

## Item 1: Cover Page



This Firm Brochure (Form ADV Part 2A) provides information about the qualifications and business practices of Ellsworth Advisors, LLC. Please contact Michelle Schwab, Chief Compliance Officer if you have any questions about the contents of this brochure.

**This brochure provides information about the qualifications and business practices of Ellsworth Advisors. If you have any questions about the contents of this brochure, please contact us at [mschwab@ellsworthadvisors.com](mailto:mschwab@ellsworthadvisors.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 Ellsworth Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Ellsworth Advisors, LLC's CRD number is: 297464.**

Investing in individual stocks, mutual funds, fixed income securities, insurance products (including annuities), hedge funds, alternative investments, ETFs (including ETFs in the gold and precious metal sectors), non-U.S. securities, venture capital funds and alternative investments have the potential for loss of all invested dollars.

Registration does not imply a certain level of skill or training.

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## Item 2: Material Changes

The material changes in this brochure from March 2022 are described below. Material changes relate to Ellsworth Advisors, LLC's policies, practices, or conflicts of interests.

- Ellsworth Advisors, LLC has updated Advisory Services (Item 4E).
- Ellsworth Advisors, LLC has updated Fees and Compensation (Item 5).
- Ellsworth Advisors, LLC has updated Brokerage Practices (Item 12).
- Ellsworth Advisors, LLC has updated Review of Accounts (Item 13).
- Ellsworth Advisors, LLC has updated Client Referrals and Other Compensation (Item 14)
- Ellsworth Advisors, LLC has updated Custody (Item 15).

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## Item 4: Advisory Business

Ellsworth Advisors, LLC ("*Advisor*") offers the following services to advisory clients ("*Client*"):

### A. Description of the Advisory Firm

Ellsworth Advisors, LLC ("*Advisor*") is a Limited Liability Company organized in the State of Ohio. The firm was formed in March 2018, and the principal owner is Ellsworth Advisors Holdings, LLC which is solely owned by Matthew Kaulig.

Advisor is a large Registered Investment Advisor registered with United States Securities and Exchange Commission.

Our 13-member team has over 100 years of combined investment experience. With backgrounds in accounting, banking, broker/dealers, insurance, investment banking, and private equity. We have also earned several industry recognized certifications:

CERTIFIED FINANCIAL PLANNER™

Certified Plan Fiduciary Advisor

Chartered Retirement Planning Counselor<sup>SM</sup>

### B. Types of Advisory Services

#### *Individual Wealth Management*

Advisor offers ongoing individual wealth management services, also known as portfolio management, based on the individual goals, objectives, time horizon, and risk tolerance of each client. Advisor completes an Investment Policy Statement for each client or household, which outlines the client's current situation (investment objectives, risk tolerance, investment experience, short- and long-term liquidity needs, net worth, and income). Advisor evaluates the investments of each client with respect to their Investment Policy Statement. Individual wealth management services include, but are not limited to, the following:

- Investment Policy Statement creation
- Assessing risk tolerance
- Investment strategy allocation
- Comprehensive financial strategy
- Access to a third-party aggregator
- Asset management and allocation
- Retirement and estate planning
- Continuous access to financial advisors and portfolio manager
- Monthly performance reporting
- Monthly economic and market activity discussion
- Cash management for identified liquidity needs
- Professional opinions on the management of accounts held elsewhere

Advisor will request discretionary authority from clients to select securities and execute transactions without permission from the client prior to each transaction.

Advisor's investment decisions are made in accordance with the fiduciary duties owed to our clients and without consideration of Advisor's economic, investment or other financial interests. To meet its fiduciary obligations, Advisor attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, Advisor's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is Advisor's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent, including initial public offerings ("IPOs") and other investment opportunities that might have a limited supply, among its clients on a fair and equitable basis over time of those who are eligible.

Advisor has discretion to choose third-party investment advisers to manage all or a portion of the client's assets. These investments may be allocated either through the third-party adviser's fund or through a separately managed account managed by such third-party adviser on behalf of Advisor's client. Advisor may also allocate among one or more private equity funds or private equity fund advisers.

Before selecting other advisers for clients, Advisor will ensure those other advisers are properly licensed or registered as an investment adviser. Advisor conducts due diligence on any third-party investment adviser, which may involve one or more of the following: phone calls, references, meetings, disclosures including disciplinary actions and review of the third-party adviser's organization, performance, and investment strategy. Advisor will review the ongoing performance of the third-party adviser(s) as a portion of the client's portfolio.

Advisor generally limits its investment advice to individual stocks, mutual funds, fixed income securities, ETFs (including ETFs in the gold and precious metal sectors), and private placements. Although Advisor primarily recommends publicly traded securities, Advisor may use other securities as well to help diversify a portfolio when applicable.

#### *Corporate Retirement Plans*

Advisor offers pension consulting services to pensions and other employee benefit plans (including but not limited to 401(k) plans). Retirement plan sponsors of an employee plan may hire an outside advisor to defer the fiduciary duties of managing the investments inside the pension or employee benefits plan. The outside advisor can provide services under sections 3(21) or 3(38) of the Employee Retirement Income Security Act of 1974.

A 3(21) Adviser renders investment advice on a regular basis for compensation; discretionary authority over management or disposition of assets; known as investment "advisor"; adviser makes recommendations; committee decides & retains responsibility for outcomes.

A 3(38) Manager must acknowledge status in writing; must be RIA, bank or insurance company; known as investment "manager"; committee grants discretionary authority to manage assets; manager provides asset management for committee; liability shifts from committee to manager; Committee retains liability for selection & monitoring of manager, including reasonableness of fees.

Pension consulting may include any of the following:

- Investment Advisory Services
- Creating an Investment Policy Statement
- Discretionary Investment Changes (3(38)) plans),
- Ongoing Investment Recommendations (3(21) plans),
- Ongoing Investment Monitoring,
- Qualified Default Investment Alternative Assistance (“QDIA”),
- Discretionary Model Portfolios (3(38)) plans),
- Non-Discretionary Model Portfolios (3(21) plans),
- Performance Reports,
- Consulting Services,
- Service Provider Liaison,
- Education Services to Plan Committee,
- Participant Enrollment,
- Participant Education,
- Plan Search Support/Vendor Analysis,
- Benchmarking Services, and
- Assistance Identifying Plan Fees

These services are based on the goals, objectives, demographics, time horizon, and/or risk tolerance of the plan and its participants.

Advisor generally limits its investment advice to individual stocks, mutual funds, fixed income securities, ETFs (including ETFs in the gold and precious metal sectors), and private placements. Although Advisor primarily recommends publicly traded securities, Advisor may use other securities as well to help diversify a portfolio when applicable.

#### *Retirement Accounts*

Guidance from the US Department of Labor (DOL) under Title I of the Employee Retirement Income Security Act (ERISA) and/or the Internal Revenue Code (Code), requires Advisor to remind Clients that when we provide investment advice (including recommendations of our advisory program(s)) regarding ERISA retirement plans or participant accounts or individual retirement accounts (which are all referred to as “retirement accounts”), that the Advisor is a fiduciary 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.

Regulations under ERISA and the Code define fiduciary investment advice as (1) advice or recommendations, for a fee or other compensation, regarding investing in, purchasing or selling securities or other property to a plan, plan participant, or IRA owner; (2) provided on a regular basis; (3) where the advice is provided pursuant to a mutual agreement or understanding that; (4) the advice serves as a primary basis for investment decisions with respect to the plan or IRA assets; and (5) the advice is individualized to the plan, participant or IRA owner.

### *Retirement Plan Rollovers*

When leaving an employer, Clients typically have four options regarding the existing retirement plan: (1) leave the assets in the former employer's plan, if permitted, (2) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (3) roll over the assets to an Individual Retirement Account ("IRA"), or (4) take a full withdrawal in cash, which would result in ordinary income tax and a penalty tax if you are under age 59 1/2.

If Advisor recommends that a Client roll over a 401(k) or other qualified plan assets to an IRA, this roll over recommendation presents a conflict of interest in that we would receive compensation (or may increase current compensation) when investment advice is provided following the decision to roll over your plan assets. We will discuss retirement plan options including retention of 401(k) or qualified plan assets with the current plan, if allowed. Prior to deciding Client should carefully review the information regarding roll over options and are under no obligation to roll over retirement plan assets to an account managed by Advisor.

If an advisory account is subject to the provisions of ERISA or certain tax deferred treatment under the Internal Revenue Code (collectively, "Qualified Accounts") Advisor is generally prohibited from receiving both an advisory fee and any transaction-based compensation unless in compliance with applicable prohibited transaction exemptions under ERISA or the IRC or authorized by the U.S. Department of Labor.

Best efforts will be made to collect information about the Plan. Including a search of publicly available Form 5500 and Plan documents, including any investment policies, guidelines, or restrictions that Client may provide.

### *Financial Consulting*

Financial consulting, also known as financial planning services, includes financial plan development, estate planning, tax advice, business valuations and advising on mergers or acquisitions for our business clients.

Financial plans are available to all clients via a third-party vendor (eMoney Advisor) that can generate on-demand financial plans. The client is responsible for establishing the data feeds into the system and providing any additional information they would like to see reflected in their plan.

A personal financial plan can be created with the execution of a Financial Planning Agreement. A personal financial plan will typically include:

- investment planning;
- life insurance;
- tax concerns;
- retirement planning;
- college planning; and
- debt/credit planning.

### *Estate Planning*

Generally, estate planning is the process of designating who will receive your assets at your death and handle your responsibilities if you are not able to do so. Estate planning services offered by Advisor are in conjunction with an estate attorney that specializes in the creation of trusts, medical care directives, wills, powers of attorney, etc. Advisor does not prepare trusts, medical care directives, wills, powers of attorney, etc.

### *Tax Advice*

Tax advice provided by Advisor is limited to making recommendations on what types of accounts to open, whether a position has short- or long-term tax consequences, and the impact of all the accounts held by the client could have on their individual federal and state tax tables. Clients should always consult with a tax professional for specific advice to their unique situation. Advisor does not prepare tax returns.

### *Business Valuation*

Business valuation is the process of determining the economic value of a business or division. Business valuations can be used to determine the fair value of a business. Advisor's team includes individuals with a background in investment banking. With this background, in conjunction with a qualified tax professional, we can help you evaluate your business for a potential sale, establishing partner ownership, etc.

### *Merger and Acquisitions*

Merger and acquisitions advisory services primarily focus on the current industry environment, business valuation, and possible credit opportunities.

### *Alternative Investing*

In addition to traditional wealth management, Advisor also offers access to private equity and private real estate investments. These private investments, as part of a well-diversified portfolio, can offer diversification non-correlated to the public markets. These investments are offered on a deal-by-deal basis and are not invested on a discretionary basis. Typically, these investments will only be available to accredited investors as defined by Rule 501(a), Rule 215, and Rule 144A of the Securities Act.

### *Family Office Services*

A family office provides a wider range of services tailored to meet the needs of high-net-worth individuals. Using the blueprint created by Kaulig Companies for the family of Matthew Kaulig, Advisor can provide the following services for family offices:

- Entity formation
- Office management and oversight
- Investment analysis
- Financial Reporting
- Charitable giving advice
- Concierge services

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

Advisor will tailor a program for the needs of each client. This will include an interview session to create an Investment Policy Statement. Advisor may use model allocations together with a specific set of recommendations for each client based on their Investment Policy Statement.

Clients may impose reasonable restrictions on investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent Advisor from properly servicing the client account, or if the restrictions would require Advisor to deviate from its standard suite of services, Advisor reserves the right to end the relationship.

### D. Wrap Fee Programs

Advisor acts as portfolio manager for and sponsor of wrap fee programs, which is an investment program where the client pays a negotiable fee.

- A. Discretionary Trading Authorization (***“Advisory Wrap Fee Program”***) - Client hereby grants Advisor discretionary trading authorization, with respect to the purchase and sale of securities in Client’s Managed Account. Advisor will direct, in Advisor’s sole discretion and without first consulting Client, the purchase and/or sale of securities on a discretionary basis within the Client’s Managed Account. Client hereby agrees to execute all documents required by Advisor and/or Custodian to establish both the Managed Account and the discretionary trading authorization.
- B. Discretionary Sub-Advisor Authorization (***“Sub-Advised Wrap Fee Program”***) - Client hereby grants Advisor discretionary authorization to select, change, or terminate a Sub-Advisor on behalf of Client. Client hereby agrees to execute all documents required by Advisor and/or Sub-Advisor to establish the Sub-Advisor Account. Client will be notified thirty (30) calendar days prior to the hire, change, or termination of a Sub-Advisor. Such notification will include the Sub-Advisor’s ADV, and management fees charged by Sub-Advisor.
- C. Non-Discretionary Trading Authorization (***“Non-Advisory Wrap Fee Program”***) – Client hereby grants Advisor trading authorization with respect to the purchase and sale of securities in Client’s Managed Account. Client will direct the purchase and/or sale of securities within the Client’s Managed Account. Client hereby agrees to execute all documents required by Advisor and/or Custodian to establish both the Managed Account and the trading authorization.

This brochure describes Advisor’s Non-Advisory Wrap Fee Program; clients utilizing Advisor’s Advisory Wrap Fee Program or Sub-Advised Wrap Fee Program should see the separate Form ADV Part 2A Appendix 1 (Wrap Fee Program Brochure).

All of the fees collected are kept by Advisor as the portfolio manager and program sponsor.

## E. Assets Under Management

Advisor has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Pension Consulting Services 3(38):</b>	<b>Date Calculated:</b>
\$550,010,697	226,000,000	December 2022

Advisor has the following assets under advisement:

<b>Pension Consulting Services 3(21):</b>	<b>Alternative Investments:</b>	<b>Date Calculated:</b>
\$151,000,000	\$34,698,270	December 2022

## Item 5: Fees and Compensation

### A. Fee Billing

#### *Billing of Individual Wealth Management Services Fees*

Total Assets Under Management	Annual Fees
All Assets	1.00%

Advisor is compensated for its Individual Wealth Management services via fees that are charged monthly (“billing period”) in arrears. These fees are negotiable depending upon the needs of the client and complexity of the situation. The final fee is documented in the Schedule A of the Investment Management Agreement.

To calculate the monthly fees, Advisor uses the average daily balance in the client's account throughout the billing period for purposes of determining the market value of the assets. This market value is used to calculate the monthly fees by multiplying the average daily balance by the negotiated fee divided by the number of days in the billing period.

$$\frac{(\text{average daily balance market value}) \times (\text{negotiated annual fee})}{(\text{billing period})}$$

Advisor reserves the right to amend its fee schedule at any time upon thirty (30) days written notice to Client.

#### *Billing of Corporate Retirement Plan Fees*

Advisor is compensated for its Corporate Retirement Plans via a fee schedule that is documented in Schedule A of the Retirement Plan Consulting Program agreement.

Advisor and the client may agree to a fixed annual, quarterly, or monthly amount. The standard rate for fixed fees is between \$2,500 and \$150,000 annually. The final fee schedule will be memorialized in the Retirement Plan Consulting Program agreement Schedule A.

Advisor and the client may agree to a fee based on a percentage of assets under advisement.

Total Assets Under Management or Advisement	Annual Fees
All Assets	1.00%

Fees are negotiable and can be charged on a percentage of assets under advisement, a per participant fee, a fixed fee, or a combination of fee options. For example, there can be a flat quarterly fee in combination with a per participant fee.

When the fee is based on the assets under advisement, the percentage of assets under advisement advisory fee is calculated based on the average daily balances in the client's account throughout the billing period.

Per participant fees will be based on the number of participants enrolled in the plan.

The final fee schedule will be memorialized in the Retirement Plan Consulting Program agreement Schedule A.

#### *Billing of Financial Consulting Fees*

Advisor is compensated for Financial Consulting, typically in the form of a personal financial plan, via a negotiated fixed fee. The fee for creating a personal financial plan (outside of the third-party vendor available to all Individual Wealth Management clients) is between \$1,000 and \$100,000 and is memorialized in the Financial Planning Agreement Exhibit I

#### *Billing of Alternative Investing Fees*

Advisor is not compensated for offering alternative investments although there are costs associated with these types of investments. The costs associated with each alternative investment will be detailed in the documentation provided by the investment bank or sponsor.

#### *Billing of Family Office Services Fees*

The costs associated with the creation of the Family Office would be borne by the family creating the office.

## **B. Payment of Fees**

#### *Payment of Individual Wealth Management Services Fees*

With the Client's written permission, Advisor deducts fees directly from the Client's Managed Account(s). Fees are deducted monthly and in arrears.

#### *Payment of Corporate Retirement Plan Fees*

Fixed pension consulting fees are paid via check or wire. These fees are paid in arrears upon completion.

With the client's written permission, fees can be withdrawn directly from the client's accounts on a monthly or quarterly basis. Fees are paid in arrears.

#### *Payment of Financial Consulting Fees*

The fixed financial consulting fees are paid via check or wire. These fees are paid in arrears upon completion.

#### *Payment of Alternative Investing Fees*

Advisor is not compensated for offering alternative investments. Any costs associated with participating in a private equity or real estate deal would be paid per the instructions in the documentation provided by the investment bank or sponsor. Typically, via check or wire due at the time of investment.

#### *Payment of Family Office Services Fees*

The costs associated with creation of a family office are paid via check or wire.

### C. Additional Fees and Charges

Client understands that additional fees or charges may result from maintenance of, or trading within, the Managed Account. Client understands and agrees that any additional fees, charges, or expenses resulting from maintenance of, or trading within, the Managed Account not covered by the wrap fee shall be the sole responsibility of the Client.

Advisor's wrap fee does not include the fees and costs listed below. The fees and costs may apply to transactions in your account. The fees and costs not included in the wrap fee that **you will pay** include:

- Commissions and other fees charged by broker-dealers other than Schwab or TD for transactions in your account if Advisor uses Schwab's Prime Brokerage, Step-In, or Trade Away Services. Because you will pay our wrap fee in addition to any charges paid to broker-dealers other than Schwab or TD, we have an incentive to execute transactions for your account through Schwab or TD.
- Fees charged by mutual fund companies, closed-end funds, electronically traded funds, and other collective investment vehicles, including, but not limited to, sales loads and/or charges and short-term redemption fees.
- Markups and markdowns, bid-ask spreads, and selling concessions in connection with transactions Schwab or TD executes as principal. Principal transactions contrast with transactions in which Schwab or TD acts as your agent in effecting trades. Markups and markdowns and bid-ask spreads are not separate fees but are reflected in the net price at which a trade order is executed.
- Costs imposed by third parties, such as transfer taxes, odd-lot differentials, certificate delivery fees, reorganization fees, and any other fees required by law. Schwab or TD may also charge for additional services such as wire transfer fees and fees for alternative investments.
- Taxes on brokerage accounts and securities transactions.

These fees and expenses are collected by Custodian and are not paid to Advisor.

### D. Prepayment of Fees

Advisor collects its fees in arrears. It does not collect fees in advance.

## E. Outside Compensation for the Sale of Securities to Clients

Christopher Ameen, Brett David Baskin, Timothy Banks Clepper, Kelly Michael Kuennen and Michael Maxwell Schindler are insurance agents. In these roles, they may accept compensation for the sale of insurance products to Advisor clients.

### *This is a Conflict of Interest*

Insurance agents (also known as supervised persons) may accept compensation for the sale of investment products, including commissions from the sale of insurance products to Advisor's clients. This conflict of interest is mitigated in that clients are not required to invest in such investments if they do not wish to do so. These products are not included in the discretionary authority granted by clients. Additionally, Advisor always acts in the best interest of the client consistent with its fiduciary duties.

This conflict is disclosed to clients in the Wrap Fee Program Brochure and in the Form ADV Part 2Bs. Both disclosures are provided to the client prior or at the time the Investment Management Agreement is signed.

### *Clients Have the Option to Purchase Recommended Products from Other Brokers*

Clients always have the option to purchase Advisor recommended products through other brokers or agents that are not affiliated with Advisor.

Cameron Miele offers private equity opportunities through his commercial fishing business outside business activities. Cameron and his partner collect a promotional fee for this investment. The promotional fee is paid in the form of an additional percentage of dividends paid from the private equity. Advisor does not receive any of these promotional fees.

### *This is a Conflict of Interest*

This is a conflict of interest because the amount of the promotional fee will be based on the amount of dividends paid which is based, in part, on the total amount invested by outside investors. This conflict cannot be mitigated but will be detailed in the agreements provided to accredited investors at the time of purchase.

## Item 6: Performance-Based Fees and Side-By-Side Management

Advisor does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## Item 7: Types of Clients

Advisor generally provides advisory services to the following types of clients:

- Individuals
- High-Net-Worth Individuals
- Corporations or Other Businesses
- Pension and Profit-Sharing Plans
- Trusts

There is no account minimum for any of Advisor's services.

## Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

Investing in securities involves a risk of total loss. You as the client should only invest what you can afford to lose. The risk of loss is entirely yours, the client, as an investor in securities.

### A. Methods of Analysis and Investment Strategies

#### *Methods of Analysis*

Advisor's methods of analysis include Charting analysis, Cyclical analysis, Fundamental analysis, Modern portfolio theory, Quantitative analysis and Technical analysis.

Charting analysis involves the use of patterns in performance charts. Advisor uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

Cyclical analysis involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

Quantitative analysis deals with measurable factors such as the value of assets, the cost of capital, historical projections of sales, and so on.

Technical analysis involves the analysis of past market data, primarily price and volume.

#### *Investment Strategies*

Advisor uses long term and short-term trading strategies. Publicly traded equities are primarily used with most non-accredited retail clients. Investments in options or e-currency is not an investment strategy currently used by Advisor.

## B. Material Risks Involved

### *Methods of Analysis*

Charting analysis strategy involves using and comparing patterns in performance charts to predict long and short-term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be assuming that past performance will be indicative of future performance. This may not be the case.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Modern portfolio theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Quantitative analysis investment strategies using quantitative models may perform differently than expected because of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not consider new patterns that emerge over time.

### *Investment Strategies*

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Short term trading risks include liquidity, economic stability, and inflation, in addition to the long-term trading risks listed above. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Selection of Other Advisers: Although Advisor will seek to select only money managers who will invest clients' assets with the highest level of integrity, Advisor's selection process cannot ensure that money managers will perform as desired, and Advisor will have no control over the day-to-day operations of any of its selected money managers. Advisor would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulatory breaches or fraud.

Options transactions involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value, as well as the possibility of leveraged loss of trading capital due to the leveraged nature of stock options. Although Advisor does not normally invest in option transactions, it is important for our clients to understand the risk associated with them.

### **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency. The prices of securities held in client accounts and the income they generate may decline in response to certain events taking place around the world. These include events directly involving the issuers of securities held as underlying assets of funds in a client's account, conditions affecting the general economy, and overall market changes. Other contributing factors include local, regional, or global political, social, or economic instability and governmental or governmental agency responses to economic conditions. Finally, currency, interest rate, and commodity price fluctuations may also affect security prices and income.

A brief description of the types of securities that Advisor will invest (non-accredited investor) in are listed below. These securities are listed in the order of the percentage they make up of our strategies/portfolios.

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, like stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a

stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

A brief description of the types of securities that Advisor will invest accredited investor dollars in are listed below. These securities are listed in the order of the percentage they make up of our strategies/portfolios.

Private placements carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best-known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

Private equity funds carry certain risks. Private equity fund investments do not sell publicly and are therefore illiquid. An investor may not be able to exit a private equity fund or sell its interests in the fund before the fund closes. Capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment. Private equity funds are subject to various other risks, including the lack of control over the acquisition, management and disposition of investments and the investment risks associated with the types of assets and securities that the private equity fund invests in.

A brief description of the types of securities that Advisor will not likely invest in are listed below. Although Advisor does not typically invest discretionary dollars in these investment types, they are available to us to use. Clients should understand the risk they present. These investment types are listed alphabetically.

Annuities are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

Hedge funds often engage in leveraging and other speculative investment practices that may increase the risk of loss; can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; may involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as mutual funds; and often charge high fees. In addition, hedge funds may invest in risky securities and engage in risky strategies.

Non-U.S. securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

Options are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option transactions also involve risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

Venture capital funds invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event; the risk is high as a result of the uncertainty involved at that stage of development. Venture capital fund investments do not sell publicly and are therefore illiquid. An investor may not be able to exit a venture capital fund or sell its interest in the fund before the fund closes. Venture capital funds are subject to various other risks, including the lack of control over the acquisition, management and disposition of investments and the investment risks associated with the types of assets and securities that the venture capital fund invests in.

## Item 9: Disciplinary Information

### A. Disciplinary Information

There are no criminal or civil actions to report.

### B. Administrative Proceedings

There are no administrative proceedings to report.

### C. Self-Regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

## Item 10: Other Financial Industry Activities and Affiliations

### A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither Advisor nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

### B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither Advisor nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Advisor is an insurance licensed agency for Accident & Health, Life. Representative of Advisor, who are properly licensed, will offer clients advice or products from these activities.

Clients should be aware that insurance products pay a commission or other compensation. Commissionable products present a conflict of interest with our fiduciary duties; however, Advisor will always act in the best interest of its clients. Clients always have the option to purchase Advisor recommended products through other brokers or agents that are not affiliated with Advisor.

Timothy Clepper is President of Kaulig Companies Ltd., a single member family office, and Kaulig Capital, LLC, the private investment arm of Kaulig Companies Ltd. Kaulig Capital, LLC, Kaulig Companies Ltd., and Advisor under joint ownership; therefore, Timothy Banks Clepper's role with both the Kaulig companies and Advisor is a conflict of interest. Advisor mitigates this conflict of interest by always acting in the best interest of its clients.

Kaulig Capital, LLC researches private equity and real estate opportunities ("alternative investments") for the benefit of Matthew Kaulig, the indirect owner of Advisor. Through Advisor's relationship with Kaulig Capital (under same ownership and senior management), Advisor has access to non-correlated investment options to offer clients. Kaulig Capital may receive financial benefits for raising additional capital for the alternative investment. That creates a conflict of interest for Advisor representatives to offer the alternative investment to clients. To mitigate this conflict, Advisor will always act in the best interest of its clients. Additionally, Advisor's discretion does not include alternative investments and clients need to agree on a case-by-case basis whether to invest. Clients always have the option to purchase Advisor recommended products through other brokers or agents that are not affiliated with Advisor.

Alternative investments are not evaluated by the SEC and do pose a higher potential of loss to client's investments in them.

Cameron Shields Miele is a Chief Executive Officer of several commercial fishing companies. Cameron Shields Miele provided alternative investment opportunities to some accredited clients, therefore his role as president of these companies results in a conflict of interest; however, Advisor mitigates this conflict by always acting in the best interest of its clients.

#### D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

Advisor has discretion to choose third-party investment advisors to manage all or a portion of the client's assets. Clients will pay Advisor its negotiated fee in addition to the fee for the advisors to which it directs those clients. This relationship will be memorialized in each contract between Advisor and each third-party advisor. The fees will not exceed any limit imposed by any regulatory agency. Advisor will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. Advisor will ensure that all recommended advisors are licensed, or notice filed in the states in which Advisor is recommending them to clients.

Advisor always acts in the best interest of the client consistent with its fiduciary duties.

##### *Brokerage for Client Referrals*

Advisor receives no referrals from Charles Schwab & Co., Inc. ("Schwab") or TD Ameritrade Institutional or any third party in exchange for using that broker-dealer or third party.

##### *Clients Directing Which Broker/Dealer/Custodian to Use*

Clients cannot direct which broker/dealer/ custodian to use. Advisor will require clients to use Charles Schwab & Co., Inc. ("Schwab") or TD Ameritrade Institutional to execute transactions. Not all advisers require clients to use a particular broker-dealer.

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

### A. Code of Ethics

Pursuant to SEC rule 204A-1, Advisor has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions.

Advisor's Code of Ethics is available at no charge upon request to any client or prospective client. Requests for a copy of Advisor's Code of Ethics should be directed to the contact information on the cover page of this document.

### B. Recommendations Involving Material Financial Interests

Advisor and its associated persons have material financial interest in investment opportunities that Advisor recommends for purchase or sale by clients. For example, alternative investments.

This presents a conflict of interest in that Advisor, or its related persons may receive more compensation or a reduction in costs from the investment in a security in which Advisor or a related person has a material financial interest. To mitigate this conflict, client approval will be sought for client investment in such recommendations.

Due diligence will be conducted on all investment opportunities. This will include the determination if the opportunity is a security. Matthew Kaulig, President of Kaulig Capital, Kaulig Venture Holdings LLC, an indirect owner of Advisor, will be invested in the opportunities along with other employees of Advisor. In some cases, Kaulig Capital will receive compensation or a reduction in costs from the deal sponsored for soliciting purchasers. To mitigate this conflict, Advisor has created its own Investment Management company (Georgetown Investment Manager, LLC) and creates new LLCs for each alternative investment separate from Kaulig Capital.

These types of opportunities will only be made available to accredited or sophisticated investors who are already well diversified in traditional products. These types of opportunities may also be extended to related persons of Advisor, prospects, or other individuals who are well known by the senior management of Advisor.

Advisor always acts in the best interest of the client consistent with its fiduciary duties and clients are not required to invest in such investments if they do not wish to do so.

### C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of Advisor may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Advisor to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients.

Such transactions create a conflict of interest. Advisor will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold. To mitigate this conflict, Advisor always acts in the best interest of the client consistent with its fiduciary duties.

In truth, the volume and dollar amount in which Advisor trades are unlikely to affect market prices. Even when transactions are executed in block/bulk trades. Nevertheless, block/bulk trading reports are reviewed against the trading activities of Advisor representatives at least monthly.

### D. Trading Securities At/Around the Same Time as Client's Securities

From time to time, representatives of Advisor may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Advisor to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients.

Such transactions create a conflict of interest; however, Advisor will never engage in trading that operates to the client's disadvantage if representatives of Advisor buy or sell securities at or around the same time as clients. To mitigate this conflict, Advisor always acts in the best interest of the client consistent with its fiduciary duties.

In truth, the volume and dollar amount in which Advisor trades are unlikely to affect market prices. Even when transactions are executed in block/bulk trades. Nevertheless, block/bulk trading reports are reviewed against the trading activities of Advisor representatives at least monthly.

## Item 12: Brokerage Practices

### A. The Custodians and Brokers We Use

Advisor does not maintain custody of your assets that we manage or on which we advise, although Advisor may be deemed to have custody of Client assets if you give us authority to withdraw assets from your account (see Item 15—Custody, below). Client assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. Advisor requires that our clients use Charles Schwab & Co., Inc. (“Schwab”) or TD Ameritrade Institutional (“TD”), registered broker-dealers, members SIPC, as the qualified custodian.

Advisor is independently owned and operated and are not affiliated with Schwab or TD Ameritrade. Schwab and TD Ameritrade will hold Client assets in a brokerage account and buy and sell securities when Advisor instructs them to. While Advisor requires that you use Schwab or TD Ameritrade as custodian/broker, you will decide whether to do so and will open your account with Schwab or TD Ameritrade 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). Client should consider these conflicts of interest when selecting your custodian.

Advisor does not open the account for you, although we may assist you in doing so. Not all advisors require their clients to use a particular broker-dealer or other custodian selected by the advisor. Even though the Client account is maintained at Schwab or TD Ameritrade, and we anticipate that most trades will be executed through Schwab or TD Ameritrade, Advisor can still use other brokers to execute trades for Client accounts as described below (see “Your brokerage and custody costs”).

### B. How We Select the Custodians and Brokers We Use

Advisor seeks to use Schwab or TD Ameritrade, custodian/brokers that will hold your assets and execute transactions. When considering whether the terms that Schwab or TD Ameritrade provide are, overall, most advantageous to Clients when compared with other available providers and their services, Advisor considers 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

- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us from Schwab”)

### C. Your Custody and Brokerage Costs

Client’s accounts that Schwab or TD Ameritrade maintains, Schwab or TD Ameritrade generally does not charge Client separately for custody services but is compensated by charging Client commissions or other fees on trades that it executes or that settle into your Schwab or TD Ameritrade account. Certain trades (for example, many mutual funds and ETFs) may not incur Schwab or TD Ameritrade commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab’s Cash Features Program. For some accounts, Schwab and TD Ameritrade charge you a percentage of the dollar amount of assets in the account in lieu of commissions. In addition to asset-based fees, 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 or TD Ameritrade account. These fees are in addition to the commissions or other compensation Client pays the executing broker-dealer. Because of this, in order to minimize Client trading costs, Advisor will have Schwab or TD Ameritrade execute most trades for your account.

Advisor is 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 Advisor is not required to execute all trades through Schwab or TD Ameritrade, Advisor has determined that having Schwab or TD Ameritrade execute most trades is consistent with Advisor’s duty to seek “best execution” of Client trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How We Select the Custodians and Brokers We Use”). By using another broker or dealer you may pay lower transaction costs.

### D. Products and Services Available to Us

#### *Products and Services Available to Us from Charles Schwab & Co., Inc. (“Schwab”)*

Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like Advisor. They provide Advisor 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 Advisor. Schwab also makes available various support services. Some of those services help Advisor manage or administer our Clients’ accounts, while others help Advisor manage and grow the 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 Clients.** 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 Advisor might not otherwise have access or that would require a significantly higher minimum initial investment by our clients.

**Services that do not directly benefit Clients.** Schwab also makes available to Advisor other products and services that benefit Advisor but do not directly benefit Client's or their accounts. These products and services assist Advisor in managing and administering Clients' accounts and operating the firm. They include investment research, both Schwab's own and that of third parties. Advisor uses this research to service all or a substantial number of our Clients' accounts, including accounts not maintained at Schwab. 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
- Assist with back-office functions, recordkeeping, and client reporting

**Services that generally benefit only Advisor.** Schwab also offers other services intended to help Advisor manage and further develop the 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
- 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 Advisor. Schwab also discounts or waives its fees for some of these services or pays all or a part of a third party's fees. Schwab also provides Advisor with other benefits, such as occasional business entertainment of our personnel. If Clients did not maintain your account with Schwab, Advisor would be required to pay for these services from our own resources.

Participation in the Schwab Advisor Services™ program creates a conflict of interest for Advisor as Advisor will only open accounts with Schwab to keep these offerings which it would otherwise have to provide itself at a higher cost. This conflict of interest cannot be mitigated.

### *Products and Services Available to Us from TD Ameritrade Institutional*

Advisor participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer.

**Services that benefit Clients.** TD Ameritrade'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 TD Ameritrade include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients.

**Services that do not directly benefit Clients.** TD Ameritrade also makes available to Advisor other products and services that benefit Advisor but do not directly benefit Clients or their accounts. These products and services assist us in managing and administering Clients' accounts and operating the firm. They include investment research, both TD Ameritrade's own and that of third parties. Advisor uses this research to service all or a substantial number of Clients' accounts, including accounts not maintained at TD Ameritrade. In addition to investment research, TD Ameritrade 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
- Assist with back-office functions, recordkeeping, and client reporting
- Market, financial, and economic data

**Services that generally benefit only Advisor.** TD Ameritrade also offers other services intended to help Advisor manage and further develop the 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
- Marketing consulting and support
- Industry advocacy to influence SEC rule making, tax legislation, for example.

TD Ameritrade provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to Advisor. TD Ameritrade also discounts or waives its fees for some of these services or pays all or a part of a third party's fees. TD Ameritrade also provides Advisor with other benefits, such as occasional business entertainment of our personnel. If Clients did not maintain your account with TD Ameritrade, Advisor would be required to pay for these services from our own resources.

Participation in the TD Ameritrade Institutional program creates a conflict of interest for Advisor as Advisor will only open accounts with TD Ameritrade, Inc. to keep these offerings which it would otherwise have to provide itself at a higher cost. This conflict of interest cannot be mitigated.

#### D. Our Interest in Schwab and TD Ameritrade's Services

The availability of these services from Schwab and TD Ameritrade benefits Advisor because we do not have to produce or purchase them. Advisor doesn't have to pay for Schwab or TD Ameritrade's services. These services are not contingent upon Advisor committing any specific amount of business to Schwab or TD Ameritrade in trading commissions or assets in custody. The fact that Advisor receives these benefits from Schwab and TD Ameritrade is an incentive for us to require the use of Schwab or TD Ameritrade rather than making such a decision based exclusively on Client's interest in receiving the best value in custody services and the most favorable execution of Client transactions. This is a conflict of interest. Advisor believes, however, that taken in the aggregate, our selection of Schwab or TD Ameritrade 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 and TD Ameritrade's services (see "How We Select the Custodians and Brokers We Use") and not Schwab or TD Ameritrade's services that benefit only Advisor.

#### E. Aggregating (Block) Trading for Multiple Client Accounts

If Advisor buys or sells the same securities on behalf of more than one Client, then it may (but would be under no obligation to) aggregate such securities in a single transaction for multiple Clients to seek more favorable prices ("Block" or "Bulk" trading), lower brokerage commissions, or more efficient execution. In such case, Advisor would place an aggregate order with Schwab or TD Ameritrade on behalf of all such Clients. Trades are reviewed periodically to ensure that some accounts are not systematically disadvantaged by this policy. Schwab and TD Ameritrade would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution.

## Item 13: Review of Accounts

### A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Clients of Advisor's individual wealth management services are offered an annual review with the servicing advisor in conjunction with the portfolio manager, if requested. During this review the servicing manager will discuss the performance and allocation in the client's accounts about their Investment Policy Statement.

Advisor's servicing advisors are:

- Kelly Kuennen, Managing Director;
- Cameron Miele, Managing Director;
- Max Schindler, Director;
- Patrick Aaron Justice, Director;
- Brett Baskin, Senior Vice President;
- John Dugan, Vice President;
- Chris Ameen, Vice President;
- David Jakubowski, Senior Vice President; and
- Kelly M. Orris, Associate Advisor

Advisor's portfolio manager is Kelly Kuennen, Managing Director.

### B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes to a client's Investment Policy Statement. Investment Policy Statements can be and should be reviewed anytime the client has a change to their financial situation such as change in employment, adoption, or birth of a child, change in marital status, residential move, or inheritance, etc.

### C. Content and Frequency of Regular Reports Provided to Clients

Each Client will be provided, at least quarterly, a report detailing the client's account, including assets held, asset value, transactions within the account, and amount of fees charged. This written report will come from Schwab or TD Ameritrade.

Written performance reporting is also available quarterly or monthly at no additional charge.

## Item 14: Client Referrals and Other Compensation

### A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

#### *Economic Benefits Provided to Us from Charles Schwab & Co., Inc. ("Schwab")*

Advisor receives an economic benefit from Schwab in the form of the support products and services it makes available to Advisor and other independent investment advisors whose clients maintain their accounts at Schwab. Client does not pay more for assets maintained at Schwab as a result of these arrangements. However, Advisor benefits from the referral arrangement because the cost of these services would otherwise be borne directly by Advisor. Client should consider these conflicts of interest when selecting a custodian. The products and services provided by Schwab, how they benefit Advisor, and the related conflicts of interest are described above (see Item 12—Brokerage Practices).

#### *Economic Benefits Provided to Us from TD Ameritrade Institutional*

Advisor does not receive economic benefits in the form of sales awards or other prizes from TD Ameritrade Institutional, Orion Advisors, eMoney Advisors or insurance companies. As part of its fiduciary duties to clients, Advisor endeavors always to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade Institutional for custody and brokerage services. This conflict of interest cannot be mitigated.

### B. Compensation to Non – Advisory Personnel for Client Referrals

Advisor may enter into written arrangements with third parties to act as solicitors for Advisor's investment management services. Solicitor relationships will be fully disclosed to each Client to the extent required by applicable law. Advisor will ensure each solicitor is exempt, notice filed, or properly registered in all appropriate jurisdictions. All such referral activities will be conducted in accordance with Rule 206(4)-3 under the Advisers Act, where applicable.

Advisor does not currently have any written agreements with third parties to act as solicitors for Advisor's investment management services.

## Item 15: Custody

### A. Retail Accounts

When advisory fees are deducted directly from client accounts at Schwab or TD Ameritrade or if Client grant Advisor authority to move your money to another person's account, Advisor will be deemed to have limited custody of client's funds and securities.

Schwab and/or TD Ameritrade maintains actual custody of Client assets. Clients will receive account statements directly from Schwab and/or TD Ameritrade at least quarterly. They will be sent to the email or postal mailing address you provided. Clients should carefully review those statements promptly when you receive them. Advisor also urges you to compare account statements with the periodic portfolio reports you will receive from us.

### B. Alternative Investments

When clients invest in alternative investments offered by Advisor, their investment funds are held by Advisor in a bank account only accessible by Advisor until the funds are invested. This bank account holds administrative fees to pay attorney, accounting, and other related expenses for the investment.

## Item 16: Investment Discretion

Advisor provides discretionary and non-discretionary investment advisory services to clients. The Investment Management Agreement established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, Advisor generally manages the client's account and makes investment decisions without consultation with the client as to:

- i. when the securities are to be bought or sold for the account,
- ii. the total amount of the securities to be bought/sold,
- iii. what securities to buy or sell, or the price per share.

In limited instances, Advisor's discretionary authority in making these determinations may be limited by conditions imposed by a client in investment guidelines or objectives, or client instructions otherwise provided to Advisor. Client must make note of these conditions in writing on the Investment Management Agreement.

## Item 17: Voting Client Securities (Proxy Voting)

Advisor acknowledges its fiduciary obligation to vote proxies on behalf of those clients that have delegated to it, or for which it is deemed to have, proxy voting authority. Advisor will accept voting authority for client securities in certain cases. When Advisor does accept voting authority for client securities, it will always seek to vote in the best interests of its clients. Clients may direct Advisor on how to vote client securities by communicating their wishes in writing or electronically to Advisor.

When voting client proxies, Advisor will always hold the interests of the clients above its own interests. Clients of Advisor may obtain the voting records or written policies and procedures for proxy voting by contacting Advisor at the phone number or e-mail address listed on the cover page of this brochure.

## Item 18: Financial Information

### A. Balance Sheet

Advisor neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

### B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither Advisor nor its management has any financial condition that is likely to reasonably impair Advisor's ability to meet contractual commitments to clients.

### C. Bankruptcy Petitions in Previous Ten Years

Advisor has not been the subject of a bankruptcy petition in the last ten years.