

Financial Gravity Asset Management, Inc. Firm Brochure

This brochure provides information about the qualifications and business practices of Financial Gravity Asset Management, Inc. If you have any questions about the contents of this brochure, please contact us at 1-800-588-3893 or by email at: wealthops@FinancialGravity.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Financial Gravity Asset Management, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. Financial Gravity Asset Management, Inc.'s CRD number is: 144008

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Registration as an investment adviser does not imply a certain level of skill or training.

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Item 2: Material Changes

The material changes in this brochure from the last annual updating amendment of Financial Gravity Asset Management, Inc. ("FG Asset Management") on 01/13/2021 are described below. This list summarizes changes to policies, practices, or conflicts of interests only.

1. Sofos Investment Management, Inc., has reported a name change of Financial Gravity Asset Management Inc., effective 09/01/2021

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Item 4: Advisory Business

A. Description of the Advisory Firm

This firm has been in business since May of 2007, and the principal owner is Financial Gravity Companies, Inc. ("FGC") (OTCQB: FGCO).

B. Types of Advisory Services

Financial Gravity Asset Management, Inc. (hereinafter "FG Asset Management") offers the following services to advisory clients:

Investment Supervisory Services

FG Asset Management offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. FG Asset Management creates a Risk Tolerance Assessment for each client, which outlines the client's current situation (income, tax levels, tax situation, and risk tolerance levels) and then constructs a Risk Tolerance Assessment to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Personal investment policy
- Asset allocation
- Asset selection
- Regular portfolio monitoring

As part of the client onboarding, FG Asset Management will assess the client's financial situation and evaluate the current investments of each client with respect to their risk tolerance levels and time horizon. FG Asset Management will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Selection of Other Advisors

FG Asset Management may direct clients to appropriate third-party money manager(s). FG Asset Management will be compensated via a fee share from these advisors to which it directs clients. This relationship will be disclosed in each contract between FG Asset Management and the third-party money manager, and each client will receive full disclosure of the relationship. The fees shared will not exceed any limit imposed by any regulatory agency. Before selecting other advisors for clients, FG Asset Management will always ensure those other advisors are properly licensed or registered as investment advisor(s).

FG Asset Management Programs - 4 Alpha and 4 Beta

4 Alpha is a proprietary investment advisory program managed by FG Asset Management's Chief Investment Officer William R. Nelson, PhD. Dr. Nelson developed the 4 Alpha programs to help individuals, including himself, avoid the most common investing mistakes such as mistiming the market, overpaying for investment services, and owing too much in taxes.

The 4 Alpha philosophy is based on the concept that your investment returns will be determined by four main factors:

- The investments you own
- The costs you pay
- The taxes you owe
- Your trust in your experts

Which stocks you own obviously impacts how much your investments earn. 4 Alpha focuses investments in dominant companies, loved brands, and great products that are understandable, inspire confidence, and are on the right side of long-term trends.

The long term trends include, but are not limited to, the electrification of vehicles, renewable energy (as opposed to fossil fuel dependence), autonomous vehicles, biotech, genetic engineering, the growing global middle class, the move from a purchase to a service model, the reduction in the importance of location versus other amenities, the increase in e-commerce accompanied by reduction in conventional retail, proliferation of online platforms, increased economies of scale, aging of developed nation populations, healthier eating including veganism, direct contact between micro-producers and clients, and the reduced influence of traditional push marketing.

The 4 Alpha model invests solely in individual stocks that, while actively monitored and managed, are chosen based on the long-term growth prospects. While many of the stocks pay dividends, income is the program's secondary objective.

The 4 Beta Models are comprised of low-cost Exchange-Traded Funds ("ETFs"). The Income 4 Beta model invests in a diversified selection of ETFs whose primary objective is income from both domestic and international sources. The Index 4 Beta model invests in a diversified selection of ETFs that are designed to track various domestic and international indexes. While the Index 4 Beta model will generate income, its primary objective is growth. As with the 4 Alpha model, the 4 Beta models will be actively monitored and managed, but the ETFs were selected based on a long-term strategy. Additionally, the 4 Alpha model may invest in smaller companies believed to have great potential.

The 4 Alpha model may be blended with income-based and/or index-based models 4 Beta models managed by the Advisor to create risk-adjusted portfolios designed to address various risk/objective profiles. Branded as Alpha-Beta Fusion, the blended models will be recommended and implemented based on the risk profile and investment objective of the individual investor.

The Advisor strives to manage the different models, whether invested in separately or as a blended model of models, in a tax-efficient manner. This includes a sophisticated rebalancing strategy designed to minimize capital gains. Additional efficiencies may be gained through location optimization which specifies where to allocate certain securities across Qualified (i.e. –

IRA, Roth, etc.) and Non-Qualified accounts within the same household. This strategy only applies to households with both Qualified and Non-Qualified accounts investing in the same model or blend.

Depending on the size of the account(s) and/or the model or blend chosen, there may be instances where certain higher-priced securities are not purchased. In these cases, the Advisor may replace the security not purchased with a substitute security to maximize the percentage of assets invested.

It is important to note is that, as proprietary investment advisory programs, the Advisor may benefit financially by recommending these programs over other programs offered that are not managed by the advisor. It is also assumed that any recommendation made by the client's financial consultant will be in the client's best interest and not based on the interests of the Advisor.

Additionally, the Financial Professional acting as a solicitor for the proprietary programs may own stock in or may be a participant in a stock option or stock appreciation plan sponsored by FGC ("Stock Ownership"). Financial Professional may benefit from placing assets with Manager in that the value of the FGC stock may be enhanced by such placement. In approving the investment of funds in a Manager Portfolio, Client should consider whether Financial Professional's recommendation is influenced by the Stock Ownership. The full extent of the relationship between FCG and Financial Professional is described in Financial Professional's ADV.

Financial Planning

FG Asset Management will allow Investment Advisor Representatives to offer financial planning for a fee if the client is given a detailed contract outlining the services from the Advisor. The Investment Advisor Representative is responsible for completing this document which will outline the fees that can be charged along with a detailed list of the services. This client will need to be recorded in the Compliance CRM as a client and complete the required documents just like any other wealth client.

Private Placements

Our affiliated agents may refer private placement products. Private placements can carry a substantial risk and should adhere to the overall philosophies of FG Asset Management.

Captive Insurance Company:

Representatives may reference common tax features associated with specific accounts or products offered by or through FG Asset Management (e.g., tax deferral associated with IRAs or tax-free benefits of insurance products, ie death benefits), but may not provide individualized tax advice in connection with the recommendation of such accounts or products. In connection with services being provided by or through FG Asset Management, representatives may not recommend any tax strategy or engage in any conduct that would cause the representative or FG Asset Management to be a "material advisor" as defined by the IRS. Representatives may not recommend or participate in any way in the formation or execution of an IRS "transaction of interest," IRS "listed transaction," or potentially abusive tax structure.

Services Limited to Specific Types of Investments

FG Asset Management limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, real estate, hedge funds, third party money managers, REITs, private placements, government securities. FG Asset Management may use other securities as well to help diversify a portfolio when applicable

C. Client Tailored Services and Client Imposed Restrictions

FG Asset Management offers the same suite of services to all of its clients. However, specific investment allocations and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent FG Asset Management from properly servicing the client account, or if the restrictions would require FG Asset Management to deviate from its standard suite of services, FG Asset Management reserves the right to end the relationship.

D. Wrap Fee Programs

FG Asset Management does not participate in any wrap fee programs.

E. Amounts Under Management

FG Asset Management has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$149,408,613	\$0.00	12/24/2020

Item 5: Fees and Compensation

A. Fee Schedule

Selection of Other Advisors Fees

Prior to introducing Pennsylvania clients to another investment adviser, FG Asset Management will be responsible for determining the following:

- whether the investment advisor is registered with the Pennsylvania Securities Commission under Section 301 of the Pennsylvania Securities Act of 1972 ("1972 Act") whether the investment advisor is relying on an exclusion from the definition of investment advisor under Section 102(j) of the 1972 Act;

- whether the investment advisor is relying on an exemption from registration under Section 302(d) of the 1972 Act; or
- if the investment advisor is registered with the Securities and Exchange Commission, and whether it has filed a Notification Filing with the Pennsylvania Securities Commission under Commission Regulation 303.015(a).

FG Asset Management Programs

The 4 Alpha model and the 4 Beta models are charged an asset-based fee that covers advisory, execution, custodial and certain reporting services. Accounts are billed monthly in arrears based on the average daily balance of program-eligible assets. The fee includes the Financial Professional's fee, which is negotiable, and the Program fee, which is non-negotiable. The maximum annual Financial Professional fee is 1.45%. The annual Program fee for the 4 Alpha model is .55% while the Program fee for the 4 Beta models is .35. %. In addition to the annualized asset-based fee FG Asset Management charges a monthly technology fee of \$3.50/month per account that is invested in a 4 Alpha or 4 Beta models.

Program fees are discounted based on the amount invested, as noted below (assuming the maximum annual Advisory fee of 1.45% is charged):

Model	0 - \$249,999	\$250,000 - \$499,999	\$500,000 - \$999,999	\$1,000,000 +
4 Alpha Model	2.00000%	1.94500%	1.89550%	1.85095%
4 Beta Equity Index Model	1.80000%	1.76500%	1.73350%	1.70515%
4 Beta Taxable Income Model	1.80000%	1.76500%	1.73350%	1.70515%

Program fees at each investment level represent a 10% discount from the fees charged at the next lower level. This discount is applied at the household level across all accounts participating in these models or blends of models.

You may blend models together to create a Fusion model. The fees charged are pro-rated based on the amount allocated between each model. Below is an example of the fees charged on a Fusion model (assuming a maximum Financial Professional fee of 1.45%):

- 30% 4 Alpha Model (AE)
- 30% 4 Beta Equity Index Model (BE)
- 40% 4 Beta Taxable Income Model (BT)

Blended Model	First \$250,000	Next \$250,000	Next \$500,000	Over \$1,000,000
30AE/30BE/40BT	1.86000%	1.81900%	1.7821%	1.74889%

It is important to note that the fee billing percentages in a Fusion model are based on the initial allocation percentages. The fee billing percentages will remain unchanged even in the event that the percentage allocations within your account change due to market fluctuations of the underlying securities. For example, the fees charged will not be increased if the portion of the account managed under the 4 Alpha model increases in value and becomes a larger percentage of the account.

Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract. Thereafter, clients may terminate their contracts with ten days' written notice.

Fees are calculated by the qualified custodian listed above or a third-party platform based on the client's average daily balance. These reports are checked for accuracy, and we urge clients to inform the firm if they feel there is an error.

B. Payment of Fees

Payment of Investment Supervisory Fees

Advisory fees are paid monthly in arrears. Fees are withdrawn directly from the client's accounts with client written authorization and FG Asset Management will therefore:

- A. Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian.
- B. Use a custodian that sends at least quarterly statements.
- C. Use a custodian that has online access to statements.

C. Clients Are Responsible For Third Party Fees

Clients are responsible for the payment of all third-party fees (i.e. custodian fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by FG Asset Management. Please see Item 12 of this brochure regarding broker/custodian.

D. Prepayment of Fees

FG Asset Management collects its portfolio management fees in arrears.

E. Outside Compensation For the Sale of Securities to Clients

Investment Advisor Representatives of FG Asset Management may also be licensed insurance agents and, in this role, accept compensation for the sale of insurance products to FG Asset Management clients. This presents a conflict of interest and gives the supervised persons an incentive to recommend insurance based on the compensation received rather than on the client's needs. However, each Investment Advisor Representative is required to base insurance sales on the best interest of the clients and based on FG Asset Management's investment philosophy seen in Item 8 of this brochure.

To help mitigate the conflict of interest, FG Asset Management always acts in the best interest of the client consistent with its fiduciary duty and uses and presents the firm's investment methodology outlined in Item 8. Additionally, clients will always have the right to purchase FG Asset Management-recommended products through other brokers or agents that are not affiliated with FG Asset Management.

In addition, supervised persons will only offer insurance products to clients in the respective states in which the supervised person is properly licensed as an insurance agent.

Item 6: Performance-Based Fees and Side-By-Side Management

FG Asset Management does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

FG Asset Management generally provides investment advice and/or management supervisory services to the following Types of Clients:

- Individuals
- Business Owners
- Entrepreneurs
- High-Net-Worth Individual

There is no account minimum.

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

A. Methods of Analysis and Investment Strategies

Methods of Analysis

FG Asset Management's methods of analysis include fundamental analysis and cyclical analysis.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Factor Based Investing®

Warren Buffet said, "What's needed is a sound intellectual framework for making decisions and the ability to keep emotions from corroding that framework." Factor Based Investing® is the framework we use.

1. Reduce Tax Friction – Where possible reduce the taxes associated with owning portfolios.
2. Institutional – We seek to use institutional platforms, products and strategies.
3. Low Turnover – We seek to reduce turnover, which in turn should reduce costs and volatility of a portfolio.

The Three Factor Model make up Factors 4 – 6

Nobel Laureate Eugene Fama and researcher Kenneth French, former professors at the University of Chicago Booth School of Business, attempted to better measure market returns and, through research, found that value stocks outperform growth stocks. Similarly, small-cap stocks tend to outperform large-cap stocks.

4. Equities – We seek ownership positions instead of lending positions. For example, we would favor a stock over a bond, however we recognize the need to diversify and balance risk.
5. Value – We will lean toward a value approach to investing versus a growth approach.
6. Small – We will lean to portfolios of small stocks over large stock.
7. Modern Portfolio Theory (MPT), a hypothesis put forth by Harry Markowitz in his paper "Portfolio Selection," (published in 1952 by the *Journal of Finance*) is an investment theory based on the idea that risk-averse investors can construct portfolios to optimize or maximize expected return based on a given level of market risk, emphasizing that risk is an inherent part of higher reward. It is one of the most important and influential economic theories dealing with finance and investment.

Factors 8 – 10 seek to minimize emotional behaviors of our clients. Quantitative Analysis of Investor Behavior ("QAIB") show that consumers emotional decisions greatly impact performance.

8. Math & Time – We focus on the quantifiable, Controlling the Controllable™ like the seven Factors above and sticking to the strategy designed.
9. Patience – Some market conditions or life events will create fear, we will encourage patience in these situations as time tends to solve the immediate fears. 2008 is a good example of this.
10. Discipline – Some market conditions will lead to chasing a "hot" asset class or a wildly popular "investment" (bitcoin is a recent example) in these cases we will encourage our clients to stick to the plan and avoid short term greed.

Control the Controllable™

We work to control what can be controlled. An analogy we use is don't try to control the weather, take an umbrella. There are 5 areas we look to control for our clients.

- Taxes – Reduce Tax Friction which comes from aggressive turnover in a portfolio.
- Costs – There can be many hidden fees and costs of owning a portfolio, we seek to minimize costs where we can.
- Volatility – We can't control the volatility of the market; we can manage the volatility of the portfolio.
- Risk – We will engineer portfolios to a specific risk profile, and it can be adjusted over time.

- Diversity – We seek proper diversification; this is helped greatly by adhering to Factor Based Investing®. Most people are under diversified and concentrated in Large Cap Stocks.

Diversity Trinity®

The Diversity Trinity® looks to help define what good diversification looks like and it creates guidelines for our investors and our Investor Advisor Representatives (IAR). A graphic can be supplied on request for a better illustration. There are two basic guidelines.

- A. Diversify by seeking to be In, Within and the Out.
For example, if a client had Coca-Cola stock, that is a domestic Large Cap Growth stock. So, they are “In” a single Large Cap Growth stock. We would then seek to get “Within” Large Cap Growth stocks, so we may purchase the S&P 500, then we would look to get “Out” of Large Cap Growth stocks, so we would look to international, small or other assets classes to satisfy the Diversity Trinity®
- B. The 10% guideline.
In the case of a “unique” investment like Bitcoin, or an alternative investment like a non-traded REIT or a Private Placement. We encourage our clients to stick to 10% or less of their assets in any one thing and we would still encourage them to seek to apply A. above. For example, with Bitcoin, we would encourage them to invest in the underlying technology of Bitcoin, block chain or encourage their own other cyber currencies as well. In the case of a REIT we would encourage something that owns more than one building and if possible, diversifies outside just buildings with for example, mezzanine debt. The purpose of this guideline is to help adhere to #10 of Factor Based Investing.

Investment Strategies

FG Asset Management uses long term trading and short-term trading strategies. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Fundamental analysis concentrates on factors that determine a company’s value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Investment Strategies

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading generally holds greater risk and clients should be aware that there is a chance of material risk of loss using any of those strategies.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

FG Asset Management generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither FG Asset Management nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither FG Asset Management nor its representatives are registered as a FCM, CPO, or CTA.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Investment Advisor Representatives of FG Asset Management additional licenses and/or registrations. Please refer to the individual's disclosure document for additional information.

To help mitigate the conflict of interest, all supervised persons agree to adhere to the guidelines of Factor Based Investing®, the Diversity Trinity® and Controlling the Controllable™. FG Asset Management always acts in the best interest of the client consistent with its fiduciary duty. Additionally, clients will always have the right to purchase FG Asset Management-recommended products or services through other providers that are not affiliated with FG Asset Management. Moreover, supervised persons will only offer insurance products to clients in the respective states in which the supervised person is properly licensed as an insurance agent.

D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections

FG Asset Management will direct clients to various third-party money manager(s). This relationship will be disclosed in each contract between FG Asset Management and the third-party money manager. The fees shared will not exceed any limit imposed by any regulatory

agency. This creates a conflict of interest in that FG Asset Management has an incentive to direct clients to the third party money managers that provide FG Asset Management with a larger fee split. FG Asset Management will always act in the best interests of the client, including when determining which third party manager to recommend to clients.

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

A. Code of Ethics

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients may request a copy of our Code of Ethics from management.

B. Recommendations Involving Material Financial Interests

FG Asset Management does not recommend that clients buy or sell any security in which a related person to FG Asset Management has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of FG Asset Management may buy or sell securities for themselves that they also recommend to clients and may do so at or around the same time as clients. This may provide an opportunity for representatives of FG Asset Management to buy or sell the same securities before or after recommending securities to clients, resulting in representatives profiting off the recommendations they provide to clients. Such transactions create conflicts of interest. To address these conflicts of interest, FG Asset Management will always document any such transactions and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold. Moreover, FG Asset Management will always act in the best interest of the client consistent with its fiduciary duty.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of FG Asset Management may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of FG Asset Management to buy or sell the same securities before or after trading securities for clients, resulting in representatives profiting off the recommendations they provide to clients. Such transactions create conflicts of interest. To address these conflicts of interest, FG Asset Management will always document any such transactions and will never engage in trading that operates to the client's disadvantage when trading at or around the same time as client

accounts. Moreover, FG Asset Management will always act in the best interest of the client consistent with its fiduciary duty.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

Custodians/broker-dealers will be recommended based on FG Asset Management' duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and FG Asset Management may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in FG Asset Management's research efforts. FG Asset Management will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian. FG Asset Management recommends TD Ameritrade.

1. Research and Other Soft-Dollar Benefits

While FG Asset Management has no formal soft dollars program in which soft dollars are used to pay for third party services, FG Asset Management may receive research, products, or other services from its broker/dealer in connection with client securities transactions ("soft dollar benefits") and may consider these benefits in recommending brokers. There can be no assurance that any particular client will benefit from any particular soft dollar research or other benefits. FG Asset Management benefits by not having to produce or pay for the research, products or services, and FG Asset Management will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that FG Asset Management's acceptance of soft dollar benefits may result in higher commissions charged to the client.

2. Brokerage for Client Referrals

FG Asset Management receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker-Dealer/Custodian to Use

FG Asset Management will not allow clients to direct FG Asset Management to use a specific broker-dealer to execute transactions. Clients must use FG Asset Management recommended custodian (broker-dealer). Not all investment advisers require their clients to direct brokerage. By requiring clients to use our specific custodian, FG Asset Management may be unable to achieve most favorable execution of client transactions, and this may cost clients' money over using a lower-cost custodian.

B. Aggregating (Block) Trading for Multiple Client Accounts

FG Asset Management maintains the ability to block trade purchases across accounts but will rarely do so. While block trading may benefit clients by purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed periodically by the Chief Compliance officer or other firm assigned personnel. Accounts are rebalanced as needed and reviewers are instructed to review clients' accounts with regard to their investment policies and risk tolerance levels.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content and Frequency of Regular Reports Provided to Clients

FG Asset Management does not provide regular reports to clients, written or otherwise.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

FG Asset Management is compensated via its selection of other advisor's arrangement. FG Asset Management also has access to soft dollar benefits (as described in Item 12 above) and economic benefits provided by custodians.

B. Compensation to Non -Advisory Personnel for Client Referrals

FG Asset Management does not provide any compensation to any persons who are not duly registered as an investment advisor representative for client referrals.

Item 15: Custody

Investment Supervisory Services Accounts

FG Asset Management does not have custody other than via direct fee deduction. When advisory fees are deducted directly from client accounts at client's custodian, FG Asset Management will follow the procedures below.

- A. Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian.
- B. Utilize a custodian that sends at least quarterly invoices.
- C. Send the qualified custodian written notice of the amount of the fee to be deducted and send the client a written invoice itemizing the fee upon or prior to fee deduction, including the formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

Clients will receive account statements from the custodian and should carefully review those statements.

Selection of Other Advisors Accounts

The third-party adviser, rather than FG Asset Management, sends the client statements for these accounts. FG Asset Management does not have custody over these accounts.

Item 16: Investment Discretion

For those client accounts where FG Asset Management provides ongoing supervision, FG Asset Management maintains limited power of authority over client accounts with respect to securities to be bought and sold and amount of securities to be bought and sold. All buying and selling of securities is explained to clients in detail before an advisory relationship has commenced.

Item 17: Voting Client Securities (Proxy Voting)

FG Asset Management will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

FG Asset Management does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither FG Asset Management nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

FG Asset Management has not been the subject of a bankruptcy petition.