

Firm Brochure

(Part 2A of Form ADV)

**Sonora Investment Management
Group, LLC
d/b/a Sonora Investment Management**

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This brochure provides information about the qualifications and business practices of Sonora Investment Management Group, LLC. If you have any questions about the contents of this brochure, please contact us at: 520-624-4554, or by email at: sonora@invmgmt.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about Sonora Investment Management Group, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

March 28, 2023

Item 2 - Material Changes

The most recent filing of Sonora Investment Management Group, LLC's brochure was dated March 24, 2022.

The following material changes are included in this Brochure.

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Treasury & Credit Solutions, LLC ("FTCS"). FTCS does not receive any compensation from such third-party institutions for serving our clients. Further information on this conflict of interest is available in Items 4, 5, and 10 of this Brochure.

We will send you a summary of the material changes or the entire brochure annually or when a material change occurs. In addition, whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone (520-624- 4554) or by email (sonora@invmgmt.com).

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Item 4 - Advisory Business

FOCUS FINANCIAL PARTNERS, LLC

Sonora Investment Management Group, LLC, d/b/a Sonora Investment Management ("Sonora") is a SEC-registered investment advisory firm. Sonora acquired the investment advisory business of Sonora Investment Management, LLC, which was founded in 1986.

Sonora is part of the Focus Financial Partners, LLC ("Focus LLC") partnership. Specifically, Sonora is a wholly owned subsidiary of Focus Operating, LLC ("Focus Operating"), which is a wholly owned subsidiary of Focus LLC. Focus Financial Partners Inc. ("Focus Inc.") is the sole managing member of Focus LLC and is a public company traded on the NASDAQ Global Select Market. Focus Inc. owns approximately two-thirds of the economic interests in Focus LLC.

Focus Inc. has no single 25% or greater shareholder. Focus Inc. is the managing member of Focus LLC and has 100% of its governance rights. Accordingly, all governance is through the voting rights and Board at Focus Inc.

Focus LLC also owns other registered investment advisers, broker-dealers, pension consultants, insurance firms, business managers and other firms (the "Focus Partners"), most of which provide wealth management, benefit consulting and investment consulting services to individuals, families, employers, and institutions. Some Focus Partners also manage or advise limited partnerships, private funds, or investment companies as disclosed on their respective Form ADVs.

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Treasury & Credit Solutions, LLC ("FTCS"), a wholly owned subsidiary of our parent company, Focus Financial Partners, LLC. Please see Items 5 and 10 for a fuller discussion of these services and other important information.

Sonora is managed by Douglas Rogers, H. Bradley Toland, Tim D. Wilcox, Michael Arko and L. Graham Gaines IV ("Sonora Principals"), pursuant to a management agreement between SIM Partners, L.L.C. and Sonora. The Sonora Principals serve as officers of Sonora and are responsible for the management, supervision and oversight of Sonora.

Sonora provides investment management to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, and small businesses. Unless otherwise directed by the client, we manage accounts on a fully discretionary basis. Clients may, at any time, impose reasonable restrictions, in writing, on the investments in their accounts; however, we reserve the right, in our sole discretion, to reject any such restrictions. Our clients all share the similar objective of achieving favorable investment returns with minimal portfolio risk. We believe our approach to investing is suitable for people seeking capital preservation, income, and growth of principal as objectives. The investment process begins only after the risks involved in our approach have been fully explained and agreed upon.

Our firm is strictly a fee-only investment management firm. This means that we are compensated for the investment advice we provide to you solely by your investment advisory fee and are not compensated by brokerage firms or insurance companies for client investments in securities products.

We provide financial planning, asset allocation and portfolio management services to our clients. We typically invest client assets in individual stocks and bonds, including convertible bonds, though we may recommend other types of securities to clients when we believe it appropriate to do so. We recommend alternative investments to certain clients.

Our expertise is active fixed income and equity management. Corporate bonds, convertible bonds and convertible preferred stocks are the primary fixed income securities we invest in. Other fixed income securities might include master limited partnerships, preferred stocks, and real estate investment trusts. Equity securities we purchase are primarily common stocks. All investments we purchase are registered securities that normally can be bought or sold daily.

Sonora is a fiduciary under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) with respect to investment management services and investment advice provided to ERISA plan clients, including ERISA plan participants. Sonora is also a fiduciary under the Internal Revenue Code (the “IRC”) with respect to investment management services and investment advice provided to ERISA plans, ERISA plan participants, IRAs and IRA owners (collectively, “Retirement Account Clients”). As such, Sonora is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid or eliminate the conflict or rely upon a prohibited transaction exemption (a “PTE”).

As a fiduciary, we have duties of care and of loyalty to you and are subject to obligations imposed on us by the federal and state securities laws. As a result, you have certain rights that you cannot waive or limit by contract. Nothing in our agreement with you should be interpreted as a limitation of our obligations under the federal and state securities laws or as a waiver of any unwaivable rights you possess.

As of December 31, 2022, Sonora had approximately \$1.9 billion in discretionary assets under management and approximately \$14.2 million in non-discretionary assets under management.

Item 5 - Fees and Compensation

Sonora bases its fee on a percentage of assets under management.

The fee we charge for our services is specified in our Advisory Service Agreement with each client. It is based on a percentage of the investable assets according to the following annual schedule:

Assets Under Management	Annual Rate
First \$2,000,000	1.00%
Next \$3,000,000	0.80%
Next \$5,000,000	0.50%
Above \$10,000,000	0.30%

In some circumstances, and depending on investment objectives, fees may be negotiable. Current client relationships exist where our fee is lower than the fee schedule above.

Our investment management fees are billed quarterly, in advance, meaning that we invoice before the three-month billing period has ended. Additionally, Schwab Advisor Network referrals are billed in arrears to the date of inception. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate collection. The client must consent in advance to direct fee-withdrawal from their investment account.

Although the Advisory Service Agreement is an ongoing agreement, we, or the client, may terminate our Agreement by written notice to the other party. Upon termination of any account, unearned fees will be promptly refunded. The portfolio value at the completion of the prior billing quarter is used as the basis for the fee computation.

In addition to Sonora’s fees, clients are responsible for fees and expenses associated with investing their assets, including brokerage commissions, transaction fees, and fees and expenses charged by the account custodian who holds the clients’ assets, as well as the fees and expenses imposed by any pooled investment vehicles, such as mutual funds, exchange traded funds, business development companies

and private investment funds that are held in client accounts. These fees are also exclusive of the fee paid to Sonora. For additional information, please refer to the Brokerage Practices section of this brochure.

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Treasury & Credit Solutions, LLC ("FTCS"). FTCS does not receive any compensation from such third-party institutions for serving our clients. Further information on this conflict of interest is available in Item 10 of this Brochure.

Neither Sonora nor its supervised persons accept compensation for the sale of securities or investment products.

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

Sonora does not accept performance-based fees.

Item 7 - Types of Clients

Sonora generally provides portfolio management to individuals. We also provide our services to pension and profit-sharing plans, trusts, estates, or charitable organizations and corporations.

Sonora has a minimum account size for third-party referred accounts of \$500,000. However, lesser amounts may be negotiated from time to time depending on circumstances. We reserve the right to refuse to accept proposed management responsibilities or to resign from the management of any individual agreement we have.

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

Security analysis methods include fundamental analysis and technical analysis. Our investment team analyzes companies – it is a team approach. We must all agree before a prospective investment is included on our buy list.

We own companies with the following characteristics:

- Businesses with competitive and leadership positions
- Good historical financial returns
- Strong balance sheets
- Prudent debt levels
- Younger companies having a competitive advantage we feel will generate good future returns

We research companies in-house. Our primary source of information is from the companies themselves: annual and quarterly reports, SEC filings, and conversations with management. In general, we focus on companies and industries most likely to benefit from the economic, social, and demographic trends dominant or emerging in our society. Individual stock selection is usually in mid-to-large size companies. Other sources of information include various financial publications, research materials prepared by others.

Companies do not increase in value overnight. It normally takes years for a company to materially grow revenues and earnings. For this reason, we look at the long-term potential and viability of a company, while ignoring short-term price volatility. We would prefer to own an investment in perpetuity. However, we will sell a holding when we feel the company is overvalued, when the underlying reasons for owning it have changed, if better opportunities come along, or when the position size becomes too large as a percentage of one's overall portfolio. We limit individual positions to approximately 5% upon purchase and 1% to 2% for more speculative positions. We will allow positions to appreciate in excess of 5%.

A benefit of investing in individual stocks and bonds is one has control over when, or whether, to sell stocks and realize capital gains for taxable accounts. In addition, matching gains with losses allows us to better control tax liabilities. Over time, deferring capital gains can add significantly to a portfolio's value. We are mindful of this.

A convertible security is a bond or preferred stock which can be exchanged for the common stock of the issuing company. The conversion privilege usually lasts for the life of the bond or preferred stock. At the option of the convertible holder, the security may be exchanged for a fixed number of shares of common stock. Also important, many convertible bonds have a put feature allowing the holder to exchange the bond for cash, normally \$1000 (or par), at set intervals during the life of the bond. These features – convertibility and putability – reduce the long-term interest rate risk when compared to regular bonds.

Two important caveats with regard to the purchase of convertible securities are: 1) convertibles must be carefully selected and monitored and, 2) a portfolio of convertibles requires much more diversification than a portfolio of government or high-grade corporate bonds.

It is our contention that a portfolio of convertible securities can provide a total return over a full market cycle comparable to the return provided by equities, but with less volatility and higher current income. While past performance is no guarantee of future results, we believe that convertibles merit consideration as an appropriate asset class for many investors

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates generally cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund could potentially drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions could trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments would have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not. During the period between October of

2008 and March of 2009 the convertible bond market became very illiquid as a result of the financial banking crisis.

- Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations could result in bankruptcy and/or a declining market value.
- Cybersecurity - The computer systems, networks and devices used by Sonora and service providers to us and our clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches generally do cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

- Alternative Investments: We recommend alternative investments to certain clients. While alternative investments can help to diversify the holdings in a client's portfolio, and provide the opportunity for attractive returns, the investments are illiquid and can present greater risks than publicly-traded equity and fixed income securities. Alternative investments are appropriate only for clients who are prepared to invest funds for which they will have no near-term liquidity need. While certain alternative investments offer quarterly liquidity, sometimes after a lock-up period, liquidity is not guaranteed. Alternative investments should be considered illiquid and investors should not expect to be able to sell their shares. With any alternative investment, clients must be prepared to risk the loss of their entire investment. There is the possibility that the investment will produce no return at all, or a loss of all or a portion of their investment. Among other risks, the investments we recommend use leverage, which will magnify any losses. Each alternative investment that we propose to clients has a detailed written description of the risks and fees and expenses charged by the investment vehicle. We encourage clients to review these documents carefully.
- COVID: The transmission of COVID and efforts to contain its spread have resulted in travel restrictions and disruptions, market volatility, disruptions to business operations, supply chains and customer activity and quarantines. With widespread availability of vaccines, the U.S. Centers for Disease Control and Prevention has revised its guidance, travel restrictions have started to lift, and businesses have reopened. However, the COVID pandemic continues to evolve and the extent to which our investment strategies will be impacted will depend on various factors beyond our control, including the extent and duration of the impact on economies around the world and on the global

securities and commodities markets. Volatility in the U.S. and global financial markets caused by the COVID pandemic may continue and could impact our firm's investment strategies. Although currently there has been no significant impact, the COVID outbreak, and future pandemics, could negatively affect vendors on which our firm and clients rely and could disrupt the ability of such vendors to perform essential tasks.

Item 9 - Disciplinary Information

This section requires us to report certain legal or disciplinary events that are potentially material to the evaluation of our firm or the integrity of our management persons. We have no such legal or disciplinary events to report.

Item 10 - Other Financial Industry Activities and Affiliations

Sonora only receives compensation directly from our clients. We receive no compensation from outside sources.

Focus Financial Partners

Focus Treasury & Credit Solutions

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Treasury & Credit Solutions, LLC ("FTCS"), a wholly owned subsidiary of our parent company, Focus Financial Partners, LLC. These third-party financial institutions are banks and non-banks (the "Network Institutions") that offer credit and cash management solutions to our clients. Certain other unaffiliated third parties provide administrative and settlement services to facilitate FTCS's cash management solutions. FTCS acts as an intermediary to facilitate our clients' access to these credit and cash management solutions.

Neither we nor FTCS receives any compensation from the Network Institutions or any other third parties for providing credit or cash management solutions to our clients. For services provided by FTCS to clients of other Focus firms, FTCS receives a portion of the revenue earned by the Network Institutions, and such compensation to FTCS is also revenue for our common parent company, Focus Financial Partners, LLC. However, this compensation to FTCS does not come from credit or cash management solutions provided to any of our clients. The volume generated by our clients' transactions does benefit FTCS and Focus in attracting, retaining, and negotiating with Network Institutions. We mitigate this conflict by: (1) fully and fairly disclosing the material facts concerning the above arrangements to our clients, including in this Brochure; and (2) offering FTCS solutions to clients on a strictly nondiscretionary and fully disclosed basis, and not as part of any discretionary investment services. Additionally, we note that clients who use FTCS's services will receive product-specific disclosure from the Network Institutions and other unaffiliated third-party intermediaries that provide services to our clients.

We have an additional conflict of interest when we recommend FTCS to provide credit solutions to our clients because our interest in continuing to receive investment advisory fees from client accounts gives us a financial incentive to recommend that clients borrow money rather than liquidating some or all of the assets we manage.

Credit Solutions from FTCS

For FTCS credit solutions, the interest rate of the loan is ultimately determined by the lender, although in some circumstances FTCS may have the ability to influence the lender to lower the interest rate of the loan. The final rate may be higher or lower than the prevailing market rate. We can offer no assurances that the rates offered to you by the lender are the lowest possible rates available in the marketplace.

Clients retain the right to pledge assets in accounts generally, subject to any restrictions imposed by clients' custodians. While the FTCS program facilitates secured loans through Network Institutions, clients are free instead to work directly with institutions outside the FTCS program. Because of the limited number of participating Network Institutions, clients may be limited in their ability to obtain as favorable loan terms as if the client were to work directly with other banks to negotiate loan terms or obtain other financial arrangements.

Clients should also understand that pledging assets in an account to secure a loan involves additional risk and restrictions. A Network Institution has the authority to liquidate all or part of the pledged securities at any time, without prior notice to clients and without their consent, to maintain required collateral levels. The Network Institution also has the right to call client loans and require repayment within a short period of time; if the client cannot repay the loan within the specified time period, the Network Institution will have the right to force the sale of pledged assets to repay those loans. Selling assets to maintain collateral levels or calling loans may result in asset sales and realized losses in a declining market, leading to the permanent loss of capital. These sales also may have adverse tax consequences. Interest payments and any other loan-related fees are borne by clients and are in addition to the advisory fees that clients pay us for managing assets, including assets that are pledged as collateral. The returns on pledged assets may be less than the account fees and interest paid by the account. Clients should consider carefully and skeptically any recommendation to pursue a more aggressive investment strategy in order to support the cost of borrowing, particularly the risks and costs of any such strategy. More generally, before borrowing funds, a client should carefully review the loan agreement, loan application, and other forms and determine that the loan is consistent with the client's long-term financial goals and presents risks consistent with the client's financial circumstances and risk tolerance.

Cash Management Solutions from FTCS

For FTCS cash management solutions, as stated above, certain third-party intermediaries provide administrative and settlement services in connection with the program. Those intermediaries each charge a fixed basis point fee on total deposits in the program. Before any interest is paid into client accounts, the Network Institutions and certain unaffiliated third-party service providers take their fees out, and the net interest is then credited to clients' accounts. Engaging FTCS, the Network Institutions, and these other intermediaries to provide cash management solutions does not alter the manner in which we treat cash for billing purposes.

Clients should understand that in rare circumstances, depending on interest rates and other economic and market factors, the yields on cash management solutions could be lower than the aggregate fees and expenses charged by the Network Institutions, the intermediaries referenced above, and us. Consequently, in these rare circumstances, a client could experience a negative overall investment return with respect to those cash investments. Nonetheless, it might still be reasonable for a client to participate in the FTCS cash management program if the client prefers to hold cash at the Network Institutions rather than at other financial institutions (e.g., to take advantage of FDIC insurance).

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

The employees of Sonora have committed to adhere to a Code of Ethics that is available for review by clients and prospective clients upon request. The code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, and personal securities trading. All supervised persons must acknowledge the terms of the code.

Sonora employees are permitted to buy or sell securities that are also held by clients. In fact, we encourage this practice. We believe it better aligns our interests with that of our clients – we eat our own

cooking. Our Code of Ethics is designed to address the potential conflicts of interest from trading in the same securities as our clients. Employees may not knowingly trade their own securities ahead of client trades. Front running, the act of buying a security ahead of our client's large block purchase and subsequently and immediately selling same security for short term gain, is strictly prohibited. Employees are allowed to buy and sell for their own accounts on a short-term basis, but they are not allowed to participate in cross trades with clients effected by the firm.

Our Code of Ethics requires employees to report their personal securities holdings and transactions to our Firm for review. Our Chief Compliance Officer conducts compliance reviews of employee personal securities trades for compliance with our Code of Ethics.

Item 12 - Brokerage Practices

Client assets are held with third-party brokerage custodians. We do recommend brokerage custodians to clients when they have no other relationship or preference. Sonora recommends broker-dealer custodians based on the proven integrity and financial responsibility of the firm and our view of which broker-dealer custodians provide best execution for client accounts. Best execution is a qualitative concept that takes into account all relevant facts under the circumstances, including reliability, financial responsibility, service, cost and execution price. When taking these factors into account, we usually recommend Charles Schwab.

For accounts of Sonora's clients maintained in custody at Schwab, Schwab will not charge the client separately for custody but will receive compensation from Sonora's clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab. Schwab also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades executed through broker-dealers other than Schwab. Schwab's fees for trades executed at other broker-dealers ("trade away" fees) are in addition to the other broker-dealer's fees. Thus, Sonora may have an incentive to cause trades to be executed through Schwab rather than another broker-dealer. Sonora, nevertheless, acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than trades for Sonora's other clients. Thus, trades for accounts custodied at Schwab may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

We generally execute equity securities transactions through the client's custodian broker-dealer, but we reserve the right to "trade away" from the custodian broker-dealer under circumstances where we believe that we can obtain a better price from another broker-dealer than from the custodian after taking into account any trade away fees the custodian would impose.

Sonora will combine or "batch" orders to obtain best execution when purchasing a security for multiple accounts.

Sonora's allocation policy is to prioritize accounts with the largest amounts of unrestricted cash available and if needed, as a secondary allocation method, will utilize the A to Z, Z to A method.

When deemed appropriate for both parties, Sonora will from time-to-time work with custodians/brokers to effect cross trades on behalf of clients. We do not receive any additional compensation for such trades and the custodian/broker determines the price based on its evaluation of the available bid and offer prices at that time and complies with its internal rules for order execution. Sonora will review cross trades as part of its best execution review. Sonora employees are not permitted to participate in these cross trades. Sonora is not affiliated with the custodians/brokers involved and is not itself a broker.

Sonora has no formal “soft dollar” arrangements with any brokerage firm. While they are not “soft dollars,” e.g., not obtained with client securities transactions, we do receive research and other benefits from Schwab and the other broker-dealer custodians we recommend. The receipt of research and other benefits from custodians we recommend gives us an incentive to recommend them based on our interest in receiving the research, rather than on our clients’ interest in receiving most favorable execution. As a fiduciary, we seek to recommend custodians we believe will provide favorable execution of client securities transactions.

Sonora receives client referrals from Charles Schwab & Co., Inc. (“Schwab”) through Sonora’s participation in Schwab Advisor Network® (“the Service”). The Service is designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of and unaffiliated with Sonora. Schwab does not supervise Sonora and has no responsibility for Sonora’s management of clients’ portfolios or Sonora’s other advice or services. Sonora pays Schwab fees to receive client referrals through the Service. Sonora’s participation in the Service may raise potential conflicts of interest described below.

Sonora pays Schwab a Participation Fee on all referred clients’ accounts that are maintained in custody at Schwab and a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. The Participation Fee paid by Sonora is a percentage of the fees the client owes to Sonora or a percentage of the value of the assets in the client’s account, subject to a minimum Participation Fee. Sonora pays Schwab the Participation Fee for so long as the referred client’s account remains in custody at Schwab. The Participation Fee is billed to Sonora quarterly and may be increased, decreased or waived by Schwab from time to time. The Participation Fee is paid by Sonora and not by the client. Sonora has agreed not to charge clients referred through the Service fees or costs greater than the fees or costs Sonora charges clients with similar portfolios who were not referred through the Service.

Sonora generally pays Schwab a Non-Schwab Custody Fee if custody of a referred client’s account is not maintained by, or assets in the account are transferred from Schwab. This Fee does not apply if the client was solely responsible for the decision not to maintain custody at Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees Sonora generally would pay in a single year. Thus, Sonora will have an incentive to recommend that client accounts be held in custody at Schwab.

The Participation and Non-Schwab Custody Fees will be based on assets in accounts of Sonora’s clients who were referred by Schwab and those referred clients’ family members living in the same household. Thus, Sonora will have incentives to encourage household members of clients referred through the Service to maintain custody of their accounts and execute transactions at Schwab and to instruct Schwab to debit Sonora’s fees directly from the accounts.

Item 13 - Review of Accounts

Account reviews are performed quarterly by our investment advisors. They are performed more frequently when there is a triggering event, such as a change in client investment objectives or financial situation, change in market conditions or client request. We do not have a limitation on the number of client accounts assigned to any particular advisor, nor is there a precise sequence or review schedule other than quarterly. We monitor the underlying investments we own daily, however.

Our reports are furnished quarterly to all clients. In addition, clients receive monthly statements from their custodian. Clients are encouraged to compare the statements from the custodian to our reports. Our reports include a portfolio statement and rate of return analysis. In general, meetings with clients are held once or twice a year; or more or less frequently, depending on client’s circumstances.

Item 14 - Client Referrals and Other Compensation

Sonora has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. Generally, we do not compensate referring parties for these referrals. There are occasions such as the Schwab Advisor Network arrangement described in the Brokerage Practices section above when we will pay a percentage of the fee we receive from accounts that have been referred to us. In such case, the client will receive a separate written disclosure statement explaining the arrangement. Our policy is that if we do pay such referral fee, the fee schedule applicable to that client will be the same as other clients of similar size. The current schedule for clients referred to Sonora through the Schwab Advisor Network is as follows:

Household Participation Fees

Average Billable Assets	Rate Per Quarter (BPS)
\$0 - \$2MM	6.25
\$2MM - \$5MM	5.00
\$5MM - \$10MM	3.75
All Amounts over \$10MM	2.50

Sonora's parent company is Focus Financial Partners, LLC ("Focus"). From time to time, Focus holds partnership meetings and other industry and best-practices conferences, which typically include Sonora, other Focus firms and external attendees. These meetings are first and foremost intended to provide training or education to personnel of Focus firms, including Sonora. However, the meetings do provide sponsorship opportunities for asset managers, asset custodians, vendors and other third-party service providers. Sponsorship fees allow these companies to advertise their products and services to Focus firms, including Sonora. Although the participation of Focus firm personnel in these meetings is not preconditioned on the achievement of a sales target for any conference sponsor, this practice could nonetheless be deemed a conflict as the marketing and education activities conducted, and the access granted, at such meetings and conferences could cause Sonora to focus on those conference sponsors in the course of its duties. Focus attempts to mitigate any such conflict by allocating the sponsorship fees only to defraying the cost of the meeting or future meetings and not as revenue for itself or any affiliate, including Sonora. Conference sponsorship fees are not dependent on assets placed with any specific provider or revenue generated by such asset placement.

The following entities have provided conference sponsorship to Focus from January 1, 2022 to March 1, 2023:

Orion Advisor Technology, LLC
TriState Capital Bank
StoneCastle Network, LLC
Charles Schwab & Co., Inc.
BlackRock, Inc.
Fidelity Brokerage Services LLC
Fidelity Institutional Asset Management LLC

You can access a more recently updated list of recent conference sponsors on Focus' website through the following link:

<https://focusfinancialpartners.com/conference-sponsors/>

Item 15 - Custody

Sonora does not have custody of client assets. We are deemed to have custody by the Securities and Exchange Commission, however, because we are allowed to debit client accounts for our fee, and because some of our clients have authorized us to affect third party transfers from their accounts pursuant to Standing Letters of Authorization. All client assets are held at a qualified custodian. This allows clients to see their assets independently of Sonora.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the custodian for the client accounts. Sonora also provides written periodic reports summarizing account activity and performance. To the extent that Sonora provides clients with periodic account statements or reports, the client is urged to compare any statement or report Sonora provides with the account statements received from the account custodian and to report any suspected errors to Sonora and to the account custodian. The account custodian does not verify the accuracy of Sonora's advisory fee calculation.

Item 16 - Investment Discretion

Sonora offers discretionary and non-discretionary management; Sonora has discretionary authority to manage securities accounts on behalf of most of our clients. This means that, for discretionarily managed clients, Sonora has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. Clients who give us discretionary trading authority grant us discretion through a limited power of attorney contained in their client agreements with us.

Clients do have the ability to place reasonable restrictions on their accounts and we generally accept the restrictions at our discretion. Common restrictions prohibit us from buying specific companies because of social restrictions.

Item 17 - Voting Client Securities

As part of our fiduciary responsibilities, Sonora will vote all client proxies unless the client directs us not to. In absence of specific voting guidelines from the client, Sonora will vote proxies in the best interest of our clients. Sonora's policy is to vote all proxies from a specific issuer the same way for each client absent restrictions from clients. Clients are permitted to place reasonable restrictions on Sonora's voting authority in the same manner that they have the authority to place reasonable written restrictions on the selection of account securities.

Sonora will generally vote in favor of routine corporate housekeeping proposals.

Sonora will generally vote against proposals that cause board members to become entrenched or cause unequal voting rights.

In reviewing proposals, Sonora will further consider the opinion of management and the effect on management, and the effect on shareholder value and the issuer's business practices.

Sonora will retain copies of all votes. You have the right to request in writing a copy of our full proxy voting procedures and a copy of votes cast.

Item 18 - Financial Information

Sonora does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients. We reserve cash, insure against most contingencies, and hold no debt.

A balance sheet is not required to be provided because Sonora does not serve as a custodian for client funds or securities and does not require prepayment of fees of more than three months in advance.