

R.H. Investment Group, LLC

Form ADV Part 2A Disclosure Brochure

Dated: February 17, 2023

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This brochure provides information about the qualifications and business practices of R.H. Investment Group, LLC (RHIG), CRD# 115994. If you have any questions about the contents of this brochure, please contact us at (480) 703-7872 or ehren@rhinvestment.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 R.H. Investment Group, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

References herein to R.H. Investment Group, LLC as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

Item 2 Material Changes

The following material changes have been made to R.H. Investment Group, LLC's disclosure statement since the most recent Annual Amendment filing:

- Item 19 -- Requirements for State Advisers was removed as the firm is applying for registration with the Securities and Exchange Commission.
- Item 4 was updated to reflect that, as of December 31, 2022, RHIG had \$164.882 million in discretionary assets under management and \$0 in non-discretionary assets under management.
- Item 5 was updated to clarify certain aspects of RHIG's billing practices, as follows:

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, financial impact to the client of taxable gains, 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).

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Item 4 Advisory Business

R.H. Investment Group, LLC (RHIG) has been in business as an investment adviser since October 4, 2001. RHIG is owned by Ehren McCain Haymore, who is also RHIG's Managing Member and Chief Compliance Officer.

INVESTMENT ADVISORY SERVICES

RHIG provides the following investment advisory services:

PORTFOLIO MANAGEMENT SERVICES

RHIG provides discretionary portfolio management services ("investment advisory services") to its clients on a fee only basis.

Client Obligations. In performing its services, RHIG shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify RHIG if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising RHIG's previous recommendations and/or services.

Disclosure Statement. A copy of this Form ADV Part 2A Disclosure Brochure shall be provided to each client prior to, or contemporaneously with, the execution of the *Investment Advisory Agreement*. Any client who has not received a copy of RHIG's written Brochure at least 48 hours prior to executing the *Investment Advisory Agreement* shall have five business days **subsequent** to executing the agreement to terminate RHIG's services without penalty.

RHIG shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, RHIG shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at anytime, impose reasonable restrictions, in writing, on RHIG's services.

RHIG does not participate in a wrap fee program.

As of December 31, 2022, RHIG had \$164.882 million in discretionary assets under management and \$0 in non-discretionary assets under management.

Additional Important Information

Fiduciary Status

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts.

Conflicts of Interest

Conflict of Interest - The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. For example, if you roll over an IRA or 401k account to our firm or otherwise transfer any other account to our firm, we will charge your account and make money. If you decide to not roll over the IRA or other account to our program, we will not make money. While we therefore have a financial incentive to recommend that you to move your account to our program, RHIG has established policies and procedures that are designed

to address this conflict between our interests and yours and to ensure that all recommendations made to you are in your best interest.

Item 5 Fees and Compensation

RHIG provides discretionary investment advisory services on a *fee only* basis.

INVESTMENT ADVISORY SERVICES

RHIG's annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under RHIG's management (between 0.75% and 1.00%) as follows:

<u>Market Value of Portfolio</u>	<u>% of Assets</u>
\$750,000.00- \$999,999.99	1.00%
\$1,000,000.00- \$1,999,999.99	0.85%
More than \$2,000,000.00	0.75%

Clients may elect to have RHIG's advisory fees deducted from their custodial account. Both RHIG's *Investment Advisory Agreement* and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of RHIG's investment advisory fee and to directly remit that management fee to RHIG in compliance with regulatory procedures. In the limited event that RHIG bills the client directly, payment is due upon receipt of RHIG's invoice. RHIG shall deduct fees and/or bill clients quarterly in advance, based upon the market value of the assets on the last business day of the previous quarter.

As discussed below, RHIG requires that Charles Schwab and Co., Inc. ("*Schwab*") serve as the broker-dealer/custodian for client investment management assets. Please see item 12 below for more information about Schwab. Broker-dealers such as *Schwab* charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for certain individual equity and fixed income securities transactions). Further, your accounts may be subject to additional fees charged by the custodian of your portfolio, such as wire transfer, margin interest, or other account fees. In addition to RHIG's investment management fee, brokerage commissions and/or transaction fees, clients will also incur relative to all mutual fund and exchange traded fund purchases charges imposed at the fund level (e.g. management fees and other fund expenses). All such fees charged by third-parties are separate from, and in addition to RHIG's investment management fee.

RHIG's annual investment advisory fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter. RHIG generally requires a minimum asset level of \$750,000.00 for investment advisory services. RHIG, in its sole discretion, may reduce its investment management fee and/or reduce or waive its minimum asset requirement based upon certain criteria (e.g., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

The *Investment Advisory Agreement* between RHIG and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment Advisory Agreement*. Upon termination, RHIG shall refund the pro-rated portion of the advanced advisory fee paid based upon the number of calendar days remaining in the billing quarter.

Neither RHIG, nor its representatives accept compensation from the sale of securities or other investment products.

Additional Important Information

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts.

The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. For example, if you roll over an IRA or 401k account to our firm or otherwise transfer any other account to our firm, we will charge your account and make money. If you decide to not roll over the IRA or other account to our program, we will not make money. While we therefore have a financial incentive to recommend that you to move your account to our program, RHIG has established policies and procedures that are designed to address this conflict between our interests and yours and to ensure that all recommendations made to you are in your best interest.

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, financial impact to the client of taxable gains, 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).

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

Neither RHIG nor any supervised person of RHIG accepts performance-based fees.

Item 7 Types of Clients

RHIG's clients shall generally include individuals and business entities. RHIG generally requires a minimum asset level of \$750,000.00 for investment advisory services. RHIG, in its sole discretion, may reduce its investment management fee and/or reduce or waive its minimum asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

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

RHIG may utilize the following methods of security analysis:

- Fundamental – (analysis performed on historical and present data, with the goal of making financial forecasts)
- Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)
- Cyclical – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

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

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Options (contract for the purchase or sale of a security at a predetermined price during a specific period of time)

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

RHIG's methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis RHIG must have access to current/new market information. RHIG has no control over the dissemination rate of market information; therefore, unbeknownst to RHIG, certain analyses may be compiled with outdated market information, severely limiting the value of RHIG's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

RHIG's primary investment strategies - Long Term Purchases and Short Term Purchases - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy.

Risks of Options

In addition to the fundamental investment strategies discussed above, RHIG may also implement and/or recommend certain options transactions. While certain options strategies may have a high level of inherent risk (as discussed more fully below), **RHIG generally only makes use of covered calls as an options-related investment strategy.** The primary risk associated with a covered call investment strategy is that the potential upside profit of owning a stock is limited to the call's strike price, so that any of a stock's price movements above the call's strike price are lost.

Schwab will provide the disclosure document "Characteristics and Risks of Standardized Options" to any client desiring to authorize options related strategies for their account which affected clients should read carefully.

Additional Option Risk Information

Many (but not all) options related investment strategies involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a

predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by RHIG shall be with the intent of offsetting (i.e. "hedging") a potential market risk in a client's portfolio. **Please Note:** Although the intent of the options-related transactions that may be implemented by RHIG is to hedge against principal risk, certain options-related strategies (i.e. straddles, short positions, etc), may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, client may direct RHIG, in writing, not to employ any or all such strategies for his/her/their/its accounts. **Option transactions are not typically employed by RHIG. In the event we deem such a strategy to be appropriate for a client, we typically discuss the strategy and its risks in detail with the client.**

Currently, RHIG primarily allocates client investment assets among various individual equity (stocks), debt (bonds) and fixed income securities, mutual funds and/or exchange traded funds on a discretionary basis in accordance with the client's designated investment objective(s).

Item 9 Disciplinary Information

RHIG has not been the subject of any disciplinary actions.

Item 10 Other Financial Industry Activities and Affiliations

Neither RHIG, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither RHIG, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

Neither RHIG, nor its representatives, have any relationships or arrangements that are material to clients with other financial industry participants except as otherwise may be disclosed in this brochure.

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

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

RHIG also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by RHIG or any person associated with RHIG.

Neither RHIG nor any related person of RHIG recommends, buys, or sells for client accounts, securities in which RHIG or any related person of RHIG has a material financial interest.

RHIG and/or representatives of RHIG *may* buy or sell securities that are also recommended to clients. This practice may create a situation where RHIG and/or representatives of RHIG are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. RHIG maintains a personal trading policy which establishes standards designed to place clients' interests ahead of those of RHIG and RHIG's IARs.

Item 12 Brokerage Practices

The custodian and brokers we use

RHIG does not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15—Custody, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We require that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when either we or you instruct them to. While we require that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14 (Client Referrals and Other Compensation). You should consider these conflicts of interest when selecting your custodian.

We do not open the account for you, although we may assist you in doing so. If you do not wish to place your assets with Schwab, then we cannot manage your account. Not all advisors require their clients to use a particular broker-dealer or other custodian selected by the advisor. Even though your account is maintained at Schwab, and we anticipate that most trades will be executed through Schwab, we can still use other brokers to execute trades for your account as described below (see “Your brokerage and custody costs”).

How we select brokers/custodians

We seek to use Schwab, a custodian/broker that will hold your assets and execute transactions. When considering whether the terms that Schwab provides are, overall, most advantageous to you when compared with other available providers and their services, we take into account a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody);
- Capability to execute, clear, and settle trades (buy and sell securities for your account);
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.);
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.);
- Availability of investment research and tools that assist us in making investment decisions;
- Quality of services;
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices;
- Reputation, financial strength, security and stability;
- Prior service to us and our clients;
- Services delivered or paid for by Schwab; and
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us from Schwab”).

Your brokerage and custody costs

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, many mutual funds and ETFs) may not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab’s Cash Features Program. In addition, Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a

different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.

We are not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although we are not required to execute all trades through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How we select brokers/custodians”). By using another broker or dealer you may pay lower transaction costs.

Products and services available to us from Schwab

Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like us. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to get institutional brokerage services from Schwab without going through us. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Schwab’s support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of Schwab’s support services:

Services that benefit you. Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab’s services described in this paragraph generally benefit you and your account.

Services that do not directly benefit you. Schwab also makes available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts and operating our firm. They include investment research, both Schwab’s own and that of third parties. We use this research to service all of our clients’ accounts. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements);
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- Provide pricing and other market data;
- Facilitate payment of our fees from our clients’ accounts; and
- Assist with back-office functions, recordkeeping, and client reporting

Services that generally benefit only us. Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events;
- Consulting on technology and business needs;
- Consulting on legal and related compliance needs;
- Publications and conferences on practice management and business succession;
- Access to employee benefits providers, human capital consultants, and insurance providers; and
- Marketing consulting and support.

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab also discounts or waives its fees for some of these services or pays all or a part of a third party's fees. If you did not maintain your account with Schwab, we would be required to pay for these services from our own resources.

A conflict of interest exists when RHIG receives soft dollar benefits, especially those that benefit us, as our receipt of such benefits can incentivize us to use Schwab for brokerage and custodial services rather than another firm that does not provide such benefits even when using Schwab may not be in your best interest. This conflict is mitigated by disclosures, procedures, and the firm's fiduciary obligation to act in the best interest of its clients.

Our interest in Schwab's services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The fact that we receive these benefits from Schwab is an incentive for us to require our clients to use Schwab rather than making such a decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. We believe, however, that taken in the aggregate, our use of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/ custodians") and not Schwab's services that benefit only us.

Trade order aggregation

To the extent that RHIG provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless RHIG decides to purchase or sell the same securities for several clients at approximately the same time. RHIG may (but is not obligated to) combine or "bunch" such orders to allocate equitably among RHIG's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. RHIG shall not receive any additional compensation or remuneration as a result of such aggregation.

Item 13 Review of Accounts

For those clients to whom RHIG provides investment supervisory services, account reviews are conducted on an ongoing basis by RHIG's Principals and/or representatives. All investment supervisory clients are advised that it remains their responsibility to advise RHIG of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with RHIG on an annual basis.

RHIG *may* conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and upon client request.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts.

Item 14 Client Referrals and Other Compensation

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. You do not pay more for assets maintained at Schwab as a result of these arrangements. However, we benefit from this arrangement because the cost of these services would otherwise be borne directly by us. You should consider these conflicts of interest when selecting a custodian and/or deciding to use our services. The products and services provided by Schwab, how they benefit us and the related conflicts of interest are described above (*see* Item 12—Brokerage Practices).

Neither RHIG nor any supervised person of RHIG compensates any non-supervised person for client referrals.

Item 15 Custody

Schwab maintains actual custody of your assets. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from Schwab. Please note that Schwab does not verify the accuracy of RHIG's advisory fee calculation.

RHIG may also provide occasionally a written report summarizing account activity and performance. To the extent that RHIG provides you with such reports, you are urged to compare any report provided by RHIG with the account statements received from the account custodian.

Item 16 Investment Discretion

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

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

Item 17 Voting Client Securities

RHIG does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact RHIG to discuss any questions they may have with a particular solicitation.

Item 18 Financial Information

RHIG does not solicit fees of more than \$500, per client, six months or more in advance of services to be rendered to clients.

RHIG is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.

RHIG has not been the subject of a bankruptcy petition.