



## **The Capital Group Investment Advisory Services, LLC**

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*This brochure provides information about the qualifications and business practices of The Capital Group Investment Advisory Services, LLC. If you have any questions about the contents of this brochure, please contact us at: 301-214-7666 or by email at: [info@capgroupfinancial.com](mailto:info@capgroupfinancial.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.*

*The Capital Group Investment Advisory Services, LLC may refer to itself as a “registered investment adviser”. Clients should be aware that registration with the SEC or any state securities authority does not imply a certain level of skill or training. Additional information about the Adviser is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

## Item 2-Material Changes since the Last Update

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The following material changes have occurred since the previous release of the Firm Brochure:

- Item 5 – *Fees and Compensation*. This section has been updated to outline the Firm's fee(s) structure effective Quarter 1 2023.

### **Full Brochure Available**

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: 301-214-7666 or by email at: [info@capgroupfinancial.com](mailto:info@capgroupfinancial.com)

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## Item 4-Advisory Business

### Firm Description

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The Capital Group Investment Advisory Services, LLC (the “Firm,” “we” or “us”) was founded as an independent registered investment adviser in 2013 by Christopher Staub, Joseph Apa and Kevin Fitzpatrick. In August 2021, the Firm was acquired by Baldwin Krystyn Sherman Partners, LLC a subsidiary of BRP Group, Inc. (NASDAQ: BRP). BRP is an independent insurance distribution firm delivering tailored insurance and risk management insights and solutions.

We provide investment advisory and consulting services to a broad range of clients including individuals, pension and profit-sharing plans, defined benefit plans, trusts, estates, charitable organizations, and small to mid-size businesses. We offer advice through consultation with the client which may include determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

As of December 31, 2022, we maintained approximately \$807,546,412 of assets under discretionary management and \$656,243,023 in Asset Management Services related to retirement plans. Retirement plans may include assets for which we act as a 3(21) or a 3(38) fiduciary and provide ongoing recommendations based upon the needs of the retirement plan client, as to which specific securities or other investments to make available to its plan participants, among other services.

### Types of Advisory Services

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We offer a variety of advisory services, which include financial planning, consulting, pension consulting and investment management services. We use a combination of institutional management, separate accounts, mutual funds, exchange traded funds (“ETFs”), and other types of securities to provide a customized investment strategy that we manage with the client in mind. To that end, we will analyze client information to assess their current situation, define their goals and determine what should be done in order to meet those goals. Depending on what services we are engaged to provide, this could entail analyzing client assets, liabilities and cash flow, current insurance coverage, investments, tax strategies and other less tangible concerns. We believe an approach that carefully monitors client portfolios is integral in achieving client objectives.

### Financial Planning and Consulting Services

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We offer clients a range of financial planning and consulting services, which may include any or all of the following functions:

Business Planning	Investment Consulting	Cash Flow Forecasting
Insurance Needs Analysis	Retirement Planning	Tax Analysis
Estate Planning	Education Planning	

While each of these services is available as a stand-alone consideration, several may also be rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement with the Firm. See “Investment Management and Wealth Management Services” below.

When performing these services, we are not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.) and we are expressly authorized to rely on such information.

The Firm may recommend the services of itself, its *Supervised Persons* in their individual capacities as insurance agents or registered representatives of a broker-dealer and/or other professionals to implement its recommendations. A conflict of interest exists if clients engage the Firm to provide additional fee-based services. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations we make under a financial planning or consulting

engagement or to engage the services of any such recommended professionals, including the Firm itself. Clients are advised that it remains their responsibility to promptly notify us of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising our previous recommendations and/or services.

### Retirement Plan Consulting Services

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We provide various consulting services to qualified employee benefit plans and their fiduciaries. This suite of institutional services is designed to assist plan sponsors in structuring, managing and optimizing their corporate retirement plans. Each engagement is individually negotiated and customized, and may include any or all of the following services:

Plan Design & Strategy	Plan Fee & Cost Analysis
Plan Review & Evaluation	Retirement Plan Committee Consultation
Executive Planning & Benefits	Fiduciary & Compliance
Investment Management & Review	Legacy Plan Services

In this capacity, we provide both 3(21)(a) fiduciary services as well as 3(38) investment management and non-fiduciary services as further described below.

- (1) *Limited Scope 3(21)(a) Fiduciary.* We act as a limited scope 3(21)(a) fiduciary that advises, helps and assists plan sponsors with their investment decisions, which often includes selection of investment options and asset allocation recommendations.
- (2) *3(38) Investment Manager.* We also serve as an investment manager to certain plans in which we are granted discretionary management by the plan sponsor to select, monitor and replacement plan investments.

Additional Retirement Plan Consulting Services are described in the client agreement. The Firm is deemed a Covered Service Provider to pension plan clients under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) §408(b)(2) regulations and is a fiduciary under ERISA §3(21) and/or 3(38) of ERISA with respect to services involving “investment advice” (as that term is defined under DOL regulations) concerning or the exercise of investment discretion over plan assets. ERISA §408(b)(2) requires Covered Service Providers to make required written disclosures to the responsible plan sponsor (RPS) which includes information the RPS may need to (i) assess the reasonableness of total compensation, both direct and indirect, received by the Covered Service Provider, its affiliates, and/or subcontractors, (ii) identify potential conflicts of interest, and (iii) satisfy reporting and disclosure requirements under Title I of ERISA. The Firm provides its pension plan clients with such information prior to entering into a written agreement with such clients, and upon changes to the information in accordance with ERISA regulations.

### IRA Rollover Recommendations

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When we provide investment advice (as that term is defined under DOL regulations) to individuals regarding a retirement plan account or individual retirement account, we are deemed a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act (“ERISA”) 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.

### Investment Management and Wealth Management Services

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When providing Investment Management and Wealth Management Services, we manage client investment portfolios on a discretionary or non-discretionary basis. In addition, we may provide clients with wealth management services which may include a broad range of comprehensive financial planning and consulting services.

We allocate client assets through the Firm's third-party investment consultant relationship and/or various independent investment managers (See "*Independent Managers*" below), mutual funds, ETFs, individual debt and equity securities, as well as the securities components of variable annuities and variable life insurance contracts, in accordance with the investment objectives of our individual clients.

In addition, we may also recommend that clients who qualify as accredited investors invest in privately placed securities, which may include debt, equity and/or interests in pooled investment vehicles (e.g., hedge funds). Where appropriate, we may also provide advice about any type of legacy position or other investment held in client portfolios.

Clients may also engage us to advise on certain investment products which are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, we direct or recommend the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

We tailor our advisory services to meet the needs of our individual clients and continuously seek to ensure that client portfolios are managed in a manner consistent with their specific investment profiles. We consult with clients on an initial and ongoing basis to determine their specific risk tolerance, time horizon, liquidity constraints and other qualitative factors relevant to the management of their portfolios. Clients are advised to promptly notify us if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if we determine the conditions would not materially impact the performance of a management strategy or prove overly burdensome to our management efforts. Clients should understand that when they impose restrictions on our management of their accounts, the results achieved may not be the same as when no restrictions are imposed.

### Independent Manager Services

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We may select or recommend a third party investment manager (the "**Independent Managers**") to actively manage a portion of a client's assets. Independent Managers may provide advice to our clients either through a separately managed account over which the Independent Manager is granted discretion by the Firm or the client (the "**SMAs**"), or through model portfolios developed by an Independent Manager that either the Firm or its clients select (the "**Models**"). Independent Managers are engaged either through an agreement between the Firm and the Independent Manager, or in a separate written agreement between the Independent Manager and the client. In addition to this brochure, clients will also receive the written disclosure documents of the Independent Managers engaged to manage their assets. Typically, we receive access to Independent Managers and their Models through an arrangement with a third party (the "**Platform Provider**") that provides us and our clients with assorted services. We do not receive compensation from any Independent Managers.

### Independent Consultant Services

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We may select a third party investment consultant to assist the Firm in evaluating investment model portfolios and strategies we develop. Depending on the arrangements we have with the Platform Provider, the Independent Managers, and Independent Investment Consultant, clients may enter into agreements directly with the Platform Provider (a "**Provider Agreement**"). We may receive additional compensation for investment model portfolios and strategies we create and implement through the Platform Provider. We may replace/recommend replacing a third-party money manager if there is a significant deviation in characteristics or performance from the stated strategy and/or benchmark.

We evaluate various information about the Independent Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves or the Platform Provider, and other third-party analyses we believe are reputable. To the extent possible, we seek to assess the Independent Managers' investment strategies, past performance and risk results in relation to our clients' individual portfolio allocations and risk exposure. While we receive access to Models and Independent

Managers through the Platform Provider, the Platform Provider accepts no responsibility for the performance of any Model or of any Independent Manager.

## Written Agreements

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Before engaging the Firm to provide any of the foregoing investment advisory services, clients are required to enter into one or more written agreements with the Firm establishing the terms and conditions under which we render our services (the “**Client Agreement**”). We typically reserve the right to amend Client Agreements at any time upon written notice to clients, which amendments become effective if not rejected by a client.

A client may terminate his / her Client Agreement at any time by providing us with written notice, and we may terminate a Client Agreement at any time by providing the client with written notice. Clients are charged pro rata for services provided through to the date of termination. If the client made an advance payment, we will refund any unearned portion of the advance payment.

We reserve the right to terminate any Client Agreement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in our judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded.

Client Agreements may not be assigned without client consent.

## Item 5-Fees and Compensation

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### Investment Management Fees

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**Fees:** Our asset management fees are generally assessed quarterly, in advance, based upon a percentage of the client’s assets under management as of the close of business on the last business day of the preceding calendar quarter. At times, asset management fees may be assessed in arrears or other timeframes based on the fund billing processes. Although we typically bill in advance, the initial asset management fee is due at the beginning of the quarter following the inception date and is based on the client’s initial investment in the account prorated for the number of days assets have been deposited in a client’s account before a fee is assessed (arrears billing). Therefore, the first asset management fee billing will include a prorated fee based on arrears billing plus an advanced billing fee. Additionally, certain of our *Supervised Persons*, in their individual capacities, may offer securities brokerage services and insurance products under a separate commission arrangement.

Our standard investment management service fees are an annual fee based on the amount of assets under our management and vary between 25 and 125 basis points (0.25% – 1.25%), based on a customized blended fee schedule. The Client Agreement, Description of Fees outlines the specific agreed upon fee schedule.

If assets exceeding \$20,000 are deposited into or withdrawn from an account after the inception of a billing period, the fee payable on such assets is adjusted to reflect the change in portfolio value (this means we continue billing on lesser amounts you withdraw). For the initial period of an engagement, the fee is calculated on a *pro rata* basis. In the event the Client Agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the unearned portion is refunded to the client, as appropriate.

Clients may incur transaction charges for trades executed in their accounts. These transaction charges are separate from our fees and will be disclosed by the brokerage firm through which the trades are executed. These transaction charges vary based on the type of investment (e.g., stock, mutual fund, ETF, etc.) and are paid to the custodian of client assets. We do not receive any portion of the transaction charges.

Clients may also pay separately incurred expenses such as charges imposed directly by a mutual fund, index funds or ETFs, all of which are disclosed in the fund’s prospectus (i.e., fund management fees and other fund expenses, such as 12b-1 fees). We do not receive any portion of the transaction charges.



If we utilize the services of a Platform Provider or Independent Manager, clients will also pay those parties' separate fees, either under the Client Agreement or the Provider Agreement.

**Fee Payment:** Fees are generally automatically deducted from a client's account—either by the Firm or by the Platform Provider. As part of this process, clients must understand and acknowledge the following:

- The client provides authorization permitting fees to be directly paid by the terms outlined in either or both of the Client Agreement and the Provider Agreement;
- The custodian, or in certain cases the Firm or the Platform Provider, calculates the advisory fees and the custodian or the Platform Provider deducts advisory fees from the client's account;
- Where a Platform Provider, Investment Manager or Investment Consultant is used, the Platform Provider will cause the custodian to deduct a single fee from the client's account and pay the applicable fee(s), and retain the balance; and
- The custodian sends statements at least quarterly to the client showing all disbursements for his or her account, including the amount of the advisory fees paid to the Firm.

### Financial Planning and Consulting Fees

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The financial and estate planning or consulting services fee may be billed on a flat fee basis or calculated on an hourly basis, ranging from \$200 to \$300 per hour. The total estimated fee, as well as the ultimate fee charges financial/estate planning clients, is based on the scope and complexity of the financial/estate planning engagement. Flat fees are negotiable and generally range from \$1,500 to \$25,000. If a client implements all or a portion of a plan through The Capital Group Investment Advisory Services, planning fees may be waived at the Firm's sole discretion. Implementation of the plan through The Capital Group Investment Advisory Services is optional, and the client is advised that similar products or services are available elsewhere.

Generally, The Capital Group Investment Advisory Services requires the entirety of the financial planning or consulting fee payable upon execution of the Agreement and any balance will be due at the time the financial plan is delivered or the underlying services are rendered to completion. If the client engages the Firm for additional investment advisory services, The Capital Group Investment Advisory Services may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

### Retirement Plan Consulting Fees

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We generally charge fees based upon the plan assets under management when providing clients with retirement plan consulting services. Each engagement is individually negotiated and tailored to accommodate the needs of the individual plan sponsor, as memorialized in the Client Agreement. These fees vary, based on the scope of the services, size of plan and number of participants, but generally range between 7 and 75 basis points (0.07% – 0.75%).

In the event that we act as an "investment manager" as defined by ERISA §3(38), an additional five bps will typically be assessed. For more information, please refer to the Client Agreement, Description of Fees.

### Commissions for Sale Charges for Recommendations of Securities

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Clients can engage certain persons associated with the Firm (but not the Firm) to render securities brokerage services under a separate commission-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with us.

Under this arrangement, our Supervised Persons, in their individual capacities as registered representatives of a third party broker-dealer ("**Broker**"), may provide securities brokerage services and implement securities transactions under a separate commission-based arrangement. Our Supervised Persons may be entitled to a portion of the brokerage commissions paid to the Broker, as well as a share of any ongoing distribution or



service (trail) fees from the sale of mutual funds. We may also recommend no-load or load-waived funds, where no sales charges are assessed. Prior to effecting any transactions, clients are required to enter into a separate account agreement with the Broker.

A conflict of interest exists to the extent that we recommend the purchase of securities where our Supervised Persons receive commissions or other additional compensation as a result of the Supervised Person's recommendations.

We have procedures in place to ensure that any recommendations made by such Supervised Persons are in the best interest of clients. For certain accounts covered by ERISA and such others that we deem appropriate, we may provide our investment advisory services on a fee-offset basis. In this scenario, we offset our fees by an amount equal to the aggregate commissions and 12b-1 fees earned by our Supervised Persons in their individual capacities as registered representatives of a Broker.

### **Additional Fee Information**

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**Account Additions and Withdrawals:** Clients may make additions to and withdrawals from their account at any time, subject to the Firm's and the Platform Provider's right to terminate an account. Additions may be in cash or securities provided that we reserve the right to liquidate any transferred securities or to decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to the Firm, subject to the usual and customary securities settlement procedures. However, we design our portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. We may consult with clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (i.e., contingent deferred sales charge) and/or tax ramifications.

**Additional Fees and Expenses:** In addition to the advisory fees paid to the Firm, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "**Financial Institutions**"); and to the extent utilized, fees of the Platform Provider, Independent Consultants and/or Managers. These additional charges may include securities brokerage commissions, transaction fees, custodial fees, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees and other fees and taxes on brokerage accounts and securities transactions. See *Item 12* for the Firm's brokerage practices.

**Fee Debit:** Clients generally provide us or the Platform Provider with the authority to directly debit their accounts for payment of the investment advisory fees charged by the Firm and Independent Consultants and/or Managers, as well as for services provided by the Platform Provider. The Financial Institutions that act as qualified custodian for client accounts have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to the Firm. Alternatively, clients may elect to have us send them an invoice for direct payment.

**Fee Discretion:** We may negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationship, account retention and *pro bono* activities.

**Services to Family and Friends of the Firm:** We may provide advisory services to certain family members or friends without charge, or for fee rates that are lower than the rates available to other clients.

**Household Accounts:** At our discretion, we may aggregate or "household" accounts (including multiple accounts) for the same individual or two or more accounts within the same family or related parties, or accounts where a family member/related party has power of attorney over another family member/related party or incompetent person's account.

**Advisory Fees in General:** Clients should be aware that similar advisory services may (or may not) be available from other investment advisers for similar or lower fees.

## Item 6-Performance Based Fees

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Our fees are not based on a share of the capital gains or capital appreciation of managed securities.

## Item 7-Types of Clients

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We generally provide investment advice to individuals, pension and profit sharing plans, trusts, estates, or charitable organizations and corporations or business entities. We do not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship. Certain Independent Managers may, however, impose more restrictive account requirements and varying billing practices than the Firm. In these instances, we may alter our corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

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

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### Methods of Analysis

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We may utilize a combination of largely fundamental and cyclical methods of analysis. Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or issuer. This process typically involves an analysis of an issuer's management team, investment strategies, style drift, past performance, reputation and financial strength in relation to the asset class concentrations and risk exposures of our model asset allocations. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, evolving market conditions may negatively impact the security.

Cyclical analysis is similar to technical analysis in that it involves the assessment of market conditions at a macro (entire market or economy) or micro (company specific) level, rather than focusing on the overall fundamental analysis of the health of the particular company that we are recommending. The risks with cyclical analysis are similar to those of technical analysis.

### Investment Strategies

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Prior to developing an investment strategy tailored to each client, we gather and analyze detailed information about the client, including goals, existing investments, insurance coverage, sources of income and other assets and liabilities. We then seek to define the client's investment objectives and risk profile, which together form the basis for the selection and diversification of investments. Once an initial investment strategy is established, our investment advisors continually monitor clients' portfolios, making changes as needed.

We will not perform quantitative or qualitative analysis of individual securities. Instead, we will advise you on how to allocate your assets among various classes of securities or third-party money managers. We primarily rely on investment model portfolios and strategies developed by us or the third-party consultants, money managers and/or their portfolio managers. We may replace/recommend replacing a third-party money manager if there is a significant deviation in characteristics or performance from the stated strategy and/or benchmark.

### Market, Security and Regulatory Risks

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Any investment involves significant risk, including a complete loss of capital and conflicts of interest. All investment programs have certain risks that are borne by the investor which are described below.

#### **MARKET RISKS**

**Market Volatility:** The profitability of our advice substantially depends upon it correctly assessing the future price movements of stocks, bonds, options on stocks, and other securities and the movements of interest rates. We cannot guarantee that we will be successful in accurately predicting price and interest rate movements.

**Investments:** Our investment advice involves a significant degree of risk. The performance of any investment is subject to numerous factors which are neither within the control of nor predictable by the Firm. Such factors include a wide range of economic, political, competitive, technological and other conditions (including acts of terrorism and war) that may affect investments in general or specific industries or companies. The securities markets may be volatile, which may adversely affect the ability of our clients to realize profits.

**Material Non-Public Information:** By reason of their responsibilities in connection with other activities of the Firm and/or its affiliates, certain principals or employees of the Firm and/or its affiliates may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. We will not be free to act upon any such information. Due to these restrictions, we may not be able to initiate a transaction that we otherwise might have initiated and may not be able to sell an investment that we otherwise might have sold.

**Accuracy of Public Information:** We select investments, in part, on the basis of information and data filed by issuers with various government regulators or made directly available to us by the issuers or through sources other than the issuers. Although we evaluate all such information and data and sometimes seek independent corroboration when it is considered appropriate and reasonably available, we are not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not available.

**Investments in Undervalued Securities:** We often recommend undervalued securities. The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from our recommendations may not adequately compensate for the business and financial risks assumed.

**Small Companies:** We may invest a portion of clients assets in small and/or unseasoned companies with small market capitalization. While smaller companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification and competitive strength of larger companies. In addition, in many instances, the frequency and volume of their trading may be substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations.

**Leverage:** When deemed appropriate by the Firm and subject to applicable regulations, clients may incur leverage in their portfolios, whether directly through the use of borrowed funds, or indirectly through investment in certain types of financial instruments with inherent leverage, such as puts, calls and warrants, which may be purchased for a fraction of the price of the underlying securities while giving the purchaser the full benefit of movement in the market of those underlying securities. While such strategies and techniques increase the opportunity to achieve higher returns on the amounts invested, they also increase the risk of loss.

**Options and Other Derivative Instruments:** We may recommend, from time to time, options and other derivative instruments, including buying and selling of puts and calls on some of the securities held by clients. The prices of many derivative instruments, including many options and swaps, are highly volatile. The values of options and swap agreements depend primarily upon the price of the securities, indexes, commodities, currencies or other instruments underlying them. Price movements of options contracts and payments pursuant to swap agreements are also influenced by, among other things, interest rates; changing supply and demand relationships; trade, fiscal, monetary and exchange control programs and policies of governments; and national and international political and economic events and policies. Options on highly volatile securities, currencies or other assets may be more expensive than options on other investments.

**Hedging Transactions:** Investments in financial instruments such as forward contracts, options, commodities and interest rate swaps, caps and floors, other derivatives, and other investment techniques are commonly utilized by investment funds to hedge against fluctuations in the relative values of its portfolio positions as a result of changes in currency exchange rates, interest rates and/or the equity markets or sectors thereof. Any hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of

portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedging transactions also limit the opportunity for gain if the value of the portfolio positions should increase. We are not obligated to establish hedges for portfolio positions and may not do so.

**Market or Interest Rate Risk:** The price of most fixed income securities move in the opposite direction of the change in interest rates. For example, as interest rates rise, the price of fixed income securities falls. If a client holds a fixed income security to maturity, the change in its price before maturity may have little impact on the account's performance; however, if we have to sell the fixed income security before the maturity date, an increase in interest rates could result in a loss to the client.

**Fixed Income Call Option Risk:** Many bonds, including agency, corporate and municipal bonds, and all mortgage-backed securities, contain a provision that allows the issuer to "call" all or part of the issue before the bond's maturity date. The issuer usually retains this right to refinance the bond in the future if market interest rates decline below the coupon rate. There are three disadvantages to the call provision. First, the cash flow pattern of a callable bond is not known with certainty. Second, because the issuer will call the bonds when interest rates have dropped, the client is exposed to reinvestment rate risk – the client will have to reinvest the proceeds received when the bond is called at lower interest rates. Finally, the capital appreciation potential of a bond will be reduced because the price of a callable bond may not rise much above the price at which the issuer may call the bond.

**Inflation Risk:** Inflation risk results from the variation in the value of cash flows from a security due to inflation, as measured in terms of purchasing power. For example, if a client purchases a 5-year bond in which it can realize a coupon rate of 5%, but the rate of inflation is 6%, then the purchasing power of the cash flow has declined. For all but inflation-linked bonds, adjustable bonds or floating rate bonds, the client is exposed to inflation risk because the interest rate the issuer promises to make is fixed for the life of the security.

**Investments in Non-U.S. Investments:** From time to time, we may invest and trade a portion of client assets in non-U.S. securities and other assets (through ADRs and otherwise), which will give rise to risks relating to political, social and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and foreign issuers and markets are subject. Such risks may include:

- Political or social instability, the seizure by foreign governments of company assets, acts of war or terrorism, withholding taxes on dividends and interest, high or confiscatory tax levels, and limitations on the use or transfer of portfolio assets.
- Enforcing legal rights in some foreign countries is difficult, costly and slow, and there are sometimes special problems enforcing claims against foreign governments.
- Foreign securities and other assets often trade in currencies other than the U.S. dollar, and the Adviser may directly hold foreign currencies and purchase and sell foreign currencies through forward exchange contracts. Changes in currency exchange rates will affect an account's value, the value of dividends and interest earned, and gains and losses realized on the sale of investments. An increase in the strength of the U.S. dollar relative to these other currencies may cause the value of the Adviser's investments to decline. Some foreign currencies are particularly volatile. Foreign governments may intervene in the currency markets, causing a decline in value or liquidity of a client's foreign currency holdings. If we enter into forward foreign currency exchange contracts for hedging purposes, clients may lose the benefits of advantageous changes in exchange rates. On the other hand, if we enter forward contracts for the purpose of increasing return, clients may sustain losses.
- Non-U.S. securities, commodities and other markets may be less liquid, more volatile and less closely supervised by the government than in the United States. Foreign countries often lack uniform accounting, auditing and financial reporting standards, and there may be less public information about the operations of issuers in such markets.

**Risk of Default or Bankruptcy of Third Parties:** The Adviser may recommend transactions in securities, commodities, other financial instruments and other assets that involve counterparties. Under certain

conditions, clients could suffer losses if counterparty to a transaction were to default or if the market for certain securities, commodities, other financial instruments and/or other assets were to become illiquid.

### **REGULATORY RISKS**

**Strategy Restrictions:** Certain institutions may be restricted from directly utilizing our investment strategies. Such institutions, including entities subject to ERISA, should consult their own advisors, counsel and accountants to determine what restrictions may apply and whether our strategies are appropriate.

**Trading Limitations:** For all securities, instruments and/or assets listed on an exchange, including options listed on a public exchange, the exchange generally has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could render certain strategies difficult to complete or continue and subject the Adviser to loss. Also, such a suspension could render it impossible for us to liquidate positions and thereby expose clients to potential losses.

**Conflicts of Interest:** In the administration of client accounts, portfolios and financial reporting, we face inherent conflicts of interest which are described in this brochure. Generally, we mitigate these conflicts through our Code of Ethics (described below) which provides that the client's interest is always held above that of the Firm and its associated persons.

**Supervision of Trading Operations:** The Firm, with assistance from its brokerage and clearing firms, intends to supervise and monitor trading activity in the portfolio accounts to ensure compliance with Firm and client objectives. Despite our efforts, however, there is a risk that unauthorized or otherwise inappropriate trading activity may occur in portfolio accounts. Depending on the nature of the investment management service selected by a client and the securities used to implement the investment strategy, clients will be exposed to risks that are specific to the securities in their particular investment portfolio.

### **SECURITY SPECIFIC RISKS**

**Liquidity:** Liquidity is the ability to readily convert an investment into cash. Securities where there is a ready market that is traded through an exchange are generally more liquid. Securities traded over the counter or that do not have a ready market or are thinly traded are less liquid and may face material discounts in price level in a liquidation situation.

**Alternative Strategy Mutual Funds:** Certain mutual funds invest primarily in alternative investments and/or strategies. Investing in alternative investments and/or strategies and involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and potential illiquidity. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility because of the fund's concentration in the real estate industry.

**ETFs:** ETFs are investment companies that are legally classified as open end mutual funds, or UITs. However, they differ from traditional mutual funds, in particular, in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly traded companies. The prices of ETFs may differ from the underlying value of the securities within the ETF by the fact they are traded on an exchange and thus exposed to the supply and demand forces of market participants. Price premiums and discounts arise, especially for those ETFs that are not traded very frequently. ETFs shareholders are subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities such as the equity and fixed income risks discussed above. In addition, shareholders are liable for taxes on any fund-level capital gains, as ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

**Leveraged and Inverse ETFs, ETNs and Mutual Funds:** Leveraged ETFs, ETNs and mutual funds, sometimes labeled "ultra" or "2x" for example, are designed to provide a multiple of the underlying index's return, typically on a daily basis. Inverse products are designed to provide the opposite of the return of the underlying index, typically on a daily basis. These products are different from and can be riskier than traditional ETFs, ETNs and mutual funds. Although these products are designed to provide returns that generally correspond to the

underlying index, they may not be able to exactly replicate the performance of the index because of fund expenses and other factors. This is referred to as tracking error. Continual re-setting of returns within the product may add to the underlying costs and increase the tracking error. As a result, this may prevent these products from achieving their investment objective. In addition, compounding of the returns can produce a divergence from the underlying index over time, in particular for leveraged products. In highly volatile markets with large positive and negative swings, return distortions are magnified over time. Because of these distortions, these products should be actively monitored, as frequently as daily, and may not be appropriate as an intermediate or long-term holding. To accomplish their objectives, these products use a range of strategies, including swaps, futures contracts and other derivatives. These products may not be diversified and can be based on commodities or currencies. These products may have higher expense ratios and be less tax-efficient than more traditional ETFs, ETNs and mutual funds.

## Item 9-Legal and Disciplinary

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Not applicable.

## Item 10-Other Financial Industry Activities and Affiliations

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Some individuals providing investment advice on our behalf are separately registered as registered representatives of unaffiliated Broker, a member of the Financial Industry Regulatory Authority, Inc. (“**FINRA**”) and the Securities Investors Protection Corporation (“**SIPC**”). These individuals, in their separate capacity, can effect securities transactions for which they will receive separate, yet customary compensation.

Please note that for certain retirement plan clients, we provide investment advice to client plans/accounts as a fiduciary under ERISA. Any such investment advice is solely the responsibility of the Firm, which is independent of the Broker. The Broker does not act as an ERISA fiduciary for any Firm client plans/accounts, and neither provides, oversees nor monitors (i) any investment advice a client may receive from us or (ii) our compliance with applicable law including ERISA fiduciary standards and prohibited transaction rules.

Some of our Supervised Persons are also insurance agents. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of their customers who may also be our clients.

While we endeavor to put the interest of our clients first as part of our fiduciary duty, clients should be aware that our Supervised Persons’ receipt of additional compensation itself creates a conflict of interest and may affect the judgment of individuals when making recommendations. Clients, however, are not under any obligation to engage these individuals when implementing our recommendations or otherwise. The implementation of our planning and non-discretionary recommendations is solely at the discretion of the client.

The Firm is owned by Baldwin Krystyn Sherman Partners, LLC and is an indirect subsidiary of Baldwin Risk Partners, LLC. In certain instances, the Firm and other affiliates of Baldwin Risk Partners, LLC may share revenues and/or expenses related to clients the firms may have in common. Therefore, the Firm and other affiliates of Baldwin Risk Partners, LLC have an incentive to refer prospective clients to their affiliated entity. Clients are under no obligation to establish a relationship with the firm to which they are referred.

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

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### Code of Ethics

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We have adopted a Code of Ethics which establishes standards of conduct for our Supervised Persons. The Code of Ethics includes general requirements that such supervised persons comply with their fiduciary obligations to clients and applicable securities laws, and specific requirements relating to, among other things,

personal trading, insider trading, conflicts of interest and confidentiality of client information. It requires supervised persons to report their personal securities transactions and holdings quarterly to our Compliance Officer and requires the Compliance Officer to review those reports. It also requires supervised persons to report any violations of the Code of Ethics promptly to our Compliance Officer. Each Supervised Person receives a copy of the Code of Ethics and any amendments to it and must acknowledge in writing having received the materials. Annually, each supervised person must certify that he or she complied with the Code of Ethics during that year. Clients and prospective clients may obtain a copy of our Code of Ethics by contacting our Compliance Officer.

## Participation or Interest in Client Transactions

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The Firm or individuals associated with the Firm may buy or sell the same securities as those recommended to clients for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security, which may also be recommended to a client. Under our Code of Ethics, the Firm and its managers, members, officers and employees may invest personally in securities of the same classes as are purchased for clients and may own securities of the issuers whose securities are subsequently purchased for clients. If an issue is purchased or sold for clients and any of the Firm, its managers, members, officers and employees on the same day purchase or sell the same security, either the clients and the Firm, its managers, members, officers or employees will receive or pay the same price or the clients shall receive a more favorable price. The Firm and its managers, members, officers and employees may also buy or sell specific securities for their own accounts based on personal investment considerations, which the Firm does not deem appropriate to buy or sell for clients.

## Personal Trading

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Our Compliance Officer reviews employee trades each quarter (except for her own trading activity that is reviewed by a principal or officer of the Firm, if applicable). The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment.

## Item 12-Brokerage Practices

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### Brokerage Selection and Soft Dollars

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While clients make the decision about which custodians and brokers to use, we generally recommend Fidelity Institutional Wealth Services (“**Fidelity**”) for investment management accounts. The Firm is independently owned and operated and is not affiliated with Fidelity. Clients open an account with Fidelity by entering into an account agreement directly with them.

We take into account a number of factors when recommending a brokerage firm including commission rates, the financial stability and reputation, the quality of the investment research, investment strategies, special execution capabilities, clearance, settlement, custody, record keeping and other services the financial stability and reputation of brokerage firms and the brokerage and research services provided by such brokers. Fidelity enables us to obtain access to many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Fidelity may be higher or lower than those charged by other Financial Institutions.

When recommending brokers, we adhere to our duty to obtain “best execution.” Clients may pay commissions that are higher than another qualified Financial Institution might charge to affect the same transaction where we determine that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution’s services, including among others, the value of research provided, execution capability,



commission rates and responsiveness. We seek competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

We will seek to achieve the best execution possible but this does not require us to solicit competitive bids and we do not have an obligation to seek the lowest available commission cost. We are not required to negotiate "execution only" commission rates, thus the client may be deemed to be paying for research and related services provided by the broker which are included in the commission rate.

We do not currently maintain any formal soft dollar arrangements with Fidelity, however due to the relationship with Fidelity, we receive certain benefits to help us manage and administer client accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); the capability to execute, clear and settle trades; availability of investment research and tools that assist us in making investment decisions; capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.); and assists with back-office functions, record-keeping and client reporting.

Our relationship with Fidelity, which provides benefits other than execution, creates a conflict of interest because we have an incentive to recommend Fidelity based on our interest in receiving research and related services. We examined this conflict of interest when we decided to enter into a relationship with Fidelity and determined that the relationship is in the best interest of our clients and satisfies our client obligations, including the duty to seek best execution. It is our policy and practice to strive for the best price and execution costs which are competitive in relation to the value of the transaction. Nevertheless, clients should understand that they may pay compensation on a transaction in excess of the amount of compensation that another broker or dealer may charge; the client may not, in any particular instance, be the sole direct or indirect beneficiary of the research or other services provided; and we make no warranty or representation regarding compensation paid on transactions.

A client may direct us, in writing, to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution and we will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts we manage. As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to our duty of best execution, we may decline a client's request to direct brokerage if, in our discretion, such directed brokerage arrangements would result in additional operational difficulties.

## Order Aggregation

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We may, but are not required to, engage in block trading (the bunching or aggregation of transactions) in cases where two or more client accounts are transacting in the same security on the same day. We have adopted trade aggregation policies and procedures to ensure that all accounts are treated fairly when orders are aggregated for execution. Trades, where necessary, are allocated to advisory clients in a manner that fulfills our fiduciary obligations to each client and otherwise allocates securities on a good faith basis that is objective, fair, equitable, consistently applied, and does not unfairly discriminate against any advisory client based upon account performance or other factors. For instance, clients in aggregated transactions each receive the same price per security. If more than one price is paid for securities in an aggregated transaction, each client in the aggregated transaction will receive the average price paid for the block of securities in the same aggregated transaction for the day. If we are unable to fill an aggregated transaction completely, but receive a partial fill of the aggregated transaction, we will allocate the filled portion of the transaction to clients on a pro rata basis.

We may choose not to aggregate trades for several reasons, including (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its

investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, we may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

## Item 13- Review of Accounts

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**Account Reviews:** For those clients to whom we provide investment management services, we monitor those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom we provide financial planning and/or consulting services, reviews are conducted on an "as needed" basis and as agreed with the client. Such reviews are conducted by one of our principals. All investment advisory clients are encouraged to discuss their needs, goals and objectives with the Firm and to keep the Firm informed of any changes. We contact ongoing investment advisory clients at least annually to review our previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

**Account Statements and Reports:** Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. On a quarterly basis or as otherwise requested, clients may also receive written or electronic reports from us and/or an outside service provider (such as a Platform Provider), which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with those they receive from us or an outside service provider.

Those clients to whom we provide financial planning or consulting services will receive reports from us summarizing our analysis and conclusions as requested by the client or as otherwise agreed.

### Review Triggers

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We review accounts annually or more frequently when market conditions or the size of the account dictate. Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's financial or personal situation.

### Regular Reports

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The custodian sends written brokerage statements directly to clients no less than quarterly. These reports list the account positions, activity in the account over the covered period, and other related information. In addition to the regular statements, clients receive from their custodian, we may periodically send clients newsletters, upload investment performance reports to the client portal; and may also upload other reports to the client portal on an ad hoc basis.

We encourage clients to compare the reports received from us to those statements sent by the account custodian.

## Item 14-Client Referrals and Other Compensation

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If a client is introduced to the Firm by either an unaffiliated or an affiliated promoter, we may pay that promoter a referral fee. Any such referral fee is paid solely from the Firm's investment management fee and does not result in any additional charge to the client.

## Other Compensation

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We may receive from Fidelity, without cost, computer software and related systems support, which allow us to better monitor client accounts maintained at Fidelity. We may receive the software and related support without cost because we render investment management services to clients that maintain assets at Fidelity.

The software and related systems support may benefit us, but not clients directly. In fulfilling our duties to clients, we endeavor at all times to put the interests of our clients first. Clients should be aware however, that our receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence our choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support or services.

Additionally, we may receive the following benefits from Fidelity through the Fidelity Institutional Wealth Services Group: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Institutional Wealth Services Group participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information. Clients should be aware, however, that the receipt of economic benefits by the Firm or its related persons in and of itself creates a potential conflict of interest and may indirectly influence our recommendation of Fidelity for custody and brokerage services.

Our associates may also receive compensation on non-advisory business (i.e., brokerage and insurance commissions) related to the sale of securities or other investment products such as variable annuities, mutual funds, private placements and such non-investment related products as life and health insurance. Transaction-based compensation such as this is separate and distinct from the other fees, we receive for our investment advisory services.

Our associates have an incentive to recommend these investment products based on the compensation they will receive from selling such products, rather than client's needs. Clients always have the option to purchase investment or insurance products that are recommended by our Supervised Persons from other brokers or agents that are not affiliated with the Firm.

## Item 15-Custody

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With regard to our limited power to disburse client funds to a third party under a standing letter of authorization ("SLOA"), we have adopted the recommended safeguards in conjunction with our custodian:

1. The client provides an instruction to the qualified custodian, in writing, which includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
2. The client authorizes us, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
3. The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization and provides a transfer of funds notice to the client promptly after each transfer.
4. The client has the ability to terminate or change the instruction to the client's qualified custodian.
5. We have no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
6. We maintain records showing that the third party is not a related party or located at the same address.
7. The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Should we determine we maintain SLOAs on file for clients, we will implement the appropriate SEC guidelines to meet the identified oversight level for the business model.

We do not accept or permit our associated persons from obtaining physical custody of client assets including cash, securities, acting as trustee, providing bill paying service, having password access to control account activity or any other form of controlling client assets. All checks or wire transfers to fund client accounts are required to be made out to/sent to the account custodian.

## **Account Statements**

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All assets are held at qualified custodians and the custodians provide account statements not less than quarterly to clients at their address of record. Clients should carefully review such statements for any discrepancies or inaccuracies. We also advise each client to carefully review these statements and compare such official custodial records to the account reports we provide. Our reports may vary from custodial statements based on accounting procedures, accrued income, reporting dates, or valuation methodologies of certain securities.

## **Item 16- Investment Discretion**

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We may be given the authority to exercise discretion on behalf of our clients. We are considered to exercise investment discretion over a client's account if we can affect transactions for the client without first having to seek the client's consent. We are given this authority through a power-of-attorney included in the Client Agreement. Clients authorize us to delegate discretionary authority to third parties—such as Independent Managers and the Platform Provider. Clients signing Platform Agreements may further authorize the Platform Provider to similarly delegate the discretionary authority granted to the Platform Provider. Clients may request a limitation on this authority (such as certain securities not to be bought or sold).

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

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We do not accept appointment nor have authority to vote proxies on behalf of clients. Clients are instructed to inform their custodian that we should not be designated as the party to receive information on voting client proxies. The obligation to vote client proxies remains with the client. Clients may contact us for advice or information about a particular proxy vote. However, we are not considered to have proxy-voting authority solely as a result of providing such advice to clients. Should we inadvertently receive proxy information for a security held in a client's account, we will promptly forward such information to the client but will not take any further action with respect to the voting of such proxy.

## **Item 18-Financial Information**

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Not applicable.

## **Business Continuity Plan**

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We have a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

### **Disasters**

The Business Continuity Plan covers natural disasters such as snowstorms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

### **Alternate Offices**

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

### **Summary of Business Continuity Plan**

A summary of the business continuity plan is available upon request to our Compliance Officer.

## **Information Security Program**

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### **Information Security**

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We maintain an information security program to reduce the risk that your personal and confidential information may be breached.

### **Privacy Practices**

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Below is a summary of our Privacy Policy regarding client personal information. A complete version of the Privacy Policy is contained in your client advisory agreement and may be obtained by contacting the Compliance Officer of the Adviser.

#### **Types of Nonpublic Personal Information (NPI) we collect**

We collect nonpublic personal information about you that is either provided to us by you or obtained by us with your authorization. This can include but is not limited to your Social Security Number, Date of Birth, Banking Information and Financial Account Numbers and/or Balances, Sources of Income, or other Information. When you are no longer our client, we may continue to share your information only as described in this notice.

#### **Parties to Whom we Disclose Information**

All investment advisers may need to share personal information to run their everyday business. In the section below, we list the typical reasons that we may share your personal information:

- For everyday business purposes - such as to process your transactions, maintain your account(s), or respond to court orders and legal investigations, or report to credit bureaus;
- For our marketing - to offer our products and services to you; or
- For our affiliate's everyday business purposes - information about your transactions and experiences

If you are a new client we may begin sharing your information on the day you sign our agreement. When you are no longer our client, we may continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.

#### **Protecting the Confidentiality of Current and Former Client's Information**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law, including physical, electronic and procedural security measures such as computer safeguards and secured files and building.

#### **Federal Law Gives You the Right to Limit Sharing-Opting Out**

Federal law allows you the right to limit the sharing of your NPI by "opting-out" of the following: sharing for affiliates' everyday business purposes - information about your creditworthiness; sharing with affiliates who use your information to market to you; or sharing with non-affiliates to market to you. State laws and individual companies may give you additional rights to limit sharing. Please notify us immediately at our address or telephone number if you choose to opt out of these types of sharing.

**DEFINITIONS:**

**Affiliates** - Financial or nonfinancial companies related by common ownership or control.

**Non-affiliates** - Financial or nonfinancial companies not related by common ownership or control.

**Joint marketing** - a formal agreement between non-affiliated financial companies that together market financial products or services to you.