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Investment Advisor

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Form ADV Part 2A, Appendix 1
Wrap Fee Program Brochure

This brochure provides information about the qualifications and investment advisory business practices of Bivin & Associates, Inc. If you have any questions about the contents of this brochure please contact us at (580) 762-1121. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about our firm's investment advisory business is also available on the Internet at www.adviserinfo.sec.gov. You can view the firm's information on this website by searching for our name or by our firm's CRD number. The CRD Number for our firm is 111688. Bivin & Associates, Inc. is an investment adviser.

Material Changes - Item 2

The purpose of this section is to inform you of any material changes since the previous annual updating amendment filing of this Wrap Fee Brochure submitted to regulators on March 25, 2021.

On March 21, 2022, we submitted our annual updating amendment for fiscal year 2021. We have made the following updates to our Form ADV Part 2A, Appendix 1 Wrap Fee Brochure:

- Item 4 was updated to clarify that cash positions are included in the calculation of our advisory fees and we bill during periods of portfolio inactivity.
- Item 6 was updated with important information regarding investment risks associated with preferred securities, cybersecurity, pandemics, and cryptocurrency.

In addition to the changes noted above, we encourage you to carefully review our full wrap fee brochure. If you have any questions or if you would like to receive a copy of our current wrap fee brochure free of charge at any time, contact us at 412 S. 14th Street, Ponca City, OK 74601, (580) 762-1121, or jdbrown@bivinandassociates.com.

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Services, Fees and Compensation - Item 4

Description of Firm

Bivin & Associates, Inc. is an investment adviser based in Ponca City, Oklahoma. We were organized as a corporation under the laws of the State of Oklahoma in 1999. Wm. Stan Bivin, CFP®, President and Chief Compliance Officer, is the sole owner of the company. Prior to 1999, Mr. Bivin operated as a sole proprietor investment adviser and has been providing investment advisory services since 1994.

As used in this brochure, the words "we," "our," and "us" refer to Bivin & Associates, Inc. and the words "you," "your," and "client" refer to you as a client or prospective client of our firm. Also, you may see the term Associated Person in this brochure. Our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

We offer discretionary portfolio management services through a wrap-fee program ("Program") as described in this wrap fee program brochure to prospective and existing clients. We are the sponsor and investment adviser for the Program. A wrap-fee program is a type of investment program that provides clients with asset management and brokerage services for an inclusive fee. If you participate in our wrap fee program, you will pay our firm a single fee, which includes our management fee, certain administrative fees, and certain transaction and custodial costs. The fee does not include mark-ups and mark-downs, dealer spreads or other costs associated with the purchase or sales of securities, interest, taxes, or other costs, such as national exchange fees, charges for transactions not executed through the custodian, costs associated with exchanging currencies, wire transfer fees, or other fees required by law or imposed by third parties. You will be responsible for these additional fees and expenses. We receive a portion of the wrap fee for our services. The overall cost you will incur if you participate in our wrap fee program may be higher or lower than you might incur by separately purchasing the types of securities available in the Program.

Prior to becoming a client under the Program, you will be required to enter into a separate written agreement with us that sets forth the terms and conditions of the engagement and describes the scope of the services to be provided, and the fees to be paid.

Client Investment Process

We offer discretionary investment advisory services to our clients. To retain our firm, we will arrange for an interview in person, or by telephone to discuss suitability, our philosophy, investment strategy and other relevant information. After our interview, if you decide to retain us, we will enter into an investment advisory agreement. We use the suitability information we gather to assist you in choosing an investment option that employs a model portfolio developed by our firm that is diversified among investment styles and/or asset classes. We will use the information we gather to develop a strategy that enables our firm to customize an investment portfolio for you in accordance with your risk tolerance and investment objectives. Once we construct an investment portfolio for you, or select a

model portfolio, we will monitor your portfolio's performance and re-balance your investments as required by changes in market conditions and in your financial circumstances.

We offer discretionary portfolio management services under a wrap fee program where we act as both the portfolio manager and sponsor of the program. We will invest your assets according to one or more model portfolios developed by our firm. These models are designed for investors with varying goals and degrees of risk tolerance ranging from a more aggressive investment strategy to a more conservative investment approach. Clients whose assets are invested in model portfolios may not set restrictions on the specific holdings or allocations within the model, nor the types of securities that can be purchased in the model. For assets held outside the model portfolios, you can limit our discretionary authority or you may request specific transactions by providing our firm with your restrictions, guidelines, or instructions.

Transactions for your account must be executed through the preferred source chosen by the qualified custodian. To compare the cost of the wrap fee program with non-wrap fee portfolio management services, you should consider the frequency of trading activity associated with our investment strategies and the brokerage commissions charged by or other broker-dealers, and the advisory fees charged by investment advisers.

Changes in Your Financial Circumstances

In providing the contracted services, we are not required to verify any information we receive from you or from your other professionals (e.g., attorney, accountant, etc.) and we are expressly authorized to rely on the information you provide. Furthermore, unless you indicate to the contrary, we shall assume that there are no restrictions on our services, other than to manage your account in accordance with your designated investment objectives. It is your responsibility to promptly notify us if there are ever any changes in your financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

The Program Fee

We charge an annual wrap fee for portfolio management services of up to 1.5% (with a minimum annual fee of \$150) depending upon the market value of your assets under our management, the type and complexity of the asset management services provided, as well as the level of administration requested either directly or assumed by the client. Assets in each of your account(s) are included in the fee assessment unless specifically identified in writing for exclusion.

Our annual portfolio management fee is billed and payable, quarterly in arrears. If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

There may be times when we will manage assets outside of the portfolio management program account and those assets could be billed and payable, quarterly in arrears, and are debited through your portfolio management account.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints referenced in your discretionary management agreement with our firm.

Billing on Cash Positions: The firm treats cash and cash equivalents as an asset class. Accordingly, unless otherwise agreed in writing, all cash and cash equivalent positions (e.g., money market funds, etc.) are included as part of assets under management for purposes of calculating the firm's advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), the firm may maintain cash and/or cash equivalent positions for defensive, liquidity, or other purposes. While assets are maintained in cash or cash equivalents, such amounts could miss market advances and, depending upon current yields, at any point in time, the firm's advisory fee could exceed the interest paid by the client's cash or cash equivalent positions.

Periods of Portfolio Inactivity: The firm has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, the firm will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including but not limited to investment performance, fund manager tenure, style drift, account additions/withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods of time when the firm determines that changes to a client's portfolio are neither necessary nor prudent. Notwithstanding, unless otherwise agreed in writing, the firm's annual investment advisory fee will continue to apply during these periods, and there can be no assurance that investment decisions made by the firm will be profitable or equal any specific performance level(s).

Withdrawal of Assets

You may withdraw account assets on notice to our firm, and be subject to the usual and customary securities settlement procedures. However, we design our portfolios as long-term investments and asset withdrawals may impair the achievement of your specific investment objectives.

Payment of Fees

As paying agent for our firm, your custodian will calculate the advisory fee based on your advisory agreement with us and they will directly debit your account(s) for the payment of our advisory fees.

Advisory fees will be deducted only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian, and
- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts disbursed from your account including the amount of the advisory fee paid directly to our firm.

If you have any questions about the statement(s) you receive from the qualified custodian, call our main office number located on the cover page of this brochure.

Termination of Advisory Relationship

You may terminate the portfolio management agreement upon 30 days written notice. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Upon termination of accounts held at the qualified custodian, your securities and funds held in the account will be delivered per your instructions unless you request that the account be liquidated. After the wrap fee program agreement has been terminated, transactions are processed at the prevailing brokerage rates/fees. You become responsible for monitoring your own assets and our firm has no further obligation to act upon or to provide advice with respect to those assets.

Wrap Fee Program Disclosures

1. The benefits under a wrap fee program depend, in part, upon the size of the Account, the management fee charged, and the number of transactions likely to be generated in the Account. For example, a wrap fee program may not be suitable for Accounts with little trading activity. In order to evaluate whether a wrap fee program is suitable for you, you should compare the Program Fee and any other costs of the Program with the amounts that would be charged by other advisers, broker-dealers, and custodians, for advisory fees, brokerage and other execution costs, and custodial services comparable to those provided under the Program.
2. In considering the investment programs described in this brochure, you should be aware that participating in a wrap fee program may cost more or less than the cost of purchasing advisory, brokerage, and custodial services separately from other advisers or broker-dealers.
3. Our firm and Associated Persons receive compensation as a result of your participation in the Program. This compensation may or may not be more than the amount our firm or the Associated Persons would receive if you paid separately for investment advice, brokerage, and other services. Accordingly, a conflict of interest exists because our firm and our Associated Persons may have a financial incentive to recommend the Program.
4. Similar advisory services may be available from other investment advisers for lower or higher fees.

Additional Fees And Expenses

The Program Fee includes the costs of brokerage commissions for transactions executed through the broker-dealer designated by the Qualified Custodian, and charges relating to the settlement, clearance, or custody of securities in the Account. The Program Fee does not include mark-ups and mark-downs, dealer spreads or other costs associated with the purchase or sale of securities, interest, taxes, or other costs, such as national securities exchange fees, charges for transactions not executed through the broker-dealer designated by the Qualified Custodian, costs associated with exchanging currencies, wire transfer fees, variable annuity platform fees, or other fees required by law or imposed by third parties. The Account owner will be responsible for these additional fees and expenses.

The wrap program fees that you pay to our firm for portfolio management services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds, and variable annuities (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. Additionally, variable annuities typically impose asset-based sales charges or surrender charges for withdrawals within a specified period. Some fee-based variable annuities charge a small platform fee in addition to our advisory fee based on a percentage of the value of the underlying funds held in the policy. Variable annuities may also impose a variety of fees and expenses, in addition to sales and surrender charges, such as mortality and expense risk charges; administrative fees; underlying fund expenses; and charges for special features, all of which can reduce the return.

To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others.

Brokerage Practices

We require that clients direct us to execute transactions and custody investment assets through facilities of Axos Clearing LLC doing business as Axos Advisor Services, member FINRA & SIPC. In selecting Axos Advisor Services as your custodian, you agree to have transactions effected through its affiliates and/or brokers, custodians, or other service providers selected by Axos Advisor Services.

Research and Other Soft Dollar Benefits

We do not have any soft dollar arrangements.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

Our wrap fee program, for which we are both the portfolio manager and the sponsor, is conducted

through Axos Advisor Services. To participate in our wrap fee program, clients must use Axos Advisor Services as the custodian and its clearing firm for trade execution. Variable annuities are held outside your portfolio management account. As such, transactions for sub-accounts are not conducted through Axos Advisor Services; instead, they will be implemented through a service provider selected by or affiliated with the insurance company through which the variable annuity contract is purchased. Not all advisers require their clients to direct brokerage.

Aggregation of Orders (Block Trading)

Where possible, we may combine orders with respect to a security for advisory client accounts if such aggregation is consistent with achieving best execution for the various client accounts. When orders are combined, each participating account receives the weighted average share price for all transactions in a particular security affected to fill such orders at the time of execution. Allocations of orders among client accounts must be made in a fair and equitable manner. Proprietary or related accounts for our firm or persons associated with our firm may participate in block trading with client accounts, but will not be given preferential treatment.

Account Requirements and Types of Clients - Item 5

We currently provide investment advisory services to individuals (including high net worth individuals, trusts, and estates), pension and profit sharing plans, corporations, and other business entities. However, we may also offer our services to charitable organizations or other types of clients.

We charge a minimum fee of \$150 to open and maintain an advisory account. At our discretion, we may waive the minimum fee.

Portfolio Manager Selection and Evaluation - Item 6

We are the sponsor and sole portfolio manager for the Program. Refer to *Services, Fees, and Compensation* for additional disclosures on costs associated with your participation in the Program.

Performance-Based Fees and Side-by-Side Management

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Our Methods of Analysis and Investment Strategies

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

No investment strategy or method of analysis can assure that any trade or investment will result in a profit. Furthermore, each client must understand that any trade or investment could result in a loss and that the value of any client portfolio could decline below the original investment.

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- **Charting** - The set of techniques used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest, and other indicators, in order to anticipate future price movements. Users of these techniques, called chartists, believe that past trends in these indicators can be used to extrapolate future trends.
- **Cyclical** - Analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins, and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.
- **Fundamental** - A method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.
- **Technical** - A method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets may be indications of future performance.

Investment Strategies

We use the following investment strategies when managing client assets and/or providing investment advice:

- **Long-Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period, generally greater than one year. Long-term purchases may be affected by unforeseen long-term changes in the company in which you are invested or in the overall market.
- **Short-Term Purchases and Trading** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. We may use trading (in general, selling securities within 30 days of purchasing the same securities) as an investment strategy when managing your account(s). Trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk. However, frequent trading can negatively affect investment performance, particularly through increased brokerage and other transactional costs and taxes.
- **Tactical asset allocation** - Allows for a range of percentages in each asset class (such as Stocks = 40- 50%). These are minimum and maximum acceptable percentages that permit the investor to take advantage of market conditions within these parameters. Thus, a minor form of market timing is possible, since the investor can move to the higher end of the range when stocks are expected to do better and to the lower end when the economic outlook is bleak.
- **Strategic asset allocation** - Calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment returns skew the original asset allocation percentages. The concept is akin to a "buy and hold" strategy, rather than an active trading approach. Of course, the strategic asset allocation targets may change over time as the client's goals and needs change and as the time horizon for major events such as retirement and college funding grow shorter.

Tax Considerations

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the FIFO (First-In First-Out) accounting method for calculating the gain or loss of your investments.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Cybersecurity Risks: Our firm and our service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes, and practices designed to protect networks, systems, computers, programs, and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate; however, unintentional events may have similar effects. Cyber-attacks may cause losses to clients by interfering with the processing of transactions, affecting the ability to calculate net asset value or impeding or sabotaging trading. Clients may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose our firm to civil liability as well as regulatory inquiry and/or action. In addition, clients could be exposed to additional losses as a result of unauthorized use of their personal information. While our firm has established a business continuity plan and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cyber security risks are also present for issuers of securities, investment companies and other investment advisers in which we invest, which could result in material adverse consequences for such entities and may cause a client's investment in such entities to lose value.

Pandemic Risk: Large-scale outbreaks of infectious disease can greatly increase morbidity and mortality over a wide geographic area, crossing international boundaries, and causing significant economic, social, and political disruption. It is difficult to predict the long-term impact of such events because they are dependent on a variety of factors including the global response of regulators and governments to address and mitigate the worldwide effects of such events. Workforce reductions, travel restrictions, governmental responses and policies and macroeconomic factors could negatively impact investment returns.

Recommendation of Particular Types of Securities

We primarily invest in publicly traded stocks, exchange traded funds, and bonds. There may be on occasion, actively managed or indexed mutual funds in our portfolios. You should be advised of the following risks when investing in these types of securities. However, we may recommend other types of investments as appropriate for you since each client has different needs and different tolerance for risk.

Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Mutual funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and exchange-traded funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. The returns on mutual funds and exchange-traded funds can be reduced by the costs to manage the funds. In addition, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds charge such fees, which can also reduce returns. Mutual funds can also be "closed end" or "open end." So-called "open end" mutual funds continue to allow in new investors indefinitely, which can dilute other investors' interests. Low cost exchange traded funds (ETFs) are used to build risk-based diversified asset portfolios. Material risks associated with these types of portfolios include, but are not limited to, improper weighting, timing of entry/exit, credit, suitability, and, asset and trading expense ratios.

Variable annuities are complex investments offered by insurance companies. Investment in a variable annuity contract is subject to general market risk and the insurance company's credit risk. These and other risks are described in the variable annuities' prospectuses. Variable annuities are regulated under both securities and insurance laws and the related rules and regulations. Variable annuities may offer benefits and features which may or may not have value to you depending on your circumstances. Similar to mutual funds, insurance companies may charge a variety of fees and charges against the assets invested in the sub-accounts of the insurance contract. As noted above, this typically means there are two layers of advisory fees incurred: fees charged by the insurance company and/or platform provider and fees paid to us for advisory services.

There are numerous ways of measuring the risk of **equity securities** (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") are, but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Corporate debt securities (or "bonds") will have varying degrees of risk that are based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

While generally thought of as safe, **municipal securities** can have significant risks associated with them including, but not limited to: the credit worthiness of the governmental entity that issues the bond; the stability of the revenue stream that is used to pay the interest to the bondholders; when the bond is due to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same amount of interest or yield to maturity.

Preferred Securities have similar characteristics to bonds in that preferred securities are designed to make fixed payments based on a percentage of their par value and are senior to common stock. Like bonds, the market value of preferred securities is sensitive to changes in interest rates as well as changes in issuer credit quality. Preferred securities, however, are junior to bonds with regard to the distribution of corporate earnings and liquidation in the event of bankruptcy. Preferred securities that are in the form of preferred stock also differ from bonds in that dividends on preferred stock must be declared by the issuer's board of directors, whereas interest payments on bonds generally do not require action by the issuer's board of directors, and bondholders generally have protections that preferred stockholders do not have, such as indentures that are designed to guarantee payments – subject to the credit quality of the issuer – with terms and conditions for the benefit of bondholders. In contrast, preferred stocks generally pay dividends, not interest payments, which can be deferred or stopped in the event of credit stress without triggering bankruptcy or default. Another difference is that preferred dividends are paid from the issuer's after-tax profits, while bond interest is paid before taxes.

Risks Associated with Investing in Cryptocurrency

Cryptocurrency (e.g., bitcoin, etc.) often referred to as "virtual currency", "digital currency," or "digital assets," is designed to act as a medium of exchange. Cryptocurrency is an emerging asset class. There are thousands of cryptocurrencies, the most well known of which is bitcoin. Certain of the firm's clients may have exposure to bitcoin or another cryptocurrency, directly or indirectly through an investment such as an ETF or other investment vehicles. Cryptocurrency operates without central authority or banks and is not backed by any government. Cryptocurrencies may experience very high volatility and related investment vehicles may be affected by such volatility. As a result of holding cryptocurrency, certain of the firm's clients may also trade at a significant premium or discount to NAV. Cryptocurrency is also not legal tender. Federal, state, or foreign governments may restrict the use and exchange of cryptocurrency, and regulation in the U.S. is still developing. The market price of many cryptocurrencies, including bitcoin, has been subject to extreme fluctuations. If cryptocurrency markets continue to be subject to sharp fluctuations, investors may experience losses if the value of the client's investments decline. Similar to fiat currencies (i.e., a currency that is backed by a central bank or a national, supra-

national or quasi-national organization), cryptocurrencies are susceptible to theft, loss and destruction. Cryptocurrency exchanges and other trading venues on which cryptocurrencies trade are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure than established, regulated exchanges for securities, derivatives and other currencies. The SEC has issued a public report stating U.S. federal securities laws require treating some digital assets as securities.

Cryptocurrency exchanges may stop operating or permanently shut down due to fraud, technical glitches, hackers, or malware. Due to relatively recent launches, most cryptocurrencies have a limited trading history, making it difficult for investors to evaluate investments. Generally, cryptocurrency transactions are irreversible such that an improper transfer can only be undone by the receiver of the cryptocurrency agreeing to return the cryptocurrency to the original sender. Digital assets are highly dependent on their developers and there is no guarantee that development will continue or that developers will not abandon a project with little or no notice. Third parties may assert intellectual property claims relating to the holding and transfer of digital assets, including cryptocurrencies, and their source code. Any threatened action that reduces confidence in a network's long-term ability to hold and transfer cryptocurrency may affect investments in cryptocurrencies.

Many significant aspects of the U.S. federal income tax treatment of investments in cryptocurrency are uncertain and an investment in cryptocurrency may produce income that is not treated as qualifying income for purposes of the income test applicable to regulated investment companies. Certain cryptocurrency investments may be treated as a grantor trust for U.S. federal income tax purposes, and an investment by the firm's clients in such a vehicle will generally be treated as a direct investment in cryptocurrency for tax purposes and "flow-through" to the underlying investors.

Proxy Voting

We do not have the authority to vote proxies solicited by, or with respect to, the issuers of securities held in your account. Typically, proxy materials will be forwarded to you by our custodian. We will forward proxy materials that we may receive to you. Please contact us at any time with questions you may have regarding proxy solicitations.

Client Information Provided to Portfolio Managers - Item 7

In order to provide the Program services, we will share your private information with your account custodian. We may also provide your private information to mutual fund companies and/or private managers as needed. We will only share the information necessary in order to carry out our obligations to you in servicing your account. We share your personal account data in accordance with our privacy policy as described below.

Privacy Notice

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any non-public personal information about you to any non-affiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to non-public personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your non-public personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

Client Contact with Portfolio Managers - Item 8

Without restriction, you should contact our firm or your advisory representative directly with any questions regarding your Program account. You should contact your advisory representative with respect to changes in your investment objectives, risk tolerance, or requested restrictions placed on the management of your Program assets.

Additional Information - Item 9

IRA Rollover Considerations

As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee based

compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of:

- Leaving the funds in your employer's (former employer's) plan.
- Moving the funds to a new employer's retirement plan.
- Cashing out and taking a taxable distribution from the plan.
- Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

- Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
 - Employer retirement plans generally have a more limited investment menu than IRAs.
 - Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
- Your current plan may have lower fees than our fees.
 - If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
 - You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
- Our strategy may have higher or lower risk than the option(s) provided to you in your plan.
- Your current plan may or may not offer financial advice.
- If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 72, if you continue employment with your company past Mandatory Beginning Date.
- Your 401k may offer more liability protection than a rollover IRA; each state may vary
 - Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
- You may be able to take out a loan on your 401k, if you are still employed, but not from an IRA.

- IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty for an account owner under the age of 59.5, unless they qualify for an exception such as disability, higher education expenses, or the purchase of a home.
- If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.

Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

Other Financial Industry Activities and Affiliations

Any person associated with our firm, who is separately licensed as an insurance agent, does not sell insurance products to advisory clients, and does not receive any commission-based compensation from advisory clients for the sale of insurance products.

Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

You may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in client Transactions

Neither our firm nor any of our Associated Persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or

persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). Please refer to the "Brokerage Practices" section in this brochure for information on our block trading practices.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities.

Review of Accounts

Wm. Stan Bivin, CFP®, President of Bivin & Associates, Inc. is responsible for the overall review process. Mr. Bivin and associated Investment Advisor Representatives monitor accounts on a continuous basis to ensure the advisory services provided to you are consistent with your investment needs and objectives. You will be contacted at least annually to review your financial status, goals, and objectives. Mr. Bivin is responsible for ensuring that such reviews and contacts are made. You are encouraged to contact Bivin & Associates with any questions, or changes in financial situations or investment guidelines. Triggering factors that may stimulate additional reviews include, but are not limited to, significant market corrections, large deposits, or withdrawals from an account, and your request for an additional review.

You will receive statements from the account custodians at least quarterly. Where available, you may elect to receive electronic notification and access to statements from your account custodians. For managed accounts, Bivin & Associates may prepare individual reports in conjunction with our meetings and account reviews with you.

Client Referrals and Other Compensation

We do not receive any compensation from third parties in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

Trade Errors

On infrequent occasions, an error may be made in a client account. For example, a security may be erroneously purchased for a client account instead of sold. In these situations, our policy is to restore the client's account to the position it would have been in had the trading error not occurred. Depending on the circumstances, various corrective steps may be taken, including but not limited to, canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, the profit is not allocated to the client account, it remains in the error account of the custodian.

The client acknowledges that we cannot and will not be responsible for trades that are not properly executed by any clearing firm, custodian, mutual fund, or insurance company, when an order has been properly submitted by us.

Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

Financial Information

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.