonds, High Yield bonds, Emerging Market bonds, International Sovereign bonds, Municipal Bonds and U.S. Treasury Inflation Protected Securities. The process compares daily

prices of each constituent and selects the top two fixed income ETFs demonstrating the strongest price trends. The process is a flexible approach to fixed income investing that seeks to maximize income and minimize the risk of loss. The unconstrained process attempts to capitalize on a wider opportunity set than traditional buy-and-hold core fixed income investment approaches and has the ability to position defensively in short-term Treasury Bills.

CMG Tactical Equity Strategy

The CMG Tactical Equity Strategy is an aggressive investment strategy that promotes exposure to global equities in investment portfolios by employing a dynamic approach to investing. The strategy seeks to achieve relative outperformance of the MSCI All Country World Index (ACWI) by investing in certain ETFs while simultaneously employing a risk management approach within the process. The strategy utilizes a rule-based, algorithmic investment process that evaluates a global universe of equity investment options.

CMG Beta Rotation Strategy

The CMG Beta Rotation Strategy seeks to enhance the role of equities in a client portfolio by employing a disciplined process to measure market price trends. The investment objective is to outperform broad equity markets while simultaneously reducing risk. The process invests in the U.S. equity market when the market is demonstrating strong price trend. Otherwise, the process invests in the utility sector when utility stocks are demonstrating strong price trend. The Utilities sector is defensive and has exhibited low correlation to broad equity markets. During rare periods of broad-based negative price trends, the process may invest 100% in cash or cash equivalents.

CMG Large Cap Long/Short Strategy

The CMG Large Cap Long/Short Strategy utilizes trend and mean reversion indicators across a broad set of the S&P 500 sector industry groups to determine the overall state of technical health, as measured by the breadth and momentum, of the large cap equity market. The strategy invests in large-cap equity ETF(s) when the weight of technical evidence is bullish (100% long). When the technical evidence is bearish and the composite indicator is falling, the portfolio moves to short-term Treasury Bill ETF(s). If the composite indicator is below a bearish threshold but rising, the strategy has the ability to be 50% invested. The strategy offers a systematic way to raise or lower a portion of a portfolio's overall total equity exposure. The investment objective is aggressive growth with downside protection.

CMG Large Cap Long/Flat Strategy

The CMG Large Cap Long/Flat Strategy utilizes trend and mean reversion indicators across a broad set of the S&P 500 sector industry groups to determine the overall state of technical health, as measured by the breadth and momentum, of the large cap equity market. The strategy invests in large-cap equity ETF(s)

when the weight of technical evidence is bullish (100% long). When the technical evidence is bearish and the composite indicator is falling, the portfolio moves to short-term Treasury Bill ETF(s). If the composite indicator is below a bearish threshold but rising, the strategy has the ability to be 50% invested. The strategy offers a systematic way to raise or lower a portion of a portfolio's overall total equity exposure. The investment objective is aggressive growth with downside protection.

CMG Mid-Cap Long/Flat Strategy

The CMG Mid-Cap Long/Flat Strategy utilizes trend and mean reversion indicators across a broad set of the S&P 500 sector industry groups to determine the overall state of technical health, as measured by the breadth and momentum, of the large cap equity market. The strategy invests in mid-cap equity ETF(s) when the weight of technical evidence is bullish (100% long). When the technical evidence is bearish and the composite indicator is falling, the portfolio moves to short-term Treasury Bill ETF(s). If the composite indicator is below a bearish threshold but rising, the strategy has the ability to be 50% invested. The strategy offers a systematic way to raise or lower a portion of a portfolio's overall total equity exposure. The investment objective is aggressive growth with downside protection.

CMG Total Portfolio

The CMG Total Portfolio is an asset allocation portfolio comprised of allocations to traditional (long-only equity and fixed income investments), tactical (momentum-based trading strategies) and alternative asset classes. CMG manages a portfolio using a diversified blend of its proprietary account strategies and mutual funds and non-proprietary ETFs and mutual funds. CMG monitors and manages the portfolio allocations and evaluates whether to add new strategies, replace existing strategies, rebalance, and change allocation weightings.

CMG Mauldin Smart Core Strategy

The CMG Mauldin Smart Core Strategy invests across various asset classes (such as equity, fixed income, commodities, and metals) and sectors of the U.S., foreign and emerging markets via ETFs. The principal investment objective of the strategy is capital appreciation. Registrant evaluates market data and information from various research providers to invest the assets creating a flexible tactical asset allocation portfolio. The portfolio is typically comprised of 30 to 40 ETFs and is designed to serve as an active risk managed investment solution versus traditional buy-and-hold equity investing.

Mauldin Conservative Portfolio

The Mauldin Conservative Portfolio is designed for the investor seeking reasonable returns with minimal drawdowns. The objective is to protect assets in all markets. This portfolio is expressly developed for assets intended to be used for another purpose in the near future—one to five years. The goal of this portfolio is to provide returns that are better than money market and other short-term investment options.

Mauldin Moderate Portfolio

The Mauldin Moderate Portfolio is designed for the long-term investor who wants to be in a lower-volatility portfolio than long equities, but is still interested in achieving reasonable returns. The portfolio seeks growth while maintaining a level of risk protection in down markets. The investment time horizon is at least five years or longer.

Mauldin Growth Portfolio

The Mauldin Growth Portfolio provides higher equity market exposure, but in the areas that are considered reasonably priced given the current market climate. Better opportunities present when stock market valuations are better priced. The portfolio seeks a higher level of return while aiming to balance the risks of potential upside gain with downside protection. The investment time horizon for the Mauldin Growth Portfolio is approximately seven to ten years or longer.

CMG High and Growing Dividend Portfolio

The CMG High and Growing Dividend Portfolio is an actively managed portfolio consisting of a diversified group of select stocks that meet our criteria. The goal is to balance the current yield with the potential growth of dividends. The portfolio is offered by CMG through a research partnership with Greenrock Research.

CMG High and Growing Dividend Risk-Managed ETF Portfolio

The CMG High and Growing Dividend Risk-Managed ETF Portfolio combines a carefully selected portfolio of high and growing dividend ETFs with downside risk management. ETFs are carefully selected that meet our standard for high and growing dividends. Further, the ETF strategy incorporates a straightforward stop-loss risk management process to minimize the risk of loss that present during large market declines generally associated with bear markets.

CMG Traditional Asset Allocation Portfolios

Asset allocation attempts to balance portfolio risk and reward to dovetail with an investor's goals, risk tolerance, and investment time horizon by dividing the

portfolio among different asset categories, such as stocks, bonds, and cash. The CMG Traditional Asset Allocation Portfolios invest across varied asset classes (including, but not limited to, U.S. large-cap equity, developed world, U.S. government bonds, and foreign bonds) via ETFs. There are two types of portfolios – strategic and dynamic – available to investors. The strategic portfolios feature three distinct risk-based allocations: conservative (generally 30% equity and 70% fixed income), moderate (generally 60% equity and 40% fixed income), and aggressive (generally 90% equity and 10% fixed income). The strategic portfolios are typically rebalanced and investment decisions made on an annual basis. The dynamic portfolio's construction generally ranges between 50-70% equity allocation and 30-50% fixed income allocation. The dynamic portfolio is generally reviewed and rebalanced on a quarterly basis.

CMG Managed Gold Strategy

The CMG Managed Gold Strategy is a quantitative investment strategy that trades gold ETFs. The model analyzes price action from an ensemble of different time periods to determine opportunities that benefit long gold exposure. The model incorporates risk management, which reduces portfolio exposure to 100 percent cash during down trending environments for gold. Registrant considers this strategy to be aggressive and only suitable and appropriate for certain clients that can tolerate volatility and this risk level.

CMG Absolute Return Strategy

The CMG Absolute Return Strategy invests in actively managed mutual funds (and/or ETFs) that seek uncorrelated returns from the broad equity and fixed income markets. The strategy generally chooses from the following list of Morningstar fund categories: Commodities Broad Basket, Long-Short Equity, Long-Short Credit, Managed Futures, Market Neutral, Multialternative, and Tactical Allocation. The strategy seeks moderate growth.

Ned Davis Research Dynamic Allocation Strategy

The Ned Davis Research Dynamic Allocation strategy trades 13 highly liquid exchange-traded funds ("ETFs") based on an objective, weight-of-the-evidence model designed to minimize drawdowns. The model portfolio can make allocations to six equity ETFs, six fixed income ETFs, as well as a cash ETF.

Peak Capital Management Dynamic Risk Hedged - U.S. Growth Strategy

The Peak Capital Management Dynamic Risk Hedged - U.S. Growth Strategy is a U.S. diversified strategy pursuing long-term growth of capital. The primary objective of this strategy is long-term capital appreciation through investment in U.S. equities and Treasuries. The investment process consists of choosing six to

ten of the best-in-class exchange-traded funds (ETFs) through an evaluation of costs, liquidity, and index methodology.

In this strategy, risk is allocated across the five known persistent factors that drive equity market returns: momentum, low volatility, quality, size, and value. The allocation to each factor is determined daily according to a strategic risk budget for each constituent. The strategy maintains a minimum level of diversification and implements hedges where necessary.

3EDGE Asset Management – 3EDGE Total Return Strategy

The 3EDGE Total Return Strategy (“the TR Strategy”) is a globally diversified, multi-asset portfolio, invested across a wide variety of asset classes and geographies. Investment exposure is achieved primarily through the use of index ETFs. The investment objective is to generate long-term capital appreciation and attractive risk-adjusted returns over full market cycles. The TR Strategy may be appropriate for investors who are more focused on longer-term capital appreciation and have a time horizon of more than three years, at least for this component of an investor’s overall liquid assets.

Private Investment Opportunities

For certain types of private investments offered by or available through Registrant, investors must generally satisfy certain investor sophistication requirements, including that the client qualifies as an “accredited investor” under Rule 501(a) of Regulation D under the Securities Act of 1933, as amended, or a “qualified purchaser” within the meaning of section 2(a)(51) of the Investment Company Act of 1940, as amended.

*From time to time, Registrant, on a non-discretionary basis, may recommend that qualified clients (as discussed above) consider allocating a portion of their investment portfolio to a private or non-registered investment. Any allocation of a client’s investment portfolio to a private investment, **which is solely at the discretion of the client**, will be subject to the terms, fees, and conditions set forth in the client’s investment advisory agreement. Prior to any investment, a representative of Registrant will explain any and all fees, charges, or other compensation associated with the investment. Assets or funds allocated to a private investment by a managed account client will only be subject to asset-based investment advisory fees (see fee discussion below in Item 5) and not subject to any transaction-based fees or commissions.*

Affiliated Private Funds. From time to time, Registrant, on a non-discretionary basis, may recommend that qualified clients consider allocating a portion of their investment portfolio and assets to a private investment opportunity (e.g., private fund or pooled investment) that is affiliated with Registrant. Generally, the affiliation is due to one of Registrant’s minority owner and his association with

these private investments. Specifically, in some instances, the minority owner is also an investor in the fund and/or the minority owner has an equity interest in one of the holdings/investments of the private fund. (As such, a **conflict of interest** exists, which is discussed below.) The terms and conditions for participation in any private investment are set forth in the offering or subscription documents (addressing fees, including fees payable, incentive compensation, conflicts of interest, risk factors, and liquidity constraints), which each client will receive prior to becoming an investor, and correspondingly shall complete and submit a Subscription Agreement to the general partner in order to demonstrate qualification for, and acceptance of the risks associated with, the investment. Registrant's clients are under no obligation whatsoever to consider or make an investment in such private investment fund(s).

Please Note: Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may own, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

Please Also Note: Conflicts of Interest. Due to the association and relationship of one of Registrant's minority owners to certain private investment opportunities, Registrant has a **conflict of interest** in offering such investments to qualified clients. Registrant shall disclose this **conflict of interest** to any prospective investor. **No client or prospective client is under any obligation whatsoever to invest in these private investment opportunities.**

Additionally, because Registrant and/or its Investment Adviser Representatives and affiliates can earn compensation from an affiliated private fund (both management fees and/or incentive compensation) that will generally exceed the fee that Registrant would earn under its standard asset-based fee schedule referenced in Item 5 below, the recommendation that a qualified client become a fund investor presents a **conflict of interest**. Given the **conflict of interest**, Registrant advises that clients consider seeking advice from independent professionals (i.e., attorney, accountant, adviser, etc.) of their choosing prior to becoming a fund investor. **No client is under any obligation whatsoever to become a fund investor.** **ANY QUESTIONS: Registrant's Founder and CEO, Stephen Blumenthal, is available to address any questions regarding this conflict of interest.**

Unaffiliated Private Investment Funds. From time to time, Registrant also provides investment advice or recommendations of certain unaffiliated private

investment funds. Registrant, on a non-discretionary basis, may recommend that certain qualified clients consider an investment in unaffiliated private investment funds. Registrant's clients or prospective clients are under no obligation whatsoever to consider or make an investment in a private investment fund(s).

Conflict of Interest. Certain unaffiliated private investment funds, such as Vantage Multi-Strategy Fund L.P., may allocate fund assets to private companies in which equity is also held by an owner/equity investor in Registrant, thus creating a **conflict of interest**. Given the **conflict of interest**, Registrant advises that clients consider seeking advice from independent professionals (i.e., attorney, accountant, adviser, etc.) of their choosing prior to becoming a fund investor. **No client is under any obligation whatsoever to become a fund investor. ANY QUESTIONS: Registrant's Founder and CEO, Stephen Blumenthal, is available to address any questions regarding this conflict of interest.**

Please Note: Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may own, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund and acknowledges and accepts the various risk factors that are associated with such an investment.

Direct Investments. From time to time, Registrant, on a non-discretionary basis, may recommend qualified clients consider making a direct investment in companies sourced by Registrant through its relationships in the industry including fund sponsors, management teams, and intermediaries. Important investment criteria for Direct Investments include projected returns, the attractiveness of the industry, the company's relative position in its industry, valuation, quality and depth of the management team, type of security issued and alignment of interests. Registrant will also consider the company's business description, industry analysis, the legal terms of the transaction and features of the security being issued, management, financial analysis, and legal, environmental and other contingent liability analysis.

Please Note: Direct Investments involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each company's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may own, Direct Investments do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the investment and

acknowledges and accepts the various risk factors that are associated with such an investment.

Conflict of Interest. Because Registrant and/or its Investment Adviser Representatives and affiliates can earn compensation from a Direct Investment (both management fees and/or incentive compensation) that will generally exceed the fee that Registrant would earn under its standard asset-based fee schedule referenced in Item 5 below, the recommendation that a qualified client become an investor presents a **conflict of interest**. Given the **conflict of interest**, Registrant advises that clients consider seeking advice from independent professionals (i.e., attorney, accountant, adviser, etc.) of their choosing prior to becoming an investor in a Direct Investment. **No client or prospective client is under any obligation whatsoever to become an investor in a Direct Investment.**

ANY QUESTIONS: Registrant's Founder and CEO, Stephen Blumenthal, is available to address any questions regarding this conflict of interest.

Please Also Note: Valuation. In the event that Registrant references private investment funds owned by the client on any supplemental account reports prepared by Registrant, the value(s) for all private investment funds owned by the client shall reflect the most recent valuation provided by the fund sponsor. However, if subsequent to purchase, the fund has not provided an updated valuation, the valuation shall reflect the initial purchase price. If subsequent to purchase, the fund provides an updated valuation, then the statement will reflect that updated value. The updated value will continue to be reflected on the report until the fund provides a further updated value. **Please Also Note:** As result of the valuation process, if the valuation reflects initial purchase price or an updated value subsequent to purchase price, the current value(s) of an investor's fund holding(s) could be significantly more or less than the value reflected on the report. Unless otherwise indicated, the client's advisory fee shall be based upon the value reflected on the report.

Please Note: Conflict of Interest. Registrant may introduce clients to private funds that are affiliated with a minority shareholder in Registrant and/or referral sources, thereby creating a **conflict of interest** relative to Registrant's introduction of the fund. Registrant has an **economic incentive** to introduce the fund to the client (i.e., as result of the introduction, Registrant will assist an existing: (a) client from whom it currently earns, and anticipates it will continue to earn, investment advisory fees; and/or (b) referral source from whom its anticipates that it will receive future introductions). Given the **conflict of interest**, Registrant advises that clients consider seeking advice from independent professionals (i.e., attorney, accountant, adviser, etc.) of their choosing prior to becoming a Fund investor. **No client is under any obligation whatsoever to become an investor in a Direct Investment or private investment.**

ANY QUESTIONS: Registrant's Founder and CEO, Stephen Blumenthal, is available to address any questions regarding this conflict of interest.

Syntax Exchange-Traded Funds. Registrant will recommend that clients invest in one or more exchange-traded funds ("ETFs") sponsored by Syntax, LLC or advised by its affiliate, Syntax Advisors, LLC (each a "Syntax ETF"). Rory Riggs is the founder and CEO of Syntax Advisors, LLC and is also a minority owner of Registrant, as well as member of the general partner of Registrant's affiliated private funds referenced above. Because Syntax, LLC, Syntax Advisors, LLC, and Mr. Riggs stand to earn compensation from the Syntax ETFs, the Registrant's investment into the Syntax ETFs presents a conflict of interest. The decision to invest in or recommend a Syntax ETF for a client will be made when the Registrant believes that the client will benefit from the investment objective and strategy of a Syntax ETF. Investment in a Syntax ETF is not subject to the same investment process used by the Registrant in formulating its other investment advice. In recommending a Syntax ETF, the Registrant will not consider other comparable investments or investment products, which may perform better (or worse) and may be less expensive (or more expensive). The Registrant does not receive any compensation from Syntax for using the Syntax ETFs, but an owner of the Registrant stands to benefit from investment in the Syntax ETFs and will be incentivized to contribute additional capital to the Registrant. The Registrant seeks to comply with the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code as it relates to recommendations to invest in a Syntax ETF. **A client can notify the Registrant, in writing, that it does not want to invest in a Syntax ETF or request a reallocation to another ETF or investment strategy at any time. ANY QUESTIONS: Registrant's Founder and CEO, Stephen Blumenthal, is available to address any questions regarding this conflict of interest.**

MISCELLANEOUS DISCLOSURES

Limitations of Financial Planning and Non-Investment Consulting/Implementation Services. Registrant offers certain financial planning services to separate account or retail clients. Registrant does not, however, offer or hold itself out as offering or providing legal, tax, estate planning, or accounting services. Registrant does not serve as an attorney, accountant, tax advisor or preparer, or insurance agency, and no portion of our services should be viewed as legal, accounting, tax or insurance implementation services. Accordingly, we do not prepare estate planning documents, tax returns or sell insurance products. To the extent requested by a client, we may recommend the services of other professionals for certain non-investment implementation purpose. You are under no obligation to engage the services of any recommended professional. The client retains absolute discretion over all implementation decisions and is free to accept or reject any recommendation that we make. If the client engages any unaffiliated recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

Variable Annuity and Insurance Products. Registrant or its licensed, associated persons can offer and sell insurance products on a commission basis. Additionally, Registrant provides management services to clients owning variable annuity or life insurance products. From time to time, Registrant may recommend no-load variable annuities from Nationwide Advisory Solutions (formerly Jefferson National) and Nationwide. In most instances, Registrant is not involved in the decision-making process on which product that the client should purchase, and the client generally makes this decision with their registered representative or the broker-dealer. In the event that the client purchased the variable annuity product from a registered representative of a broker-dealer that serves as a solicitor for Registrant, Registrant will pay that solicitor a referral fee (***See*** Disclosure at Item 14.B). After purchasing an insurance product, Registrant can be engaged by the client to manage proprietary investment strategies contained within the variable annuity product. Registrant's investment choices are limited to Registrant's investment strategies. Specifics regarding the annuity are found in the annuity prospectus and application documents. The client should review the prospectus carefully before investing.

Portfolio Activity. Registrant has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Registrant will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, market conditions, investment performance, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Registrant determines that changes to a client's portfolio are neither necessary nor prudent. Registrant's advisory fee remains payable during periods of account inactivity.

Interval Funds. From time to time, Registrant can recommend that a client allocate a portion of her portfolio to an interval fund, depending upon suitability, risk profile and tolerance, investment time horizon, etc. An interval fund is a type of investment company that periodically offers to repurchase its shares from shareholders. Shareholders are not required to accept these offers and sell their shares back to the fund. Interval funds are legally classified as closed-end funds, but they are different from traditional closed-end funds in that their shares typically do not trade on the secondary market. Instead, their shares are subject to periodic repurchase offers by the fund at a price based on net asset value.

Please Note: These types of investment programs or funds are speculative and entail substantial risks. Additionally, shares of an interval fund are an illiquid investment. That means you may not have access to the money you invest for an indefinite period of time. Further, there can be no assurance that a fund's investment objectives will be achieved or that its investment program will be successful. You should consider these funds as a supplement to an overall investment program and you should invest only if you are willing to undertake the risks involved. You could lose some or all of your investment. You are strongly advised to thoroughly review a fund's prospectus and other documentation prior to making any investment.

Platform Services. As referenced above, Registrant offers its management services to clients, investors, and other third-party investment advisers through various investment platforms including, but not limited to, Axos Advisor Services (formerly E*TRADE Advisor Services), Envestnet, and Orion Portfolio Services. In certain instances, an unaffiliated third-party solicitor, investment adviser, or registered representative of a broker-dealer will introduce Registrant to the investor and will charge separate fees to the investor. In some cases, the total fee charged to the investor may be less (or more) than Registrant would charge its clients. In addition, Registrant will generally be unable to negotiate commissions and/or transaction costs when providing services through these investment platforms. The investment platform will determine the broker-dealer where transactions must be effected and the amount of transaction fees and/or commissions to be charged to the participant investor accounts. When Registrant provides services through a platform, the other adviser or the investor maintains the responsibility for determining whether the initial and ongoing use of Registrant's investment strategies are suitable and appropriate, and any third-party adviser is responsible for communicating with the client. Registrant's Chief Compliance Officer, Todd Silbergeld, is available to address any questions concerning Registrant's investment management services and fees.

Sub-Advisory Arrangements – Registrant uses Third-Party Adviser.

Registrant maintains discretionary authority to allocate a portion of client assets to unaffiliated SEC registered investment advisers, where the unaffiliated adviser, as a sub-adviser, maintains day-to-day discretionary management responsibility for the allocated assets. Registrant monitors the client assets allocated to these advisers on an ongoing and continuous basis. Registrant compensates these advisers with a portion of the advisory fee paid by the client to Registrant per the fee schedule at Item 5 below. Registrant's client does not pay a higher advisory fee as result of the sub-advisory arrangement. Registrant's Chief Compliance Officer, Todd Silbergeld, is available to address any questions concerning Registrant's sub-advisory arrangements.

Research Signal Provider or Model Provider Arrangements. Registrant maintains research signal provider and model provider agreements with unaffiliated investment advisers whereby the unaffiliated investment adviser provides signals (i.e., trades in specific securities) or model portfolios to Registrant. Registrant then executes the specified trades on behalf of clients through its execution partners.

Greenrock Research, Inc. – Conflicts of Interest: Registrant and Greenrock Research, Inc., an investment adviser registered with the SEC, entered into a research signal provider agreement in 2019. M. Kevin Malone is the founder and principal of Greenrock Research. Mr. Malone is a member of the advisory board of 3EDGE Asset Management. Mr. Malone does not receive any compensation for this advisory board position. 3EDGE Asset Management is a model portfolio provider to Registrant for the CMG Mauldin Core Fund. Additionally, Registrant currently offers one of 3EDGE's strategies in a managed account. Allocations by Registrant to any 3EDGE strategies presents a conflict of interest due to Mr.

Malone's association as an advisory board member to 3EDGE. **A client can request a reallocation to another investment strategy if the client does not want to invest in a 3EDGE or Greenrock Research strategy. Such requests must be submitted to Registrant in writing.**

Ned Davis Research, Inc. – Conflicts of Interest: Registrant and Ned Davis Research, Inc. ("NDR"), an investment adviser registered with the SEC, entered into a signal provider agreement in 2020. Under this agreement, NDR provides signals or outputs from its NDR Dynamic Allocation Strategy to Registrant. Registrant pays compensation to NDR for the investment signals. **A client can request a reallocation to another investment strategy if the client does not want to invest in a Ned Davis Research strategy. Such requests must be submitted to Registrant in writing.**

Additionally, as disclosed above, Registrant and NDR have co-licensed the Ned Davis Research CMG US Large Cap Long/Flat Index to VanEck for use in an ETF. Registrant and NDR share any license compensation received from VanEck.

Registrant is also a client of NDR's investment research services, including custom research services and pays to NDR subscription fees for these services. Registrant uses soft dollars to pay NDR for these investment research services. Registrant has determined that these services are eligible soft dollar arrangements under Section 28(e) of the Securities Exchange Act of 1934.

Sub-Advisory Arrangements – Registrant is Engaged by Third-Party Adviser: Registrant may also serve as a sub-adviser to unaffiliated registered investment advisers per the terms and conditions of a written Sub-Advisory Agreement. With respect to its sub-advisory services, the unaffiliated investment advisers that engage Registrant maintain both the initial and ongoing day-to-day relationship with the underlying investor, including initial and ongoing determination of suitability for Registrant's designated investment strategies, and ongoing client communication. If Registrant is directed to effect account transactions through a specific broker-dealer/custodian Registrant will be unable to negotiate commissions and/or transaction costs, and/or seek better execution. As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case through alternative brokerage/custody arrangements. Higher transaction costs adversely impact account performance.

Axos Advisor Services (formerly E*TRADE Advisor Services): Clients that use Axos Advisor Services (“Axos”) as custodian pay Axos an asset-based custody fee on a quarterly basis. Registrant does not receive any portion of Axos’ custody fee.

Axos Custody Fees	Fee Level
Subject to a minimum fee of \$12.50/quarter	
Asset Levels:	
From \$0 to \$499,999	0.15%
From \$500,000 to \$999,999	0.10%
From \$1,000,000 to \$1,999,999	0.03%
\$2,000,000 and above	0.01%

Clients can also access third-party money managers’ strategies via Axos’ Money Manager X-Change (“MMX”) platform. Axos charges Registrant a 0.10% fee on the portion of account assets in a strategy on the MMX platform. In the event that Registrant purchases a mutual fund for the client’s account that pays Axos a rule 12b-1 fee (an annual marketing or distribution fee), the amount of the rule 12b-1 fee is used by Axos to offset custody fees. **Registrant does not receive any portion of the rule 12b-1 fee.** Registrant’s Chief Compliance Officer, Todd Silbergeld, remains available to address any questions that a client or prospective client may have regarding rule 12b-1 fees.

CompleteView is an account aggregation tool provided by Axos and is available to clients of Registrant. CompleteView aggregation reporting services can incorporate all of the client’s investment assets, including those investment assets that are not part of the assets managed by Registrant (the “Excluded Assets”). The client and/or his/her other advisors that maintain trading authority, and not Registrant, shall be exclusively responsible for the investment performance of the Excluded Assets. Registrant does not maintain any trading authority for the Excluded Assets. Rather, the client and/or the client’s designated other investment professional(s) maintain supervision, monitoring and trading authority for the Excluded Assets. A description of the CompleteView offering is set forth in various CompleteView user documents, none of which have been prepared by Registrant. The client is under absolutely no obligation to utilize CompleteView.

Retirement Rollovers -- Conflict of Interest: A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer’s plan, if permitted, (ii) roll over the assets to the new employer’s plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account (“IRA”), or (iv) cash out the account value (which could, depending upon the client’s age, result in adverse tax consequences). If Registrant recommends that a client roll over their retirement plan assets into an account to be managed by Registrant, such a recommendation creates a conflict of interest if Registrant will earn an advisory fee on the rolled over assets. No client is under any obligation to roll over retirement plan assets to an account managed by Registrant. Registrant’s Chief Compliance Officer, Todd Silbergeld, is available to address any

questions that a client or prospective client may have regarding the conflict of interest presented by a rollover recommendation.

Introduction from Primary Investment Professional/Solicitors: Registrant provides investment management services to investors who are introduced to Registrant through the investor's primary investment professional. When introduced by a solicitor, the investor will be required to acknowledge and agree that the investment professional serves as the investor's primary investment professional and is responsible for assisting in determining the initial and ongoing suitability of Registrant's investment strategies. In these relationships, Registrant does not have any investor interaction and manages the investor's assets consistent with any selected investment strategy. Registrant will rely on any direction, notice, or instruction that it receives from the investment professional or the investor until it has been notified in writing of any changes. Registrant has no liability or legal responsibility to the investor for the failure of the investment professional to timely provide notices or instructions to Registrant. When introduced by a solicitor, Registrant is permitted to share account-related information with the investment professional until the client notifies Registrant, in writing, to the contrary. If Registrant is directed to effect account transactions through a specific broker-dealer/custodian, Registrant will be unable to negotiate commissions and/or transaction costs, and/or seek better execution. As a result, the client may pay higher commissions and transaction costs, be subject to greater spreads, and as a result receive less favorable pricing than if Registrant were responsible for selecting broker-dealers. These additional costs and expenses adversely impact account performance. When introduced by a solicitor, an investor may pay a higher combined advisory fee than the fee referenced in its fee schedule at Item 5 below. *Please see* additional disclosure at Item 14 below.

Tradeaway/Prime Broker Fees: When beneficial to the client, individual equity and/or fixed income transactions may be effected through broker-dealers other than the account custodian, in which event, the client generally will incur the fee (commission, mark-up/mark-down) charged by the executing broker-dealer and, potentially, a separate "tradeaway" and/or prime broker fee charged by the account custodian.

Client Obligations: Registrant will not be required to verify any information received from the client or from the client's other professionals and is expressly authorized to rely on the information in its possession. Clients are responsible for promptly notifying Registrant if there is ever any change in their financial situation or investment objectives so that Registrant can review, and if necessary, revise its previous recommendations or services.

Disclosure Statement: A copy of Registrant's written Brochure as set forth on Part 2A of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the *Investment Advisory Agreement*.

- D. Registrant does not participate in a wrap fee program.

- E. As of September 30, 2021, Registrant had \$196.3 million in regulatory assets under management (“AUM”) on a discretionary basis and provides investment consulting services for \$23.8 million in assets. In sum, Registrant consults on investment management relationships consisting of approximately \$220.1 million in assets.

Item 5 Fees and Compensation

- A. The client can determine to engage Registrant to provide discretionary investment advisory services on a fee-only basis.

Registrant, in its sole discretion, may charge a lower investment advisory fee based upon certain criteria (e.g., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, competition, type of client, negotiations with solicitor, negotiations with client, etc.). Accordingly:

- Certain clients are grandfathered under (i.e., subject to) Registrant’s prior fee schedules;
- As result of negotiation and competition, fees payable by institutional clients are generally less than those paid by non-institutional clients. In addition, per institutional client directive, the strategies managed for institutional clients may deviate from similar strategies managed for non-institutional clients;
- A number of Registrant’s clients have been introduced to Registrant by unaffiliated solicitors (i.e., broker-dealers and third-party investment advisers). Registrant pays a portion of the advisory fee payable by the introduced client to the solicitor as a solicitation or referral fee (see disclosure at Item 14 below). The advisory fee payable by the client will generally vary based upon the solicitor. However, Registrant’s portion of the advisory fee will generally remain constant, and in limited events, is subject to decrease.

In its discretion, Registrant may negotiate the amount and calculation of the investment advisory fee and any other fees charged by Registrant based on a number of factors, including the type and size of the account, anticipated level of trading activity, services provided to the account, historical factors, and the scope of the client’s relationship with Registrant. In addition, Registrant’s negotiation of fees is generally subject to certain internal guidelines based on the total value of assets invested, or expected to be invested, by the client across Registrant’s various investment advisory programs.

Fees charged to a client may be higher or lower than the fee Registrant charges other clients in this or in its other investment advisory programs, and/or the cost of similar services offered through other financial firms.

As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees.

For Asset Management/Platform Services, Registrant requires each investment advisor client to maintain a minimum asset level of \$5 million on the CMG Platform. In limited circumstances, Registrant has the discretion to waive the minimum asset level requirement.

Registrant's Chief Compliance Officer, Todd Silbergeld, is available to address any questions that a client or prospective client may have regarding advisory fees.

INVESTMENT ADVISORY SERVICES

If a client determines to engage Registrant to provide discretionary investment advisory services on a fee-only basis, annual investment advisory fees shall be as follows:

Private Wealth Group (Retail)

AUM Levels	Retail Fees	Mauldin Portfolios/CMG Mauldin Smart Core Fees*	CMG Traditional Asset Allocation Portfolios Fees**	Private Investments***
\$0 to \$250,000	2.25%	1.65%	1.00%	1.00%
\$250,000.01 to \$500,000.00	1.65%	1.65%	1.00%	1.00%
\$500,000.01 to \$1,000,000.00	1.25%	1.25%	1.00%	1.00%
\$1,000,000.01 to \$2,000,000.00	1.00%	1.00%	1.00%	1.00%
\$2,000,000.01 to \$5,000,000.00	0.75%	1.00%	0.75%	0.75%
\$5,000,000.01 and above	0.50%	1.00%	0.50%	0.50%

* The minimum investment in the CMG Mauldin Portfolios is \$250,000. The minimum investment in the CMG Mauldin Smart Core Strategy is \$50,000.

** The minimum investment in the CMG Traditional Asset Allocation Portfolios is \$15,000.

*** Available only to Accredited Investors or Qualified Purchasers.

As discussed above in Item 4 (Advisory Business), through an arrangement with Greenrock Research, clients can access investment strategies created, designed, or developed by other independent, third-party advisers or strategists. Clients are required to invest a minimum of \$25,000 in a third-party strategy. Following are the additional fees associated with each strategy. Please note that the fees below are in addition to the investment advisory fees detailed above.

Third-Party Strategy	Fee
Ned Davis Research Dynamic Allocation Strategy	0.40%
Peak Capital Mgmt Dynamic Risk Hedged U.S. Growth Strategy	0.40%
Greenrock Research – High and Growing Dividend Stock Strategy	0.50%
Greenrock Research – Mid-Stream Pipeline MLP Strategy	0.50%
3EDGE Asset Management – Total Return Strategy	0.50%
Kingsland Transformational Growth Strategy	0.50%
Gould Small Cap Growth Strategy	0.50%
ARK Investment Disruptive Technology Platform	0.60%

The CMG Large Cap Long/Flat Strategy is designed to provide relative outperformance to the S&P 500 Index over a complete market cycle. The Strategy is available through one of our qualified custodians, such as Axos. **Please note that an investor can access the Strategy on his/her own from other providers at a lower cost, independent of the investor’s engagement of Registrant. In such event, the Strategy would not be part of Registrant’s ongoing investment advisory services to the investor.**

Registrant’s CEO, Stephen Blumenthal, is available to address any questions regarding the above, including the ability to access the CMG Large Cap Long/Flat Strategy at a lower cost independent of the investor’s engagement of CMG.

Registrant and Ned Davis Research (“NDR”) have co-licensed the Ned Davis Research CMG US Large Cap Long/Flat Index to VanEck for use in an ETF. The VanEck Vectors® NDR CMG Long/Flat Allocation ETF (NYSE: LFEQ) seeks to replicate as closely as possible, before fees and expenses, the price and yield performance of the Ned Davis Research CMG US Large Cap Long/Flat Index. Shares of LFEQ are listed on the New York Stock Exchange and may also be bought and sold on the secondary market through a broker. In most cases, investors will incur customary brokerage commissions and charges and may pay some or all of the spread between the bid and the offered price in the secondary market on each leg of a round trip (purchase and sale) transaction. VanEck Vectors ETF shares will trade at prices that may differ to varying degrees from the closing net asset values of the shares.

CMG Asset Management/Platform Services

There are two types of fees incurred for Registrant's Asset Management/Platform Services: CMG Platform Fees and CMG Product Fees. CMG Platform Fees are assessed for administrative and operational services provided by CMG. These fees are tiered and generally range between 0.08% and 0.30%, depending upon asset levels on the CMG Platform. CMG Product Fees are imposed on assets invested by advisers in CMG proprietary investment strategies, models, or portfolios, and these fees are tiered and generally range between 0.15% and 0.40%, depending upon asset levels invested. Registrant requires each third-party investment adviser client to maintain a minimum asset level of \$5 million on the CMG Platform.

For accounts of assets with market values less than \$250,000, the annual investment management fee is 2.25%. For accounts of assets with market values in excess of \$250,000 but less than \$500,000, the annual investment management fee is 1.95%.

Continued on next page.

Fee Type	Description	Fee Level
CMG Platform Fee	Administrative and operational charges	
From	To	%
\$0.00	\$50,000.00	0.30%
\$50,000.01	\$100,000.00	0.25%
\$100,000.01	\$500,000.00	0.20%
\$500,000.01	\$1,000,000.00	0.15%
\$1,000,000.01	\$5,000,000.00	0.10%
	\$5,000,000.01 and Over	0.08%
CMG Product Fees	Fees for CMG investment strategies, models or portfolios	
	CMG Tactical Strategies	
From	To	%
\$0.00	\$50,000.00	0.40%
\$50,000.01	\$100,000.00	0.35%
\$100,000.01	\$500,000.00	0.30%
\$500,000.01	\$1,000,000.00	0.25%
\$1,000,000.01	\$5,000,000.00	0.20%
	\$5,000,000.01 and Over	0.18%
	CMG Traditional Asset Allocation Portfolios	0.15%
	CMG Mauldin Smart Core Strategy	1.65%*
Adviser Fees	Third-party investment adviser fees for investment advisory services. Subject to Adviser discretion.	~100 bps
Advisor Directed Assets	The CMG Platform Fee schedule will apply to all Advisor directed assets. The Adviser fees will also apply to the client account. CMG's product fee will not apply to Adviser directed assets.	See Platform Fee Schedule Above
Legacy Assets	Legacy assets held in client accounts will be assessed a CMG legacy asset fee. The Adviser fees will not apply to the client account. CMG's product fee will not apply to Legacy assets.	0.10%
Enhanced Cash Management	The CMG Platform Fee Schedule will apply. The Adviser fees will also apply to the client account. CMG's product fee will not apply.	See Platform Fee Schedule Above
E*TRADE Fees	Custody Fees – subject to a minimum fee of \$12.50/quarter	
	From \$0 to \$499,999	0.15%
	From \$500,000 to \$999,999	0.10%
	From \$1,000,000 to \$1,999,999	0.03%
	\$2,000,000 and above	0.01%

For accounts that Registrant manages an investment strategy, model or portfolio (each a “CMG Product”), Registrant will reduce or waive the Fee to the extent necessary to comply with the requirements of ERISA (the “CMG Product Waiver”). The CMG Product Waiver will cause (i) Registrant to waive the CMG Product Fee for assets invested in any affiliated mutual fund or ETF, or (ii) Registrant to reduce the CMG Product Fee with respect to each Client account by the amount of investment advisory fees, if any, received by Registrant from any affiliated mutual fund or ETF received by Registrant or its affiliates. Accounts not subject to ERISA are not entitled to the CMG Product Waiver.

Fees for platform services are payable on a quarterly basis, in arrears, based upon the average daily balance of the account over the entire quarter. CMG Platform Fees do not include custodial fees or certain fees or charges imposed by third parties including, but not limited to, custodial fees, mutual fund fees, commissions,

transaction fees and expenses. For mutual fund and ETF investments, clients are charged internal management fees, distribution fees and other expenses, which are described in each fund's respective prospectus.

- B. Registrant's advisory fees are deducted from clients' custodial accounts. Both Registrant's *Investment Advisory Agreement* and the custodial/clearing agreement authorize the custodian to debit the account for the amount of Registrant's investment advisory fee and to directly remit that advisory/management fee to Registrant in compliance with regulatory procedures. In the limited event that Registrant bills the client directly, payment is due upon receipt of Registrant's invoice. Unless otherwise indicated in the *Investment Advisory Agreement* between Registrant and the client, Registrant shall deduct fees and/or bill clients quarterly in arrears, based upon the average daily market value of the assets during the previous quarter.
- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, Registrant generally uses Axos, TD Ameritrade, Orion Portfolio Solutions or Charles Schwab & Co., Inc. ("*Schwab*"), or the specific mutual fund or insurance company that issued the mutual fund or variable life/annuity product, as the broker-dealer/custodian for client assets. Broker-dealers may charge broker-dealer/custodian custody fees, brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain mutual funds, commissions are charged for individual equity transactions, and mark-ups and mark-downs are charged for fixed income transactions). In addition, client accounts may invest in mutual funds (including money market funds) and ETFs that have various internal fees and expenses (i.e., management fees), which are paid by these funds but ultimately borne by clients as a fund shareholder. These internal fees and expenses are in addition to the fees charged by Registrant.

Accredited Investors or Qualified Purchasers that invest in private investments (such as private funds or Direct Investments in private companies) will be charged a technology fee for account aggregation by Orion. Currently, the technology fee is less than \$70 per year per account.

- D. Registrant's annual investment advisory fee shall be prorated and paid quarterly, in arrears, based upon the average daily market value of the assets during the previous quarter for most custodial platforms. Registrant generally requires a minimum investment of \$25,000 per account. As indicated above, Registrant, in its sole discretion, may charge a lower investment management fee and/or reduce or waive its minimum investment requirement based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

The *Investment Advisory Agreement* between Registrant and the client will continue

in effect until terminated by either party by written notice in accordance with the terms of the *Investment Advisory Agreement*. Upon termination, Registrant's investment advisory/management fee shall be pro-rated through the date of termination and debited from the client account. Fee refunds will be determined on a pro-rata basis and refunds calculated to be less than \$15 generally will not be processed or paid due to the administrative costs and operational burdens of processing them. Clients and investors should be guided accordingly and terminate their agreements on a quarter-end to avoid forfeiting any potential refund.

- E. Unless otherwise disclosed herein, neither Registrant nor its representatives accept compensation from the sale of securities or other investment products.

Item 6 Performance-Based Fees and Side-by-Side Management

On occasion, Registrant charges advisory clients a performance-based management fee, as opposed to an asset-based management fee. Registrant negotiates the terms of these performance-based arrangements on a case-by-case basis and includes such terms in the investment management agreement it enters into with the applicable advisory clients. Registrant only charges performance fees to those advisory clients who are "qualified clients," as defined under the Investment Advisers Act of 1940, as amended.

A **conflict of interest** exists because Registrant generally charges advisory clients an asset-based fee for the advisory services it provides, but, in some cases, it charges certain advisory clients performance-based management fees. For those clients to whom Registrant has agreed to charge performance-based fees, it has an incentive to favor those client accounts so they perform better and, in turn, it receives a greater amount of fees. Registrant also has an incentive to offer investments that it believes will be more profitable than others to accounts that we charge performance-based fees.

Where Registrant charges performance-based fees on certain advisory client accounts, those accounts are invested in one or more of Registrant's proprietary investment strategies and are treated like other advisory client accounts invested in the same strategy. Registrant's Chief Compliance Officer, Todd Silbergeld, is available to address any questions regarding this conflict of interest.

Item 7 Types of Clients

Registrant's clients shall generally include individuals, pension and profit sharing plans, trusts, estates and charitable organizations. Registrant generally requires a minimum investment of \$25,000 per account. Registrant, in its sole discretion, may charge a lower investment management fee and/or reduce or waive its minimum investment requirement based upon certain criteria (e.g., anticipated future earning

capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

- A. **Investing in investment strategies involves risk of loss that clients should be prepared to bear.** The investment performance and success of any particular investment cannot be predicted or guaranteed, and the value of a client's investments will fluctuate due to market conditions and other factors. Investments are subject to various risks, including, but not limited to, market, liquidity, currency, economic, and political risks, and will not necessarily be profitable. Certain investments are not suitable for all clients due to their specific risk tolerance. Clients are advised to discuss their specific risk profile with their financial adviser or representative. **Past performance of investments is not indicative of future performance.** Investors should review disclosures above in Item 4 about the Registrant's process for recommending the Syntax ETFs.

Registrant may utilize the following methods of security analysis:

- Charting - analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices
- Fundamental - analysis performed on historical and present data, with the goal of making financial forecasts
- Technical – analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices
- Cyclical –analysis performed on historical relationships between price and market trends, to forecast the direction of prices

Registrant may utilize the following investment strategies when implementing investment advice given to clients:

- Long-Term Purchases (securities held at least a year)
- Short-Term Purchases (securities sold within a year)
- Trading (securities sold within thirty (30) days)
- Margin Transactions (use of borrowed assets to purchase financial instruments)
- Options (contract for the purchase or sale of a security at a predetermined price during a specific period of time)
- Futures (A financial contract obligating the buyer to purchase an asset (or the seller to sell an asset), such as a physical commodity or a financial instrument/index at a predetermined future date and price.)

Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Registrant) will be profitable or equal any specific performance level(s).

B. Registrant's methods of analysis do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis, Registrant must have access to current/new market information. Registrant has no control over the dissemination rate of market information; therefore, unbeknownst to Registrant, certain analyses may be compiled with outdated market information, severely limiting the value of Registrant's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Registrant's primary investment strategies – Long-Term Purchases, Short-Term Purchases, and Trading -- are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer-term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter-term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer-term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period, involves a very short investment time period but will incur higher transaction costs when compared to a short-term investment strategy and substantially higher transaction costs than a longer-term investment strategy.

In addition to the fundamental investment strategies discussed above, Registrant may also use the following investments or investment strategies: margin, hedging strategies, futures, options, non-US securities and short and inverse market strategies. Each of these strategies has material risks. Each of these investments and their associated risks is described below. In addition, certain of Registrant's investment strategies involve idle assets and turnover risk, which are described below.

Margin. Margin is an investment strategy with a high level of inherent risk. A margin transaction occurs when an investor uses borrowed assets to purchase financial instruments. The investor generally obtains the borrowed assets by using other securities as collateral for the borrowed sum. The effect of purchasing a security using margin is to magnify any gains or losses sustained by the purchase of the financial instruments on margin. **Please Note:** To the extent that a client authorizes the use of margin, and margin is thereafter employed by Registrant in the management of the client's investment portfolio, the market value of the client's account and corresponding fee payable by the client to Registrant may be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the potential *conflict of interest* whereby the client's decision to employ margin *may*

correspondingly increase the management fee payable to Registrant. Accordingly, the decision as to whether to employ margin is left totally to the discretion of the client.

Options. The use of options transactions as an investment strategy involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by Registrant shall be with the intent of offsetting or “hedging” a potential market risk in a client’s portfolio. Although the intent of the options-related transactions that may be implemented by Registrant is to hedge against principal risk, certain of the options-related strategies (i.e., straddles, short positions, etc.), may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, client may direct Registrant, in writing, not to employ any or all such strategies for his/her/their/its accounts.

Futures (Derivatives). Investments in derivative instruments, such as futures contracts or forward contracts, require a high degree of leverage, meaning the overall contract value (and, accordingly, the potential for profits or losses in that value) is much greater than the modest deposit used to enter into the derivative contract. Derivative securities can also be highly volatile. The prices of derivative instruments and the investment underlying the derivative instruments may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the client or Registrant. Further, to the extent that transactions in derivative instruments are not undertaken on recognized exchanges, they will expose the client’s account to greater risks than regulated exchange transactions that provide greater liquidity and more accurate valuation of securities.

Hedging. There can be no assurance that a particular hedge is appropriate, or that certain risk is measured properly. Further, while Registrant may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk for the underlying investment portfolios than if Registrant did not engage in any such hedging transactions.

Non-U.S. Securities. Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies, withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors

can make foreign investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market.

Short and Inverse Market Strategies. On occasion, certain of Registrant's strategies, including the CMG Managed High Yield Bond, CMG Managed High Yield ETF and CMG Managed High Yield Bond Annuity Programs, CMG Total Portfolio, CMG Mauldin Smart Core, Peak Capital Management Dynamic Risk Hedged - U.S. Growth Strategy, and the CMG Tactical All Asset Strategy, use inverse mutual funds and ETFs to effectively "short" the equity, treasury, and high-yield bond markets. Inverse mutual funds and ETFs are securities that attempt to replicate the opposite direction of the performance of an underlying financial index, often at a multiple. These securities often use a combination of futures, swaps, short sales, and other derivatives to achieve these objectives. Most inverse-leveraged securities are designed to achieve these results on a daily basis only. This means that over periods longer than a trading day, the value of these securities can and usually does deviate from the performance of the index they are designed to track. Over longer periods of time or in situations of high volatility, these deviations can be substantial. There can be no assurance that any such security will be profitable or achieve its objective.

Idle Assets: At any time and for a substantial length of time we may hold a significant portion of a client's assets in cash or money market mutual funds. Investments in these assets may cause a client to miss out on upswings in the markets. Unless we expressly agree otherwise in writing, account assets consisting of cash and money market mutual funds are included in the value of an account's assets for purposes of calculating our advisory fees.

Turnover Risk: Certain of Registrant's strategies are tactical and can involve substantial shifting of assets among securities and cash. This will result in a taxable event for the client, unless the client is investing through a tax-deferred arrangement.

Private Investments and Direct Investments. As discussed in Item 4 above, from time to time, Registrant may, on a non-discretionary basis, offer access to certain affiliated and unaffiliated private investment opportunities and Direct Investments to qualified investors. All private investments and Direct Investments involve various significant risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency. Unlike liquid investments that a client may own, private investments and Direct Investments do not provide daily liquidity or pricing. Each prospective client investor will be required to complete an offering document (e.g., such as a Subscription Agreement), pursuant to which the client shall establish that he/she is qualified for investment in the investment, and acknowledges and accepts the various risk factors that are associated with such an investment.

Registrant's Chief Compliance Officer, Todd Silbergeld, is available to address any questions regarding this conflict of interest.

- C. Currently, Registrant primarily allocates client investment assets among various mutual fund/ETFs, equities and VITs (including inverse ETFs, mutual funds and/or VITs that are designed to perform in an inverse relationship to certain market indices) allocation strategies, on a discretionary basis in accordance with the client's designated investment objective(s).

Item 9 Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of the adviser or the integrity of the adviser's management. Neither Registrant nor any of its officers, directors, or other management persons, have been involved in any legal or disciplinary events in the past 10 years that would require disclosure in response to this Item.

Item 10 Other Financial Industry Activities and Affiliations

- A. (1) Stephen B. Blumenthal is a registered representative of Amera Securities, LLC, Member FINRA, SIPC (CRD# 36143). (2) John F. Mauldin (an independent contractor of Registrant) is president and general securities principal of Mauldin Securities, LLC (CRD# 128378), a broker-dealer regulated by FINRA. (3) Blake Edward Singer is a registered representative of Amera Securities, LLC, Member FINRA, SIPC (CRD# 36143). (4) Terrence P. Cunningham is a registered representative of Amera Securities, LLC, Member FINRA, SIPC (CRD# 36143).

Individuals who are also registered representatives of Amera Securities, LLC will receive compensation from Amera Securities in connection with private placements of unregistered securities.

Registrant leases an office to Amera Securities for compensation. The compensation is not material to Registrant.

- B. Neither Registrant, nor its management persons or representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. Registrant has established an insurance agency in Pennsylvania. The entity is called CMG Insurance Solutions, LLC ("CMG Insurance") and is registered with the Pennsylvania Insurance Department as an insurance producer. CMG Insurance will receive commissions from the sale of life insurance and variable annuity products.

As fully disclosed in Item 4 (Advisory Business) above, Registrant and/or its owners are affiliated with Vantage Consulting Group Inc., Vantage Multi-Strategy Fund L.P., and/or New Ventures Funds, LLC, a sponsor or manager of private investment funds. Registrant, on a non-discretionary basis, may recommend that qualified clients consider allocating a portion of their investment assets to New Ventures' funds. Because Registrant and/or its affiliates can earn compensation from an affiliated fund that will generally exceed the fee that Registrant would earn under its standard asset-based fee schedule referenced in Item 5, the recommendation that a qualified client become a fund investor presents a conflict of interest. Given the conflict of interest, Registrant advises that clients consider seeking advice from independent professionals (i.e., attorney, accountant, adviser, etc.) of their choosing prior to becoming a fund investor. **No client is under any obligation whatsoever to become a fund investor.**

As fully disclosed in Item 4 (Advisory Business) above, Registrant will recommend that clients invest in one or more ETFs sponsored by Syntax, LLC or advised by its affiliate, Syntax Advisors, LLC (each a "Syntax ETF"). Rory Riggs is the founder and CEO of Syntax Advisors, LLC and is also a minority owner of Registrant, as well as member of the general partner of Registrant's affiliated private funds referenced above. Because Syntax, LLC, Syntax Advisors, LLC, and Mr. Riggs stand to earn compensation from the Syntax ETFs, the Registrant's investment into the Syntax ETFs presents a conflict of interest. The decision to invest in or recommend a Syntax ETF for a client will be made when the Registrant believes that the client will benefit from the investment objective and strategy of a Syntax ETF. Investment in a Syntax ETF is not subject to the same investment process used by the Registrant in formulating its other investment advice. In recommending a Syntax ETF, the Registrant will not consider other comparable investments or investment products, which may perform better (or worse) and may be less expensive (or more expensive). The Registrant does not receive any compensation from Syntax for using the Syntax ETFs, but an owner of the Registrant stands to benefit from investment in the Syntax ETFs and will be incentivized to contribute additional capital to the Registrant. The Registrant seeks to comply with the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code as it relates to recommendations to invest in a Syntax ETF. **A client can notify the Registrant, in writing, that it does not want to invest in a Syntax ETF or request a reallocation to another ETF or investment strategy at any time.**

- D. From time to time, Registrant may refer certain clients to Watkinson Capital Advisors ("WCA"). If a client engages WCA, Registrant receives a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940. Any referral fee is paid solely from WCA's investment management fee and does not result in any additional charge to the client. The client will receive a copy of WCA's Form ADV Part 2A prior to or at the time of engagement. Due to the referral compensation received, a **conflict of interest** exists because Registrant would be incentivized to refer prospective clients to WCA. No client, however, would be obligated to engage WCA for investment advisory services and could select another investment adviser.

Additionally, Registrant leases office space and provides limited information technology access to WCA for compensation. The compensation is not material to Registrant.

From time to time, Registrant may refer certain clients to AlphaCore Capital LLC, an investment adviser registered with the SEC. If a client engages AlphaCore, Registrant receives a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940. Any referral fee is paid solely from AlphaCore's investment management fee and does not result in any additional charge to the client. The client will receive a copy of AlphaCore's Form ADV Part 2A and Part 3 prior to or at the time of engagement. Due to the referral compensation received, a **conflict of interest** exists because Registrant would be incentivized to refer prospective clients to AlphaCore. **No client, however, would be obligated to engage AlphaCore for investment advisory services and could select another investment adviser.**

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

- A. Registrant maintains an investment policy relative to personal securities transactions. This investment policy is part of Registrant's Code of Ethics, which serves to establish a standard of business conduct for all of Registrant's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Registrant or any person associated with Registrant.

- B. Registrant and/or representatives of Registrant may buy or sell securities that are also recommended to clients. This practice may create a situation where Registrant and/or representatives of the firm are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Registrant did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of Registrant's clients) and other potentially abusive practices.

Registrant has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of Registrant's "Access Persons." Registrant's securities transaction policy requires that an Access Person of Registrant must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming

an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with periodic (on not less than an annual basis) reports or statements of the Access Person's current securities holdings

- C. Registrant and/or representatives of Registrant may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Registrant and/or representatives of the firm are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above in Item 11 B, Registrant has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Registrant's Access Persons.

Item 12 Brokerage Practices

- A. In the event the client requests that Registrant recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct Registrant to use a specific broker-dealer/custodian), Registrant generally recommends that investment management accounts be maintained at Axos. Prior to engaging Registrant to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with Registrant setting forth the terms and conditions under which Registrant shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that Registrant considers in recommending Axos (or any other broker-dealer/custodian to clients) include historical relationship with Registrant, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Registrant's clients shall comply with Registrant's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Registrant determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Registrant's investment advisory/management fee. Registrant's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

1. Soft Dollar Arrangement

In return for effecting securities transactions through a certain designated broker-dealer/custodian, Registrant will receive certain investment research products or services that may assist Registrant in its investment decision-making process for the client pursuant to Section 28(e) of the Securities Exchange Act of 1934 (generally referred to as a “soft dollar” arrangement). Investment research products or services received by Registrant may include, but are not limited to, analyses pertaining to specific securities, companies or sectors; market, financial and economic studies and forecasts; financial publications, portfolio management systems, and statistical and pricing services. Although the commissions paid by Registrant's clients shall comply with Registrant's duty to seek best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Registrant determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. Although the investment research products or services that may be obtained by Registrant will generally be used to service all of Registrant's clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. With respect to investment research products or services obtained by Registrant that have a mixed use of both a research and non-research (i.e., administrative, etc.) function, Registrant shall make a reasonable allocation of the cost of the product or service according to its use -- the percentage of the product or service that provides assistance to Registrant's investment decision-making process will be paid for with soft dollars while that portion that provides administrative or other non-research assistance will be paid for by Registrant with hard dollars. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Registrant's investment management fee.

Registrant's Chief Compliance Officer, Todd Silbergeld, is available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding conflict of interest such arrangement may create.

Non-Soft Dollar Research and Additional Benefits

Registrant receives from broker-dealers, custodians, investment platforms, unaffiliated investment managers, vendors, or fund sponsors free or discounted support services and products. Certain of these products and services assist Registrant to better monitor and service client accounts maintained at these institutions. The support services that Registrant obtains can include investment-related research; pricing information and market data; compliance or practice management-related publications; discounted or free attendance at

conferences, educational or social events; or other products used by Registrant to further its investment management business operations.

Certain of the support services or products received may assist Registrant in managing and administering client accounts. Others do not directly provide this assistance, but rather assist Registrant to manage and further develop its business enterprise.

Registrant's clients do not pay more for investment transactions effected or assets maintained at the broker-dealers and custodians because of these arrangements. There is no corresponding commitment made by Registrant to any broker-dealer or custodian or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products because of the above arrangements.

Registrant's Chief Compliance Officer, Todd Silbergeld, is available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

2. Registrant does not consider, in selecting or recommending broker-dealers, whether it receives client referrals from a broker-dealer or third party.
3. Registrant does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client-directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

In the event the client directs Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant.

Registrant's Chief Compliance Officer, Todd Silbergeld, is available to address any questions that a client or prospective client may have regarding the above arrangement.

- B. To the extent that Registrant provides investment advisory services to its clients, the transactions for each client account generally will be effected independently, unless Registrant decides to purchase or sell the same securities for several clients at approximately the same time. Registrant may (but is not obligated to) combine or “bunch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Registrant’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Registrant shall not receive any additional compensation or remuneration because of such aggregation.

Item 13 Review of Accounts

- A. Client account reviews are conducted on an ongoing basis by one of Registrant's investment adviser representatives. All clients are advised that it remains their responsibility to advise Registrant of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review investment objectives and account performance with Registrant on an annual basis.
- B. Registrant may conduct account reviews on an other-than-periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided with regular summary account statements directly from the broker-dealer/trust company/mutual fund/custodian for the client accounts. Clients may access account activity reports from Registrant on a no less than quarterly basis.

Item 14 Client Referrals and Other Compensation

- A. As referenced in Item 12.A.1 above under the sub-heading “Non-Soft Dollar Research and Additional Benefits,” Registrant receives indirect economic benefits from certain broker-dealer/custodians in the form of support services and/or products.

Registrant’s clients do not pay more for investment transactions effected and/or assets maintained at these broker-dealers/custodians because of this arrangement. There is no corresponding commitment made by Registrant to these broker-dealers/custodians or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products because of the above arrangement.

Registrant's Chief Compliance Officer, Todd Silbergeld, is available to address any questions that a client or prospective client may have regarding the above arrangement and the conflict of interests these arrangements create.

- B. **Solicitor Introductions/Referral Fees.** If a client is introduced to Registrant by either an unaffiliated or an affiliated solicitor, Registrant will pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any referral fee will be paid solely from Registrant's investment management fee. If the client is introduced to Registrant by an unaffiliated solicitor, the solicitor will provide each prospective client with a copy of the current version of this Brochure and a separate written disclosure statement disclosing the terms of the arrangement between Registrant and the solicitor, including the compensation to be paid by Registrant to the solicitor.

Solicitor-Continued Obligations. When indicated on the solicitor written disclosure statement to be provided by the solicitor to the prospective client, the solicitor shall be exclusively responsible for: (a) assisting the referred client in determining the initial and ongoing suitability for Registrant's investment portfolios and/or strategies; and (1) for receiving/ascertaining the referred client's directions, notices and instructions, and forwarding them to Registrant, in writing. Registrant shall be entitled to rely upon any such direction, notice, or instruction (including any information or documentation regarding the referred client's investment objectives, risk tolerances and/or investment restrictions) until it has been duly advised in writing of changes thereto; and (2) Registrant shall have no liability or responsibility for solicitor's failure to correctly, accurately and/or timely ascertain/forward/communicate any and all such directions, notices and instructions. The solicitor shall indemnify Registrant in the event of a claim by a client relating to a solicitor's failure to correctly, accurately and/or timely ascertain/forward/communicate any and all such directions, notices and instructions to Registrant.

Registrant's Chief Compliance Officer, Todd Silbergeld, remains available to address any questions that a client or prospective client may have regarding the above arrangements and any corresponding conflicts of interest such arrangements may create.

Item 15 Custody

Registrant does not maintain physical custody of its clients' assets. Client assets are typically held by a qualified custodian pursuant to a separate custody agreement.

Registrant shall have the ability to have its investment advisory fees for each client debited by the custodian on a quarterly basis. Clients are provided with regular summary account statements directly from the broker-dealer/trust company/mutual

fund/custodian for the client accounts. Clients will also receive a report from the custodian summarizing account activity no less than quarterly.

To the extent that Registrant provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by Registrant with the account statements received from the account custodian. The account custodian does not verify the accuracy of Registrant's advisory fee calculation.

Item 16 Investment Discretion

The client can determine to engage Registrant to provide investment advisory services on a discretionary basis. Prior to Registrant assuming discretionary authority over a client's account, the client shall be required to execute an *Investment Advisory Agreement*, naming Registrant as the client's attorney and agent in fact, granting Registrant full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Clients who engage Registrant on a discretionary basis may, at any time, impose restrictions, **in writing**, on Registrant's discretionary authority (e.g., limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe Registrant's use of margin, etc.).

Item 17 Voting Client Securities

- A. Except for assets invested in the Funds and accounts managed by sub-advisors (for which the sub-advisor will generally retain proxy voting responsibility), clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Registrant has adopted proxy voting policies and procedures as required by Rule 206(4)-6 of the Investment Advisers Act of 1940. As a matter of policy and as a fiduciary, Registrant has the responsibility for voting proxies for portfolio securities consistent with the best economic interests of each Fund. Registrant maintains written policies and procedures as to the handling, research, voting and reporting of proxy voting and makes appropriate disclosures about our firm's proxy policies and practices. Registrant's policy and practice includes the responsibility to monitor corporate actions, receive and vote client proxies and disclose any potential conflicts of interest, as well as making information available to clients about the

voting of proxies for their portfolio securities and maintaining relevant and required records.

- B. Unless set forth in Item 17.A above to the contrary, clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Registrant to discuss any questions they may have with a particular solicitation.

Item 18 Financial Information

- A. Registrant does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. Registrant is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. Registrant has not been the subject of a bankruptcy petition.

ANY QUESTIONS: Registrant's Chief Compliance Officer, Todd Silbergeld, is available to address any questions regarding this Part 2A.