

**Item 1 Cover Page**

Financial Gravity Family Office Services, LLC  
Firm CRD #316024

Form ADV Part 2A – Disclosure Brochure

Effective: September 10, 2021

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**This brochure provides information about the qualifications and business practices of Financial Gravity Family Office Services, LLC. If you have any questions about the contents of this brochure, please contact us at (800) 588-3893.**

**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. Registration as a registered investment advisor does not imply a certain level of skill or training.**

**Additional information about Financial Gravity Family Office Services, LLC, CRD #316024 also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 Material Changes**

Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about advisory personnel of Financial Gravity Family Office Services, LLC.

Financial Gravity Family Office Services, LLC. believes that communication and transparency are the foundation of its relationship with clients and will continually strive to provide its clients with complete and accurate information at all times. Family Gravity Family Office Services, Inc. encourages all current and prospective clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

### Initial Filing

Financial Gravity Family Office Services, LLC is a new Registered Investment Advisor.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of Financial Gravity Family Office Services, LLC.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### Item 3 Table of Contents

Item 1 Cover Page.....	1
Item 2 Material Changes .....	2
Item 4 Advisory Business.....	4
Item 5 Fees and Compensation.....	7
Item 6 Performance-Based Fees and Side-by-Side Management .....	8
Item 7 Types of Clients and Minimum Account Size .....	8
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss .....	9
Item 9 Disciplinary Information .....	16
Item 10 Other Financial Industry Activities and Affiliations .....	17
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	18
Item 12 Brokerage Practices .....	19
Item 13 Review of Accounts .....	20
Item 14 Client Referrals and Other Compensation .....	21
Item 15 Custody.....	21
Item 16 Investment Discretion.....	21
Item 17 Voting Client Securities.....	21
Item 18 Financial Information .....	21
Privacy Policy .....	23

## **Item 4 Advisory Business**

### **A. Description of Advisor Firm.**

Financial Gravity Family Office Services, LLC (“Advisor”) entity was formed in the state of Texas in June 2020 as a Limited Liability Company. As of September 9, 2021, the Advisor is registered as an investment advisor with the Securities and Exchange Commission (“SEC”). The owner of the firm is Financial Gravity Companies, Inc. and the indirect owners are Scott C. Winters, Managing Member, John D. Pollock, Member, Gary Nemer, Member and William Nelson, Member.

The Advisor offers financial planning, investment supervisory and investment management services to clients. For a more complete description see Item 4 B.

### **B. Description of Advisory Services Offered**

#### **Comprehensive or Tailored Financial Planning**

The Advisor’s comprehensive or tailored financial planning services are addressed based on the needs of the client. The topics covered include any or all of the following areas of interest/concern. The client and advisor will work together to select the specific areas to cover. These areas may include, but are not limited to, the following services:

- **Monthly Cash Flow Management:** The Advisor believes that what gets measured gets managed, and that personal financial management all begins with a basic understanding of your everyday spending habits. To gain this understanding, we will review your income and expenses and determine your current monthly savings, or deficits, along with advice on prioritizing how any savings should be leveraged, or how expenses could be reduced if they are exceeding your income. We may also recommend an appropriate cash reserve that should be considered for emergencies such as a loss of job, or an unexpected large repair, along with a review and recommendation of bank accounts (including higher interest paying money market funds) for these reserves, and strategies to meet these goals.
- **Debt/Loan Management:** We will provide advice on which loans to pay off first, or possibly refinance, based on factors such as your credit score, interest rates, maturity dates, and any income tax ramifications. The Advisor believes that debt with favorable low interest rates can at times be advantageous, and leveraged to your advantage. Together we will review all outstanding loans, including but not limited to, credit cards, student loans, home mortgages, auto loans, and personal loans, and then create a prioritized debt management plan best suited for your situation.
- **Investment Analysis:** This involves a review of your current portfolio, developing an asset allocation strategy that aligns with your financial goals and risk tolerance, providing information and strategies on investing in stocks, bonds and mutual funds, reviewing employee retirement plans and stock options, as well as assisting you in establishing your own investment account at a selected custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.
- **Employee Benefits Optimization:** We will provide a review and analysis as to whether you, as an employee, are taking maximum advantage of the employee benefits offered to you by your employer. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.
- **Financial Goals:** We will help you identify specific financial goals and develop plans to attain each of them. Goals could include, but are not limited to, saving for a down payment for a home, paying

off student debt, buying a new car, funding a child's education, or saving for an upcoming vacation. We will identify what you wish to accomplish, create a budget/plan for each goal, determine how much to fund the plan and how often, and then track your progress and adjust accordingly if anything may change the timing, need or desire to achieve each goal.

- **College Savings:** Includes projecting the amount of funding that will be needed to pay for a child's public/private college or post-secondary education. Recommendations as to tax advantages savings plans and investing strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid and/or the best way to contribute to a grandchild's education (if appropriate).
- **Insurance Review:** Review of existing policies to ensure proper coverage for life, health, disability, liability, home and automobile, as well as an analysis/recommendation for any savings opportunities. We recommend that you consult with a licensed insurance professional before initiating any insurance policy changes.
- **Retirement Planning:** The Advisor's retirement planning services typically include projections of the likelihood that you will have enough money to comfortably retire at a desired age. For situations where projections show less than optimal results, we may make recommendations that present improved possible outcomes by adjusting certain variables (i.e., working longer, saving more, spending less, taking more risk with investments). If you are near retirement or already retired, advice may be given on appropriate investment and distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.
- **Tax Planning Strategies:** Advice may include ways to minimize your current and future income taxes as a part of your overall financial planning strategy. For example, we may make recommendations on which type of account(s) or specific investments to be owned based in part on their "tax efficiency," or "tax deferred status," with consideration that there is always a possibility of future changes to federal, state and local tax laws and rates that may impact your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your tax professional with your approval or request.

- **Estate Planning:** This typically includes an analysis of your exposure to estate taxes and establishing or reviewing your current estate plan, which may include whether you have a will, designated beneficiaries on your accounts, powers of attorney, trusts and other related documents/plans. Our advice also may include ways for you to minimize, or avoid, estate taxes through implementing appropriate estate planning strategies, such as the use of applicable trusts.

We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

## **Investment Supervisory and Management Services**

Should the client elect to engage the Advisor for the implementation of the financial plan, the Advisor offers investment supervisory and management services based on the individual goals, objectives, time horizons, and risk tolerance of each client. Once established, an Investment Policy Statement is created for each client, which outlines the client's current financial situation (age, income, tax levels, and risk tolerance). The Advisor evaluates the current investments of each client, and then constructs an investment plan and recommended portfolio that matches each client's specific situation. The Advisor requires discretionary authority from clients in order to select securities and the custodian will execute transactions without permission from the client prior to each transaction.

Clients may engage the Advisor to manage and/or offer investment advice on certain investments that are not maintained at their primary custodian, such as assets held in employer sponsored retirement plans, and/or assets held in qualified tuition plans (e.g., 401(k)'s, 529 plans). In these situations the Advisor directs or recommends the allocation of client assets among the various investment options available in each plan/custodian.

The Advisor's recommended portfolios generally consist of exchange-listed securities, securities traded over the counter, foreign issuers, warrants, corporate debt securities, certificate of deposit, municipal securities, Exchange Traded Funds (ETFs), mutual funds, United States government securities, variable life insurance, variable annuities, options contracts on securities and commodities and interests in partnerships investing in real estate. Investing in these types of securities helps to diversify an investment portfolio.

#### **Advisor Agreements**

Investment supervisory and management services are provided under the terms of a written advisor agreement executed by the Advisor and the client.

#### **Selection of Other Advisors**

The Advisor periodically recommends and refers clients to either an unaffiliated third party money manager/investment advisor or alternatively, to our affiliate, Sofos Investments, Inc. a registered investment advisor through their Managed Account programs. ("referred to as sub-advisors"). In these arrangements, the client will enter into a program and investment advisory agreement with the sub-advisor. The Advisor will assist and advise the client in establishing investment objectives for the sub-advisor and continue to provide oversight of the client account and ongoing monitoring of the activities of the sub-advisor. The sub-advisor will develop an investment strategy to meet those objectives by identifying appropriate investments and monitoring such investments. In consideration for such services, the sub-advisor will charge a program fee that includes the investment advisory fee of the sub-advisor, the administration of the program and trading, clearance and settlement costs. The sub-advisor will add the Advisor's investment advisory fee (described below in Item 5) and will deduct the overall fee from the client account monthly in arrears based on the market value of the assets in the client account at the end of the preceding month.

Clients need to be aware that when they are referred to Sofos Investments, Inc. ("Sofos") our affiliated company this presents a conflict of interest. Investment Advisor Representatives have an incentive to direct clients to Sofos and will be compensated by the Advisor and by the affiliated company either for the referral or as an owner of the affiliated entity. Clients can invest directly with Sofos but will not receive the benefit of advice of the Investment Advisor Representative of the Advisor. The Advisor will always act as a fiduciary and in the best interest of the client when determining which sub-advisor to recommend to clients. Ultimately, clients can accept or reject the recommended sub-advisor recommended to them by the Advisor.

The client, prior to entering into an agreement with a sub-advisor selected by the Advisor, will be provided with that sub-advisor's Brochure. Clients are encouraged to read the Brochure in its entirety. In addition, the Advisor and its client will agree in writing that the client's account will be managed by that selected sub-advisor on a discretionary basis.

### **Seminars/Workshops**

The Advisor also offers educational seminars or workshops on topics including but not limited to, general information concerning investing, financial and estate planning, business and tax planning, as well as the services provided by the Advisor. The Advisor will not charge a fee for these seminars or workshops.

### **C. Clients Tailored Services and Client Imposed Restrictions**

The Advisor will tailor its advisory services to its client's individual needs based on meetings and conversations with the client. If clients wish to impose certain restrictions on investing in certain securities or types of securities, the Advisor will address those restrictions with the client to have a clear understanding of the client's requirements.

For clients who are referred to sub-advisors for management of their portfolios, those sub-advisors may have established model portfolios with specific asset allocations and targets that cannot be altered, with client-imposed restrictions. Clients need to be aware that the model portfolio will not be tailored to the client specifically. Therefore, clients will not be able to impose restrictions on investing in certain securities or types of securities. The Advisor invites clients to discuss any concerns they may have with any of the holdings in the model portfolios.

### **D. Wrap Fee Programs**

The Advisor does not provide portfolio management services to wrap fee programs.

### **E. Assets Under Management**

As of August 3, 2021, the Advisor does not have any clients therefore does not have client assets under management.

Discretionary assets: \$0

Non-discretionary assets: \$0

### **Item 5 Fees and Compensation**

#### **A. & B. Method of Compensation and Fee Schedule and Client Payment of Fees**

##### **Asset Management Fees**

Pursuant to an investment advisory contract signed by each client, the client will pay the Advisor a monthly management fee, payable in arrears, based on the value of portfolio assets of the account on the last business day of the preceding month. The range of the annual management fee is 0.5% to 1.50%.

This fee may be negotiated by the Advisor. This fee is negotiated based on anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc. Asset management fees will be automatically deducted from the client account on a monthly basis by the qualified custodian. The client will give written authorization permitting the Advisor to be paid directly from their account held by the custodian. The custodian will send a monthly statement to the client. Clients are encouraged to review the monthly statement and notify the Advisor of any discrepancies.

### Hourly Fee

The Advisor will charge an hourly fee for comprehensive or tailored financial planning. The Advisors hourly fee will be billed at a rate of \$250 per hour and will be negotiated and agreed upon by the parties in advance. Hourly fee-based clients are billed one half of the fee at the time of signing the Agreement with the Advisor and the other one half upon delivery of the financial plan or written report to the client. If the final fee is not paid by the client at the delivery of the financial plan or written report, the client is required to pay the fee within 5 days of delivery of the financial plan or written report. The fee will be based upon the anticipated number of hours it will take to complete the financial plan or project. If the client terminates the Agreement with the Advisor prior to the Advisor's completion of the financial plan or project, any fees due the Advisor will be invoiced to the client and payable within 5 days of delivery of the invoice. If the Advisor completes the financial plan or project in less time than originally planned, the Advisor will refund to the client a pro-rata share of the fee the client paid. The Advisor will refund the pro-rata fee to the client within 5 days of delivery of the financial plan or written report. The Advisor will deliver the financial plan or report to the client within six months of the start of the engagement.

### **C. Additional Client Fees Charged**

All fees paid to the Advisor for investment advisory services are separate and distinct from the expenses charged by mutual funds to their shareholders and the product sponsor in the case of variable insurance products. These fees and expenses are described in each fund's or variable product's prospectus. These fees will generally include a management fee and other fund expenses.

At no time will the Advisor accept or maintain custody of a client's funds or securities except for authorized fee deduction. Client is responsible for all custodial, securities and brokerage execution fees charged by the custodian and executing broker-dealer. The Advisors fee is separate and distinct from the custodian and execution fees. See Item 12 Brokerage Practices, for further information of brokerage and transaction costs.

### **D. Prepayment of Client Fees**

A portion of the Advisor's hourly fee for financial planning services is payable in advance. Upon termination, any fees paid in advance will be prorated to the date of termination and any excess will be refunded to client.

### **E. External Compensation for the Sale of Securities to Clients**

Not applicable to the Advisor or its supervised persons.

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

The Advisor does not charge performance-based fees and therefore does not engage in side-by-side management.

### **Item 7 Types of Clients and Minimum Account Size**

The Advisor will offer its services to individuals, pension and profit sharing plans, trusts, estates, or charitable organizations.



The Advisor's cumulative minimum account requirement for opening and maintaining an account is \$25,000. However, based on facts and circumstances the Advisor, at its sole discretion, can negotiate to accept accounts with a lower value.

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

### **A. Methods of Analysis and Investment Strategies**

For clients that the Advisor is managing their portfolio, the Advisor utilizes fundamental, technical or cyclical analysis techniques in formulating investment advice or managing assets for clients. For clients who are referred to a sub-advisor for management of their portfolio, that sub-advisor will have their own methods of analysis and investment strategies. Clients will be provided with the recommended sub-advisor's Brochure and are encouraged to read it in its entirety.

The descriptions of fundamental, technical or cyclical analysis are as follows:

Fundamental analysis of businesses involves analyzing its financial statements and health, its management and competitive advantages and its competitors and markets. Fundamental analysis is performed on historical and present data but with the goal of making financial forecasts. There are several possible objectives; to conduct a company stock valuation and predict its probable price evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions and to calculate its credit risk. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis is a method of evaluating securities by relying on the assumption that market data, such as charts of price, volume and open interest can help predict future (usually short-term) market trends. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

Cyclical analysis of economic cycles is used to determine how these cycles affect the returns of an investment, an asset class or an individual company's profits. Cyclical risks exist because the broad economy has been shown to move in cycles, from periods of peak performance followed by a downturn, then a trough of low activity. Between the peak and trough of a business or other economic cycle, investments fall in value to reflect the uncertainty surrounding future returns as compared with the recent past. The risks with this strategy are two-fold 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles they are trying to take advantage of.

The investment strategies the Advisor will implement include long term purchases of securities held at least for one year; short term purchases for securities sold within a year; option writing, including covered options, uncovered options or spreading strategies.

*Clients need to be aware that investing in securities involves risk of loss that clients need to be prepared to bear.*

### **B. Investment Strategy and Method of Analysis Material Risks**

The methods of analysis and investment strategies followed by the Advisor are utilized across all of the Advisors clients, as applicable. One method of analysis or investment strategy is not more significant than the other as the Advisor is considering the client's portfolio, risk tolerance, time horizon and

individual goals. However, the client should be aware that with any trading that occurs in the client account, the client will incur transaction and administrative costs.

Clients are encouraged to read the Brochure of the recommended sub-advisor to understand their investment strategies and methods of analysis.

### **C. Security Specific Material Risks**

Every type of investment, including mutual funds, involves risk. Risk refers to the possibility that you will lose money (both principal and any earnings) or fail to make money on an investment. A fund's investment objective and its holdings are influential factors in determining how risky a fund is. Reading the prospectus will help you to understand the risk associated with that particular fund.

Generally speaking, risk and potential return are related. This is the risk/return trade-off. Higher risks are usually taken with the expectation of higher returns at the cost of increased volatility. An investment with higher risk has the potential for higher return, it also has the greater potential for losses or negative returns. The school of thought when investing suggests that the longer your investment time horizon is the less affected you should be by short-term volatility. Therefore, the shorter your investment time horizon, the more concerned you should be with short-term volatility and higher risk.

Below is a list of some of the risks to consider when investing:

**Call Risk.** The possibility that falling interest rates will cause a bond issuer to redeem—or call—its high-yielding bond before the bond's maturity date.

**Country Risk.** The possibility that political events (a war, national elections), financial problems (rising inflation, government default), or natural disasters (an earthquake, a poor harvest) will weaken a country's economy and cause investments in that country to decline.

**Credit Risk.** The possibility that a bond issuer will fail to repay interest and principal in a timely manner. Also called default risk.

**Currency Risk.** The possibility that returns could be reduced for Americans investing in foreign securities because of a rise in the value of the U.S. dollar against foreign currencies. Also called exchange-rate risk.

**Income Risk.** The possibility that a fixed-income fund's dividends will decline as a result of falling overall interest rates.

**Industry Risk.** The possibility that a group of stocks in a single industry will decline in price due to developments in that industry.

**Inflation Risk.** The possibility that increases in the cost of living will reduce or eliminate a fund's real inflation-adjusted returns.

**Interest Rate Risk.** The possibility that a bond fund will decline in value because of an increase in interest rates.

**Manager Risk.** The possibility that an actively managed mutual fund's investment adviser will fail to execute the fund's investment strategy effectively resulting in the failure of stated objectives.

**Principal Risk.** The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

**Pandemic Risk.** Large-scale outbreaks of infectious disease that can greatly increase morbidity and mortality over a wide geographic area, crossing international boundaries, and causing significant economic, social, and political disruption.

**Asset Class Risk.** Securities in your portfolio(s) or in underlying investments such as mutual funds may underperform in comparison to the general securities markets or other asset classes.

**Concentration Risk.** To the extent that the Advisor recommends portfolio allocations that are concentrated in a particular market, industry or asset class, your portfolio is susceptible to loss due to adverse occurrences affecting that market, industry, or asset class.

**Equity Securities Risk.** Equity securities are subject to changes in value that are attributable to market perception of a particular issuer or general stock market fluctuations that affect all issuers. Investments in equity securities are more volatile than other types of investments.

**Foreign Securities Risk.** Foreign investments tend to be more volatile than U.S. securities, and are subject to risks that are not typically associated with U.S. securities. For example, such investments are adversely affected by changes in currency rates and exchange control regulations, unfavorable political, social and economic developments, and the possibility of seizure or nationalization of companies or imposition of withholding taxes on income. Moreover, less information is publicly available concerning certain foreign issuers than is available concerning U.S. companies. Foreign markets tend to be more volatile than the U.S. market due to economic and political instability, social unrest and regulatory conditions in certain countries.

**Emerging Market Securities Risk.** Many of the risks with respect to foreign investments are more pronounced for investments in developing or emerging market countries, which include several countries in Asia, Latin America, Eastern Europe, Africa, and the Middle East. The economies of many of these countries depend heavily upon international trade and are therefore significantly affected by protective trade barriers and economic conditions of their trading partners. Many of these countries have government exchange controls, currencies with no recognizable market value relative to the established currencies of developed market economies, little or no experience in trading in securities, no financial reporting standards, a lack of banking or securities infrastructure, and a legal tradition which does not recognize rights to private property.

**Growth Securities Risk.** Growth companies are companies whose earnings growth potential appears to be greater than the market, in general, and whose revenue growth is expected to continue over an extended period. Stocks of growth companies or "growth securities" have market values that are more volatile than those of other types of investments. Growth securities typically do not pay a dividend, which helps cushion stock prices in market downturns and reduce potential losses.

**Issuer Risk.** Your account's performance depends on the performance of individual securities in which your account invests. Any issuers performing poorly, causing the value of its securities to decline. Poor performance is caused by poor management decisions, competitive pressures, changes in technology, disruptions in supply, labor problems or shortages, corporate restructurings, fraudulent disclosures, or other factors. Changes to the financial condition or credit rating of an issuer of those securities causes the value of the securities to decline.

**Management Risk.** The performance of your account is subject to the risk that our investment management strategy will not produce the intended results.

**Market Risk.** Your account will lose money over short periods due to short-term market movements and over longer periods during market downturns. The value of a security declines due to general market conditions, economic trends, or events that are not specifically related to the issuer of the security or to factors that affect a particular industry or industries. During a general downturn in the securities markets, multiple asset classes are negatively affected.

**Political Risk.** Government decisions can damage the value of your investments. Changes to social security, benefits law, and tax law impact your financial decisions. Any foreign investments are impacted by the decision of their local governments.

**Market Trading Risks.** Your investment account faces numerous market trading risks, including the potential lack of an active market for investments held in your account and losses from trading in secondary markets.

**Passive Investment Risk.** The Advisor uses a passive investment strategy that is not actively managed where we do not attempt to take defensive positions in declining markets.

**Larger Company Securities Risk.** Securities of companies with larger market capitalizations underperform securities of companies with smaller and mid-sized market capitalizations in certain economic environments. Larger, more established companies might be unable to react as quickly to new competitive challenges, such as changes in technology and consumer tastes. Some larger companies are unable to grow at rates higher than the fastest growing smaller companies, especially during extended periods of economic expansion.

**Option Trading Risk.** There are multiple risks associated with options transactions, in particular, uncovered options transactions. Investors who buy options lose the premium paid, plus commissions or any other transaction expenses. Writing options generates higher risks than buying options. Writing options involves margin trading, creating leverage risk. The seller of an option has a legal obligation to purchase or sell the underlying asset if the option is exercised, subjecting the seller to the risk of price movement of the underlying asset. The risk of writing covered call options (the seller of the option already owns the underlying asset) is limited. However, writing uncovered options is highly risky and speculative. Writing uncovered call options (the seller of the option does not own the underlying asset) can lead to unlimited losses.

**Liquidity Risk.** A security is not able to be sold at the time desired without adversely affecting the price.

**Regulatory Risk.** Changes in government regulations adversely affect the value of a security. An insufficiently regulated industry or market might also permit inappropriate practices that adversely affect an investment.

**Smaller Company Securities Risk.** Securities of companies with smaller market capitalizations, historically, tend to be more volatile and less liquid than larger company stocks. Smaller companies have no or relatively short operating histories, or be newly public companies. Some of these companies have aggressive capital structures, including high debt levels, or are involved in rapidly growing or changing industries and/or new technologies, which pose additional risks.

**Value Style Investment Risk.** Value stocks perform differently from the market as a whole and from other types of stocks. Value stocks purchased based upon the belief that a given security is out of favor.

Value investing seeks to identify stocks that have depressed valuations, based upon a number of factors which are thought to be temporary in nature, and to sell them at superior profits when their prices rise when the issues which caused the valuation of the stock to be depressed are resolved. While certain value stocks increase in value more quickly during periods of anticipated economic upturn, they also lose value more quickly in periods of anticipated economic downturn. Furthermore, there is a risk that the factors which caused the depressed valuations are longer term or even permanent in nature, and that there will not be any rise in value. Finally, there is the increased risk in such situations that such companies will not have sufficient resources to continue as ongoing businesses, which would result in the stock of such companies potentially becoming worthless.

**Interests in partnerships investing in real estate.** Real estate investment trusts (“REITs”) allow individuals to invest in large-scale, income-producing real estate. A REIT is a company that owns and typically operates income-producing real estate or related assets. These include office buildings, shopping malls, apartments, hotels, resorts, self-storage facilities, warehouses, and mortgages or loans. Unlike other real estate companies, a REIT does not develop real estate properties to resell them. Instead, a REIT buys and develops properties primarily to operate them as part of its own investment portfolio.

Many REITs are registered with the Securities and Exchange Commission and are publicly traded on a stock exchange. These are known as publicly traded REITs. Others are registered with the Securities and Exchange Commission but are not publicly traded. These are known as non-traded REITs (also known as non-exchange traded REITs). This is one of the most important distinctions among the various kinds of REITs. Before investing in a REIT, you need to understand whether or not it is publicly traded, and how this could affect the benefits and risks to you.

There are some risks, especially with non-exchange traded REITs because they do not trade on a stock exchange, such as:

**Lack of Liquidity.** Non-traded REITs are illiquid investments. They cannot be sold readily on the open market. If you need to sell an asset to raise money quickly, you will not be able to do so with shares of a non-traded REIT.

**Share Value Transparency.** While the market price of a publicly traded REIT is readily accessible, it can be difficult to determine the value of a share of a non-traded REIT. Non-traded REITs typically do not provide an estimate of their value per share until 18 months after their offering closes. This can be years after you have made your investment. As a result, for a significant time period you will be unable to assess the value of your non-traded REIT investment and its volatility.

**Distributions Paid from Offering Proceeds and Borrowings.** Investors who are attracted to non-traded REITs is because of their relatively high dividend yields compared to those of publicly traded REITs. Unlike publicly traded REITs, however, non-traded REITs frequently pay distributions in excess of their funds from operations. To do so, they use offering proceeds and borrowings. This practice, which is typically not used by publicly traded REITs, reduces the value of the shares and the cash available to the company to purchase additional assets.

**Conflicts of Interest.** Non-traded REITs typically have an external manager instead of their own employees. This leads to potential conflicts of interests with shareholders. For example, the REIT pays the external manager significant fees based on the amount of property acquisitions and assets under management. These fee incentives likely will not necessarily align with the interests of shareholders.

**Alternative Strategy Mutual Funds.** Certain mutual funds available in the program invest primarily in alternative investments and/or strategies. Investing in alternative investments and/or strategies will not be

suitable for all investors and involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and potential illiquidity. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility because of the fund's concentration in the real estate industry.

**Closed-End Funds.** Client should be aware that closed-end funds available within the program are not readily marketable. In an effort to provide investor liquidity, the funds offer to repurchase a certain percentage of shares at net asset value on a periodic basis. Thus, clients will be unable to liquidate all or a portion of their shares in these types of funds.

**Exchange Traded Funds (ETFs).** An ETF is an investment fund traded on stock exchanges, similar to a stock. Investing in ETFs carries the risk of capital loss. Areas of concern include the lack of transparency in portfolios, increasing complexity, high management fees, and the possibility of inadequate regulatory compliance. ETF prices may vary significantly from their underlying Net Asset Value due to market conditions, and certain Exchange Traded Funds may not track underlying benchmarks as advertised.

ETFs are also subject to the following risks: (1) an ETF's shares may trade at a market price that is above or below their net asset value; (2) the ETF may employ an investment strategy that utilizes high leverage ratios; or (3) trading of an ETF's shares may be halted or de-listed from an exchange if the listing exchange's officials deem such action appropriate. The advisor has no control over the risks taken by the underlying funds in which client's invest.

**Discount/Premium to NAV.** Generally, ETF shares trade at or near their most recent net asset value (NAV). The NAV represents the value of each share's portion of the fund's underlying assets and cash at the end of the trading day. The NAV is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies in the markets may cause the shares to trade at a premium or discount to the NAV.

**Index Tracking Error.** This is the extent to which any ETF deviates from the index that it is set up to mimic. Managing this is a key job for the manager of the fund, and how they have performed is something for the client to look at by comparing the fund's record with the selected index in the fund documents or on the manager's website. Some asset classes, such as emerging markets, are likely to demonstrate more tracking error than others.

**Liquidity/Shutdown.** There is no guarantee that an active secondary market for an ETF will develop or continue to exist. Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to sell those shares. In the event that an ETF becomes very unpopular and has minimal demand, the fund can be shut down and liquidated. When the fund is liquidated shareholders are paid in cash and transaction costs and capital gains/losses can be incurred.

**Authorized Participants (APs).** One of the major parties at the center of the creation and redemption process for ETFs. They provide a large portion of liquidity in the ETF market by obtaining the underlying assets required to create a fund. Traditionally, APs are large banks such as JP Morgan Chase, Bank of America, Goldman Sachs, and Morgan Stanley, among others. If there was a credit or liquidity crisis, ETFs bear the risk of failure due to the potential non-participation of their APs.

When a client invests in ETFs, the client indirectly pays its proportionate share of any fees and expenses of those funds (management fees, etc.). Therefore, in some funds, clients may incur high expenses. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

**Exchange-Traded Notes (ETNs).** An ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs are linked to a variety of assets, for example, commodity futures, foreign currency and equities. ETNs are similar to ETFs in that they are listed on an exchange and can be bought or sold throughout the trading day. However, an ETN is not a mutual fund and does not have a net asset value; the ETN trades at the prevailing market price. Some of the more common risks of an ETN are as follows. The repayment of the principal, interest (if any), and the payment of any returns at maturity or upon redemption are dependent upon the ETN issuer's ability to pay. In addition, the trading price of the ETN in the secondary market is adversely impacted if the issuer's credit rating is downgraded. The index or asset class for performance replication in an ETN may or may not be concentrated in a specific sector, asset class or country and therefore carry specific risks.

**Leveraged and Inverse ETFs, ETNs and Mutual Funds.** Leveraged ETFs, ETNs and mutual funds, sometimes labeled "ultra" or "2x" for example, are designed to provide a multiple of the underlying index's return, typically on a daily basis. Inverse products are designed to provide the opposite of the return of the underlying index, typically on a daily basis. These products are different from and can be riskier than traditional ETFs, ETNs and mutual funds. Although these products are designed to provide returns that generally correspond to the underlying index, they are not able to exactly replicate the performance of the index because of fund expenses and other factors. This is referred to as tracking error. Continual re-setting of returns within the product add to the underlying costs and increase the tracking error. As a result, this prevents these products from achieving their investment objective. In addition, compounding of the returns can produce a divergence from the underlying index over time, in particular for leveraged products. In highly volatile markets with large positive and negative swings, return distortions are magnified over time. Because of these distortions, these products should be actively monitored, as frequently as daily, and are not appropriate as an intermediate or long-term holding. To accomplish their objectives, these products use a range of strategies, including swaps, futures contracts and other derivatives. These products are diversified and can be based on commodities or currencies. These products have higher expense ratios and be less tax-efficient than more traditional ETFs, ETNs and mutual funds.

**Options.** Certain types of option trading are permitted in order to generate income or hedge a security held in the program account; namely, the selling (writing) of covered call options or the purchasing of put options on a security held in the program account. Client should be aware that the use of options involves additional risks. The risks of covered call writing include the potential for the market to rise sharply. In such cases, the security is called away and the program account will no longer hold the security. The risk of buying long puts is limited to the loss of the premium paid for the purchase of the put if the option is not exercised or otherwise sold by the program account.

**Structured Products.** Structured products are securities derived from another asset, such as a security or a basket of securities, an index, a commodity, a debt issuance, or a foreign currency. Structured products frequently limit the upside participation in the reference asset. Structured products are senior unsecured debt of the issuing bank and subject to the credit risk associated with that issuer. This credit risk exists whether or not the investment held in the account offers principal protection. The creditworthiness of the issuer does not affect or enhance the likely performance of the investment other than the ability of the issuer to meet its obligations. Any payments due at maturity are dependent on the issuer's ability to pay. In addition, the trading price of the security in the secondary market, if there is one, is adversely impacted if the issuer's credit rating is downgraded. Some structured products offer full protection of the principal invested, others offer only partial or no protection. Investors are sacrificing a higher yield to obtain the principal guarantee. In addition, the principal guarantee relates to nominal principal and does not offer inflation protection. An investor in a structured product never has a claim on the underlying investment, whether a security, zero coupon bond, or option. There is little or no secondary market for the securities

and information regarding independent market pricing for the securities will be limited. This is true even if the product has a ticker symbol or has been approved for listing on an exchange. Tax treatment of structured products is different from other investments held in the account (e.g., income is taxed as ordinary income even though payment is not received until maturity). Structured CDs that are insured by the FDIC are subject to applicable FDIC limits.

**Variable Annuities.** If you purchase a variable annuity that is part of a program, you will receive a prospectus and need to rely solely on the disclosure contained in the prospectus with respect to the terms and conditions of the variable annuity. You need to also be aware that certain riders purchased with a variable annuity limit the investment options and the ability to manage the subaccounts.

If you are investing in a variable annuity through a tax advantaged retirement plan (such as a 401(k) plan or an IRA), you will get no additional tax advantage from the variable annuity. Under these circumstances, consider buying a variable annuity only if it makes sense because of the annuity's other features, such as lifetime income payments and death protection. The tax rules that apply to variable annuities can be complicated—before investing, you will want to consult a tax adviser about the tax consequences to you of investing in a variable annuity.

Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Oil and Gas Interest Risks.** Oil and gas drilling companies face substantial price risk due to the highly volatile relationship between supply of oil and gas and demand for energy. On a grand economic scale, price risk can increase with the presence of more competition, lower-quality oil and gas, adverse weather conditions in the drilling region, increased government regulations or the availability of energy substitutions. Price reductions in the oil and gas sector result in less profitability on drilling and the potential for companies to end operations.

**Geological Risks.** Another prevalent risk in oil and gas drilling is the limitation of geological information available to energy companies. Because it is impossible to know what is under the surface prior to drilling, oil and gas companies are operating only on information available from nearby sites. This could result in unsuccessful drilling, which equates to wasted capital resources for the drilling company.

**Cost Risks.** The greatest risk inherent to oil and gas drilling is the immense cost associated with ongoing operations. Companies need expensive equipment for hauling, storage and drilling, an extensive workforce, fuel for transportation, and costly insurance to cover any mishaps that could arise on site. To cover these expenses, oil and gas drilling companies must either tap into capital reserves, raise additional capital from investors or borrow from other financing outlets. Each of these funding sources has costs that increase the total operational expenses a drilling company must take on.

It is important to note that no methodology or investment strategy is guaranteed to be successful or profitable. Investing in securities involves the risk of loss that clients should be prepared to bear.

## **Item 9 Disciplinary Information**

Clients need to be aware that the Advisor has had any legal or disciplinary events, currently or in the past.



The Advisor and its advisory personnel value the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider in which you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at <http://adviserinfo.sec.gov>. To review the firm information contained in ADV Part 1, select the option for Investment Adviser Firm and enter CRD #316024 in the field labeled "Firm IARD/CRD Number". This will provide access to Form ADV Parts 1 and 2. Item 11 of the ADV Part 1 lists legal and disciplinary questions. You may also research the background of Scott C. Winters and Mark J. Williams by selecting the Investment Adviser Representative and entering Scott C. Winters Individual CRD #2598188 and Mark J. Williams Individual CRD #4061842 in the field labeled "Individual CRD Number".

## **Item 10 Other Financial Industry Activities and Affiliations**

### **A. Broker-Dealer or Representative Registration**

The Advisor is not a broker-dealer nor are any of its management persons registered representatives of a broker-dealer.

### **B. Futures or Commodity Registration**

The Advisor does not have an application pending as a futures commission merchant, commodity pool operator, or a commodity trading advisor, or as an associated person of the foregoing entities.

### **C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

Scott C. Winters, John D. Pollock, Mark J. Williams, and Bryce A. Hamilton all Investment Adviser Representatives of the Advisor are also owners of Financial Gravity Companies, Inc. ("FGCO"), the parent company of the Advisor and Sofo Investment, Inc. and MPath Advisor Resources. FGCO offers partner programs, tax planning, wealth and risk management, and business consulting solutions, as well as financial advisory services. FGCO serves customers in the United States. FGCO is the parent company of Sofos Investment, Inc. ("Sofos") a turnkey asset management program ("TAMP") that some clients of the Advisor will be referred to for management of the assets in the portfolio. This presents a conflict of interest. A conflict of interest exists because the owners of the Advisor are also the owners of FGCO. As such, they will receive compensation from both entities for the services provided to clients. Therefore, there is an advantage for the Advisor to refer clients to Sofos for the additional compensation they will receive. Clients of the Advisor always have the right to accept or refuse the recommendation of the Advisor. In recommending an investment advisor to clients, the Investment Adviser Representatives of the Advisor will always act in the client's best interest under their fiduciary duty.

Mr. Winters is the CEO and board member for Financial Gravity Companies, a publicly traded financial services company since July 2019. He spends approximately 100 hours/month on this activity.

Mr. Pollock spends approximately 100+ hours/month as the CEO of MPATH Advisor Resources and 40+ hours/month as a Tax Master within the Tax Master Network helping to onboard new representatives and run tax plans. He is also a Board Member for Financial Gravity Companies, a publicly traded financial services company and spends approximately 10 hours/month on this activity.

Mr. Williams spends approximately 10% of his time on activities related to the Financial Gravity Companies.

Mr. Hamilton spends approximately 10% of his time on activities related to the Financial Gravity Companies.

Certain Investment Advisor Representatives for the Advisor are also licensed and registered as insurance agents to sell life, accident and other lines of insurance for MPath Advisor Resources. Therefore, they will be able to purchase insurance products for any client in need of such services and will receive separate, yet typical compensation in the form of commissions for the purchase of insurance products. This creates a conflict of interest. A conflict of interest exists because the Investment Advisor Representative can recommend products for which he can receive additional compensation, i.e. insurance. Clients always have the right to decide whether to purchase insurance recommended by the Investment Advisor Representative and if they do purchase insurance, clients have the right to decide from whom to purchase insurance. In recommending an insurance product, the Investment Advisor Representative will always act in the client's best interest under his fiduciary duty. Clients are not obligated to use the Advisor or its representatives for insurance product services. Investment Advisor Representatives will spend approximately 5% of their time on insurance related activities.

#### **D. Recommendation or Selection of Other Investment Advisers and Conflicts of Interest**

The Advisor recommends investment advisors for some of our clients. Both the affiliated and unaffiliated investment advisor that the Advisor recommends to clients are required to be registered as an investment advisor. Before recommending a sub-advisor to a client, the Advisor will first ensure that the sub-advisor is appropriately registered and/or notice-filed, or exempt from registration within your state of residence. As referenced in Item 4 of this Brochure, each firm is compensated for their respective services by the client through a portion of the asset-based fee that is assessed. The Advisor has an incentive to recommend one sub-advisor over another if less favorable compensation or service arrangements were to be offered to the Advisor by another sub-advisor. The Advisor has a fiduciary duty to act in our client's best interest at all times and will do so when recommending a sub-advisor to our clients.

Additionally, there is the potential for clients' fees assessed via these engagements to be higher than had a client obtained them directly from the sub-advisor or the client were able to purchase similar underlying investments on their own. Clients are encouraged to review the sub-advisor's Brochure which will include all of the services offered and a description of the models offered by the sub-advisor and their stated fees prior to the engagement. Clients have the right to purchase recommended or similar investments through their own provider. It should be noted that certain sub-advisors and/or underlying investments may not be available to self-directed investors or at the same cost.

Clients also need to be aware that one of the sub-advisors they may be referred to is Sofos Investments, Inc. which is an affiliated company with the Advisor. For more detail see Item 4 and Item 10 above.

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

#### **A. Code of Ethics Description**

The Advisor is registered with the SEC and maintains a Code of Ethics pursuant to SEC rule 204A-1. The Advisor has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser. In addition, the Code of Ethics governs personal trading by each employee of the Advisor deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of the Advisor are conducted in a manner that avoids any conflict of interest between such persons and clients of the adviser or its affiliates. The Advisor collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve conflicts of interest. The Advisor maintains a code of ethics and they will provide a copy to any client or prospective client upon request.

#### **B. Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

Other than what has been described in this Brochure, the Advisor does not currently have any other material financial interest involving its recommendations to clients.

### **C. Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

The Advisor and/or its investment advisory representatives from time to time purchase or sell products that they recommend to clients. This practice presents a conflict where, because of the information the Advisor has, the Advisor or its related person are in a position to trade in a manner that adversely affect clients (e.g. place their own trades before or after client trades are executed in order to benefit from any price movements due to the clients' trades). In addition to affecting the Advisor's or its related person's objectivity, these practices by the Advisor or its related person also harm clients by adversely affecting the price at which the clients' trades are executed. To mitigate this conflict, the Advisor and/or its investment advisory representatives have a fiduciary duty to put the interests of their clients ahead of their own. The Advisor has adopted the following procedures in an effort to minimize such conflicts: The Advisor requires its related persons/access persons to preclear all transactions in their personal accounts with the Chief Compliance Officer, Kaili Winters, who may deny permission to execute the transaction if such transaction will have any adverse economic impact on one of its clients. All of the Advisor's related persons are required to disclose their securities transactions on a quarterly basis and holdings on an annual basis. All of the Advisor's related persons are also required to provide broker confirmations of each transaction in which they engage and a monthly certification of such transactions. Trading in employee accounts will be reviewed by the Chief Compliance Officer and compared with transactions for the client accounts. Also, the investment advisory representatives are required to adhere to the Advisor's Code of Ethics as outlined above in Item 11A.

### **D. Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

See the response to Item 11C above.

## **Item 12 Brokerage Practices**

### **A. Factors Used to Select Broker-Dealers for Client Transactions**

If requested by the client, the Advisor will suggest brokers or dealers to be used based on execution and custodial services offered, cost, quality of service and industry reputation. The Advisor will consider factors such as commission price, speed and quality of execution, client management tools, and convenience of access for both the Advisor and client in making its suggestion.

### **Research and Other Soft Dollar Benefits.**

The Advisor does not receive research or other products or services other than execution from a broker-dealer or third party as a result of client securities transactions.

### **Brokerage for Client Referrals.**

The Advisor does not receive client referrals from any broker-dealer or third party as a result of the firm recommending that broker-dealer to clients.

### **Directed Brokerage.**

The Advisor does not recommend, request or require that a client direct it to execute transactions through a specified broker-dealer.

**If the firm permits a client to direct brokerage, describe your practice.**

The Advisor will allow clients to direct brokerage at the firm's sole discretion. Clients need to be aware that if they direct the Advisor to a particular broker-dealer for execution the Advisor will be unable to achieve most favorable execution of client transactions. Directing brokerage costs clients more money than if the Advisor were to execute transactions at the broker-dealer where it has an established relationship. The client pays higher brokerage commissions because the Advisor is not able to aggregate orders to reduce transaction costs or the client receives less favorable prices.

**B. Aggregating Securities Transactions for Client Accounts**

The Advisor combines orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g. for the purposes of reducing brokerage commissions or obtaining a more favorable execution price). Block trading is performed when it is consistent with the duty to seek best execution and is consistent with the terms of Advisor's investment advisory agreements. Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold in a trading day. Any portion of an order that remains unfilled at the end of a given day will be rewritten on the following day as a new order with a new daily average price to be determined at the end of the following day. Due to the low liquidity of certain securities, broker availability can be limited. Open orders are worked until they are completely filled, which can span the course of several days. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement. If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. The Advisor could allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

**Item 13 Review of Accounts**

**A. Indicate whether your firm periodically reviews client accounts or financial plans. If you do, describe the frequency and nature of the review and the titles of the supervised persons who conduct the review.**

Investment advisory client accounts are monitored on an ongoing basis. Financial Plans, once prepared and delivered to the client are not reviewed again unless the client requests a financial plan be updated. Client accounts (and/or financial plans) are reviewed by the Investment Advisor Representative working with the client and Kaili Winters, Chief Compliance Officer will oversee the annual reviews of each Investment Advisor Representative. The nature of the review is to determine if the client account is still in line with the client's stated objectives.

The client is encouraged to notify the Advisor and Investment Advisor Representative if changes occur in his/her personal financial situation that might materially affect his/her investment plan.

**B. If the firm reviews client accounts on other than a periodic basis, describe the factors that trigger a review.**

See the response to Item 13A. above.

**C. Describe the content and indicate the frequency of regular reports the firm provides to clients regarding their accounts. State whether these reports are written.**

The client will receive written statements no less than monthly from the custodian. In addition, the client will receive other supporting reports from mutual funds, asset managers, trust companies or other custodians, insurance companies, broker-dealers and others who are involved with client accounts.

The Advisor does not provide written reports to clients.

#### **Item 14 Client Referrals and Other Compensation**

##### **A. Economic Benefits Provided to the Advisory Firm From External Sources and Conflicts of Interest**

Other than what has been described in this Brochure, the Advisor does not currently have any such arrangements.

##### **B. Advisory Firm Payments for Client Referrals**

The Advisor does not currently have any such arrangements therefore this question is not applicable.

#### **Item 15 Custody**

Under federal regulations, the Advisor is deemed to have custody of client assets if you authorize us to instruct the qualified custodian to deduct our advisory fees directly from your account. The qualified custodian utilized by the Advisor maintains actual custody of your assets. The client will receive written statements no less than monthly from the custodian. The custodian will send a monthly statement to the client. The Advisor encourages clients to carefully review/compare their account statements for any inaccuracies. Any discrepancies should be immediately brought to the firm's attention.

#### **Item 16 Investment Discretion**

The Advisor has discretion over the selection and amount of securities to be bought or sold in client accounts without obtaining prior consent or approval from the client for each transaction. However, these purchases or sales will be subject to specified investment objectives, guidelines, or limitations previously set forth by the client and agreed to by the Advisor.

Discretionary authority will only be provided upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of an Investment Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by the Advisor will be in accordance with each client's investment objectives and goals.

#### **Item 17 Voting Client Securities**

The Advisor will not vote, nor advise clients how to vote, proxies for securities held in client accounts. The client clearly keeps the authority and responsibility for the voting of these proxies. Also, the Advisor cannot give any advice or take any action with respect to the voting of these proxies. The client and Advisor agree to this by contract. Clients will receive proxy solicitations from their custodian and/or transfer agent.

#### **Item 18 Financial Information**

##### **A. Balance Sheet**

The Advisor does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, therefore a Balance Sheet is not included with this Brochure.

**B. Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

The Advisor has discretionary authority over client accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to clients. If Advisor does become aware of any such financial condition, this brochure will be updated and clients will be notified.

**C. Bankruptcy Petitions During the Past Ten Years**

Not applicable to the Advisor.

## Privacy Policy

Financial Gravity Family Office Services, Inc.

Effective: August 3, 2021

### Our Commitment to You

Financial Gravity Family Office Services, Inc. ("Advisor") is committed to safeguarding the use of your personal information that we have as your Investment Advisor. Advisor (referred to as "we", "our" and "us" throughout this notice) protects the security and confidentiality of the personal information we have and make efforts to ensure that such information is used for proper business purposes in connection with the management or servicing of your account. Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything we can to maintain that trust.

We do not sell your non-public personal information to anyone. Nor does the Advisor provide such information to others except for discrete and proper business purposes in connection with the servicing and management of your account as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this privacy policy.

### The Information We Collect About You

You typically provide personal information when you complete the paperwork required to become our Client. This information includes the following:

Driver's License number	Date of Birth
Social security or taxpayer identification number	Assets and liabilities
Name, address and phone number(s)	Income and expenses
E-mail address(es)	Investment activity
Account information (including other institutions)	Investment experience and goals

In addition, we collect non-public information about you from the following sources:

- Information we receive on Brokerage Agreements, Managed Account Agreements and other Subscription and Account Opening Documents;
- Information we receive in the course of establishing a customer relationship including, but not limited to, applications, forms, investment questionnaires;
- Information about your transactions with us or others

### Information about You That Advisor Shares

The Advisor works to provide products and services that benefit our customers. We share non-public personal information with non-affiliated third parties (such as brokers and custodians) as necessary for us to provide agreed services and products to you consistent with applicable law. We also disclose non-public personal information to other financial institutions with whom we have joint business arrangements for proper business purposes in connection with the management or servicing of your

account. In addition, your non-public personal information will also be disclosed to you, persons we believe to be your authorized agent or representative, regulators in order to satisfy the Advisor's regulatory obligations, and is otherwise required or permitted by law. Lastly, we will disclose your non-public personal information to companies we hire to help administrate our business. Companies we hire to provide services of this kind are not allowed to use your personal information for their own purposes and are contractually obligated to maintain strict confidentiality. We limit their use of your personal information to the performance of the specific service we have requested.

To repeat, we do not sell your non-public personal information to anyone.

**Information about Former Clients**

Advisor does not disclose, and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our clients.

**Confidentiality and Security**

Our employees are advised about the firm's need to respect the confidentiality of our customers' non-public personal information. Additionally, we maintain physical, procedural and electronic safeguards in an effort to protect the information from access by unauthorized parties.

**We'll keep you informed**

We will send you notice of our privacy policy annually for as long as you maintain an ongoing relationship with us. Periodically we may revise our privacy policy, and will provide you with a revised policy if the changes materially alter the previous privacy policy. We will not, however, revise our privacy policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing. You can obtain a copy of our current privacy policy by contacting us at (800) 588-3893.