

# SOUTHBRIDGE ADVISORS, LLC

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Form ADV Part 2A  
Firm Brochure  
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This brochure provides information about the qualifications and business practices of Southbridge Advisors, LLC. If you have any question about the contents of this brochure, please contact us at (866) 797-8693. 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.

Southbridge Advisors, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Southbridge Advisors, LLC is available on the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Southbridge Advisors, LLC's CRD number is 306075.

## ITEM 2 - MATERIAL CHANGES

We have one material changes to report since our firm's last annual update on March 31, 2022. Our portfolio management fee billing cycle has changed from monthly in arrears based on the value of the account on the last day of the month to quarterly in arrears or advance based on the average daily balance of the account. Additional information can be found in Item 5 below. There are no additional changes to report.

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## ITEM 4 – ADVISORY BUSINESS

### OWNERSHIP/ADVISORY HISTORY

Southbridge Advisors, LLC (“we”) is a Georgia Limited Liability Company formed in September 2019. We became registered with the Securities and Exchange Commission in November 2019. Our members include Todd Fields, Jerold Sniderman, Louis Brown, George Richerson, and Robert Donnell with Mr. Fields as the Chief Compliance Officer.

### ADVISORY SERVICES OFFERED

#### FINANCIAL PLANNING

We offer comprehensive financial planning services that involve a review of your financial situation, goals, risk tolerance and the creation of a written financial plan. Through a series of personal interviews and the use of questionnaires we will collect pertinent data, identify goals, objectives, financial problems, and potential solutions. With this information, we tailor your financial plan and advice we give to you. Our advice and plan may cover any of the following topics: net worth statement; cash flow analysis, tax analysis, insurance and long-term care analysis; tax planning; retirement projection; 401k review; or other needs as identified during our meetings with you. You will receive a written financial plan following our last meeting.

#### PORTFOLIO MANAGEMENT AND INSTITUTIONAL STRATEGISTS

Our portfolio management services are offered to assist you with the ongoing management of your investment accounts. We will create a customized portfolio that we will manage on a discretionary or non-discretionary basis. Through a series of personal interviews, we work with you to formulate an individualized asset allocation model for your portfolio based upon your objectives, time frame, risk parameters and other investment considerations.

Once the portfolio is created, to assist with the management of your account we may also recommend one or more Institutional Strategists through TD Ameritrade’s Model Market Center. Our recommendation will depend on your circumstances, goals, objectives, strategy desired, account size, risk tolerance, and other factors. We work with you to determine which Institutional Strategist may be appropriate. You are never obligated to use a recommended Institutional Strategist.

The Model Market Center is designed to match your investment objective with an Institutional Strategist’s style. For example, we will recommend active management Institutional Strategist if you seek an actively managed portfolio. If you prefer a passively invested portfolio, we will recommend that type of Institutional Strategist. The investment styles may also be combined to create a portfolio that is part actively managed and part passively managed.

Prior to a recommendation, we conduct a due diligence review of the available Institutional Strategists available. We consider the following factors during our review: fees, reputation, performance, financial strength, management, price reporting capabilities, your financial situation, goals, needs, risk tolerance and your investment objectives. After our review, we present you with one or more recommendations. You will be given a copy of all Institutional

Strategists' Form ADV Part 2As. You are encouraged to read and understand this disclosure document.

#### RECOMMENDATION AND MONITORING OF THIRD-PARTY INVESTMENT ADVISERS

When deemed appropriate, we recommend the services of Third-Party Investment Advisers ("Third-Party Adviser") to manage your account(s). The recommendation will depend on your circumstances, goals and objectives, desired strategy, account size, risk tolerance, and other factors. We work with you to determine which Third-Party Adviser may be appropriate. You are never obligated to use a recommended Third-Party Adviser. The Third-Party Advisers offered through this service are not available on TD Ameritrade's Model Market Center.

We review each third-Party Adviser before making a recommendation to you. We consider the following factors during our review: fees, reputation, performance, financial strength, management, price, reporting capabilities, and your financial situation, goals, needs, and investment objectives. After our review, we will present you with one or more recommendations.

If you wish to proceed with the recommendation, we will enter into a solicitor relationship with the recommended Third-Party Adviser. Under this relationship, the Third-Party Adviser is responsible for portfolio management, best execution, portfolio reporting, trading, trade error resolution, fee collection and custodian reconciliations. We maintain our relationship with you by monitoring the status of your accounts with the Third-Party Adviser, making recommendations about the Third-Party Adviser, typically meeting with you either in person or by telephone on an annual basis, and acting as your primary financial adviser. You should direct all questions regarding the Third-Party Adviser's services and performance to us.

If you are referred to a Third-Party Adviser, you will receive full disclosure, including services rendered and fee schedules, at the time of the referral by delivery of a copy of the relevant Third-Party adviser's Form ADV Part 2A or equivalent disclosure document before receiving investment advisory services from the Third-Party Adviser. We encourage you to read and understand this disclosure document. No guarantees can be made that your financial goals or objectives will be achieved. Further, no guarantees of performance can be offered.

We will not refer you to a Third-Party Adviser unless it is registered, notice filed or exempt from registration as an investment adviser in your state of residence.

#### TAILORED SERVICES

The goals and objectives for each client are documented before any investing takes place. Clients may impose restrictions on investing in certain securities or types of securities.

#### WRAP PROGRAM

We sponsor a wrap fee program. Please see our Appendix 1 to this brochure for additional details.

#### CLIENT ASSETS MANAGED

As of March 24, 2023, we manage \$249,620,000 in discretionary assets and \$0 in non-discretionary assets.

## ITEM 5 – FEES AND COMPENSATION

### FINANCIAL PLANNING SERVICES

Comprehensive financial planning services are offered on fixed fee or hourly fee basis. Our fixed fee ranges between \$500 to \$20,000. The fixed fee is negotiable and will vary depending on the nature and complexity of your individual circumstances and the number of areas covered by the written financial plan. Your financial planning agreement will include the fee and scope of services. If we find that the complexity of your circumstances differs significantly after our initial meeting, a revised fee with the updated scope of services will be provided to you for a mutual agreement.

Our hourly rate is up to \$300. We will provide you with a written estimate of the number of hours we believe the service or financial plan will take. Although the total fee may vary from the initial estimate as we track the time spent collecting your information, analyzing and researching the chosen topics, and presenting the findings. We will collect the first half of the estimated fee upon signing the financial planning agreement and the remaining balance upon completion of the service or financial plan.

### TERMINATION OF FINANCIAL PLANNING SERVICES

You may terminate this service for any reason within the first five (5) business days after signing an advisory contract, without any cost or penalty. Thereafter, the financial planning agreement may be terminated at any time by giving ten (10) days' written notice. To cancel the agreement, you must notify us in writing to Southbridge Advisors, LLC, 533 Johnson Ferry Road, Suite 200, Marietta, GA 30068. For fees paid in advance, you will receive a prorated refund of any unearned fees based on the percentage of work completed on the service or plan.

### PORTFOLIO MANAGEMENT AND RECOMMENDATION OF INSTITUTIONAL STRATEGISTS

Our annual management fee is based on percentage of assets under management in your account as reported by the custodian. The annual management fee is based on the following fee schedule:

<b>Total Assets Under Management</b>	<b>Maximum Annual Fee</b>
Less than \$250,000	2.00%
\$250,001 to \$750,000	1.75%
\$750,001 to \$2,000,000	1.50%
Above \$2,000,000	1.00%

The management fee is negotiable. The management fee is calculated and collected quarterly, in arrears or advance. If in arrears, we will collect the management fee at the end of the quarter's billing period. The management fee calculation will be based on the custodian reported average daily balance. If in advance, the management fee is calculated based on the custodian reported average daily balance from the previous quarter. You will be asked to authorize us with the ability to instruct the custodian to deduct our management fee from your account.

When we use the services of the Institutional Strategist, the above fees are separate and distinct from any platform fee and the Institutional Strategist's management fee. The maximum Market Model Center annual platform fee is 0.75%. The Institutional Strategist's fee is included in the platform fee. The platform fee is calculated and collected monthly, in arrears at the same time our management fee is collected.

Additionally, you may incur certain charges imposed by custodians, brokers, and other third parties such as fees charged by ticket charges, managers, custodial fees, 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. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to, our fee and we will not receive any portion of these commissions, fees, and costs. For more information about our brokerage practice please see Item 12.A.

#### RECOMMENDATION AND MONITORING OF THIRD-PARTY INVESTMENT ADVISER SERVICES

When we are a solicitor of the recommended Third-Party Adviser, we do not charge a separate fee for the Recommendation and Monitoring of the Third-Party Adviser Services. Instead, we will enter into an agreement with the selected Third-Party Adviser and share in a portion of the Third-Party Adviser's management fee that is charged to you. The exact fee withdrawn and when it is withdrawn (quarterly or monthly, in advance or in arrears) will vary with each Third-Party Adviser. These details will be disclosed in the Third-Party Adviser's ADV Part 2A and the Third-Party Adviser's Solicitor Disclosure Document; both documents will be given to you upon solicitation.

#### TERMINATION OF PORTFOLIO MANAGEMENT AND OTHER SERVICES

You may terminate any service for any reason within the first five (5) business days after signing an advisory contract, without any cost or penalty. Thereafter, the advisory contract may be terminated at any time by giving ten (10) days' written notice. To cancel the agreement, you must notify us in writing at Southbridge Advisors, LLC, 533 Johnson Ferry Road, Suite 200, Marietta, GA 30068. For fees charged in advance, you will receive a prorated refund of the management fees that is based on the amount of time elapsed during the termination month or quarter. For example, if there were 30 days in a month and the service was cancelled 10 days into a month, you will receive a 67% refund of the fees (10 divided by 30 days' multiplied by 20 days' equals 67 percent) Also for example, if there are 90 days in a quarter and the service was cancelled 45 days into the quarter, you will receive a 50% refund of the quarterly management fee (45 days divided by 90 equals 50%). If permitted by your custodian, the refund will be deposited into the account; otherwise, the refund will be paid by company check directly to you within 30 days of the termination notice.

#### OTHER SECURITIES COMPENSATION

We do not receive any additional securities compensation.

#### RETIREMENT ROLLOVER CONFLICTS OF INTEREST

When we recommend you rollover a retirement account for us to manage, this creates a financial incentive because we charge a fee for our services. We attempt to mitigate the conflict of interest

by acting in your best interest and applying an impartial conduct standard to all rollovers. Please note that you are not under any obligation to roll over a retirement account to an account managed by us.

#### ITEM 6 – PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT

We do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) or provide side by side management.

#### ITEM 7 – TYPES OF CLIENTS

We offer our services to individuals, high net worth individuals, corporations and other business entities, charities, and pension and profit-sharing plans. We do not have a minimum account size requirement.

#### ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

##### METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

We use Modern Portfolio Theory as a method of analysis when your portfolio is created. Modern portfolio theory is a mathematical approach to asset allocation developed by the 1900 Nobel Laureate Harry Markowitz, to balance the levels of risk and return. The investment technique is a form of diversification where an investment portfolio is allocated amount a number of asset classes, countries, and industries in order to help maximize returns while limiting risk exposure. Thus, a global diversification would allow for the same portfolio return with a reduced risk. However, as with every investment strategy, there is a risk associated with Modern Portfolio Theory, and despite being diversified there is no guarantee that an account will grow.

##### INVESTMENT RISKS

All investment programs have certain risks that are borne by the client and **investing in securities involves risk of loss that clients should be prepared to bear**. Our goal is to reduce the risk of loss, but not at the expense of portfolio growth. Recommended investment strategies seek to balance risks and rewards to achieve investment objectives. To manage risk, we rebalance model portfolios on an as needed basis to bring the asset allocations back to their intended balances. The client should feel free to ask questions about risks that he or she does not understand; we would be pleased to discuss them.

##### RECOMMENDED SECURITIES

We use several securities in your portfolio including, but not limited to, mutual funds, inverse and leveraged funds, exchange traded funds (ETFs), stocks, bonds, REITs and limited partnerships. Some of the risks associated with these securities include:

- **Credit Risk:** This is the risk that an issuer of a bond could suffer an adverse change in financial condition that results in a payment default, security downgrade, or inability to meet a financial obligation.
- **Exchange Traded Funds (ETFs) Risk:** ETFs are typically investment companies that are legally classified as open-end mutual funds or UITs, however, they differ from traditional

mutual funds because 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. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the “spread.” The spread varies over time based on the ETF’s trading volume and market liquidity and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as investment companies under the Investment Company act of 1940 like traditional mutual funds, some ETFs, including those that invest in commodities, are not registered as investment companies.

- **Inflation Risk:** This is the risk that inflation will undermine the performance of an investment and/or the future purchasing power of a client's assets.
- **Interest Rate Risk:** The chance that bond prices overall will decline because of rising interest rates.
- **International Investing Risk:** Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, as well as regulatory and financial reporting standards, that differ from those of the U.S.
- **Investment Style Risk:** Different investment styles tend to shift in and out of favor, depending on market conditions and investor sentiment. Growth stocks tend to be more volatile than value stocks and their prices usually fluctuate more dramatically than the overall stock market. A stock with growth characteristics can have sharp price declines due to decreases in current or expected earnings and may lack dividends that can help cushion its share price in a declining market.
- **Manager Risk:** The chance that the proportions allocated to the various securities will cause the client’s account to underperform relevant to benchmarks or other accounts with a similar investment objective.
- **Mutual Fund Manager:** the chance that the proportions allocated to the various mutual funds will cause the client’s account to underperform relevant to benchmarks or other accounts with similar investment objectives.
- **Principal Risk:** There is no guarantee that a stock will go up in value. A stock’s price fluctuates, which means a client could lose money by investing in an equity security.
- **REIT Market Risk:** REITS have no control over market and business conditions and are vulnerable market risk and slowdowns. External conditions beyond its control may reduce the value of properties that it acquires, the ability of tenants to pay rent on a timely basis, the amount of rent that can be charged and the ability of borrowers to make loan payments on a timely basis or at all. Cash available for distribution to stockholders

can be affected by the tenant's inability to pay rent or the borrower's inability to repay loans.

- **REIT Tenant Concentration Risk:** REIT Tenant Concentration Risk: REIT revenues are highly dependent on tenant payments on property leases and interest payments on the loans it makes. Defaults by tenants or borrowers reduce the cash available for repayment of outstanding debt and distribution to investors. If a single tenant has multiple leases or if a single borrower has multiple loans, the risk of a large loss is increased. Multiple vacancies or defaults can reduce a REIT's cash receipts and funds available for distributions and could decrease the value of the REIT.
- **REIT Qualifying Risk:** REITs must be organized and operated, and intend to continue to be organized and operated, in a manner that will enable them to qualify as a REIT for deferral income tax purposes. No assurance can be given that a REIT qualifies or will continue to qualify as a REIT. If a REIT fails to qualify as a REIT, it will be subject to federal income tax at regular corporate rates. If a REIT fails to qualify, the funds available for distribution to investors would be greatly reduced for each of the years involved.
- **Stock Market Risk:** The change that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.

#### ITEM 9 – DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. We do not have information applicable to this item.

#### ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

##### BROKER DEALER AFFILIATION

Neither us nor our management persons are affiliated with a broker-dealer.

##### FUTURES/COMMODITIES FIRM AFFILIATION

Neither us nor our management persons are affiliated with a futures or commodities broker.

##### OTHER INDUSTRY AFFILIATIONS

Our owners and associates are licensed insurance agents. They may recommend the purchase of insurance products to you. This other business activity pays them commissions that are separate from the fees described above. This is a conflict of interest because the commissions give them a financial incentive to recommend and sell you the insurance products. However, they attempt to mitigate any conflicts of interest to the best of their ability by placing your interests ahead of their own and through the implementation of policies and procedures that address the conflict. Additionally, you are informed that you always have the right to choose whether to act on the recommendation and you have the right to purchase recommended insurance through any licensed insurance agent.

## RECOMMENDATION OF THIRD-PARTY INVESTMENT ADVISER

We may recommend the services of Third-Party Investment Advisers. This information can be found under Items 4 and 5. We will ensure that the Third-Party Adviser is properly registered or exempt from registration in your state of residence prior to making any recommendation. We receive a portion of the Third-Party Adviser's management fee, which creates a financial incentive to recommend Third-Party Advisers that pay a higher percentage of the management fee. We attempt to mitigate the conflict of interest to the best of our ability by placing your interests ahead of our own, through our fiduciary duty and by following our Code of Ethics that establishes ideal for ethical conduct.

## ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTION AND PERSONAL TRADING

### DESCRIPTION

Our Code of Ethics establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Our Code of Ethics covers all supervised persons and it describes our high standard of business conduct and fiduciary duty to our clients. The Code of Ethics includes, among other things, provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition on rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All supervised persons must acknowledge the terms of the Code of Ethics annually or as amended.

### MATERIAL INTEREST IN SECURITIES

We do not have a material interest in any securities.

### INVESTING IN OR RECOMMENDING THE SAME SECURITIES

Our owners and associates may buy or sell for their own account the same securities at or about the same time that they recommend those securities to you or purchase them for client accounts. A conflict of interest may exist because they can trade ahead of your trades. We mitigate any conflict of interest in two ways. First, our Code of Ethics requires employees to: 1) report personal securities transactions on at least a quarterly basis; and 2) provide us with a detailed summary of certain holdings (both initially upon commencement of employment and quarterly thereafter) in which employees have a direct or indirect beneficial interest. The reports are reviewed to ensure we do not trade ahead of your accounts. Second, we require your transactions be placed ahead of our associates' personal trades or our associates can place personal trades as part of a block trade (Please see Item 12.B for details on our block trading practices). The records of all associates' personal and client trading activities are reviewed and made available to regulators to review on the premises.

## ITEM 12 – BROKERAGE PRACTICES

### RECOMMENDATION CRITERIA

We participate in the institutional advisor program (the “Program”) offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC (“TD Ameritrade”), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisers services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from TD Ameritrade through our participation in the Program, which are described in Item 14.

Please Note: You may be able to obtain lower commissions and fees from other brokers, and the value of products, research and services given to the applicant is not a factor in determining the selection of broker-dealers or the reasonableness of their commissions.

### BROKERAGE FOR CLIENT REFERRALS

We do not receive client referrals or any other incentive from any broker-dealer or custodian.

### DIRECTED BROKERAGE

You may direct us to use a specific broker-dealer to execute securities transactions for your accounts. This will be accommodated if prove feasible. When so directed, we may not be able to effectively achieve best execution on your transactions. This can result in substantially higher fees, charges or dealer concessions in one or more transactions for your account because we cannot aggregate orders or negotiate favorable prices.

### TRADE AGGREGATION

We may aggregate transactions in equity and fixed income securities for a client with other clients to improve the quality of execution. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be average, and your account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. We may determine not to aggregate transactions, for example, based on the size of the trades, the number of client accounts, the timing of the trades, the liquidity of the securities and the discretionary or non-discretionary nature of the trades. If we do not aggregate orders, some clients purchasing securities around the same time may receive a less favorable price than other clients. This means that this practice of not aggregating may cost you more money.

## ITEM 13 – REVIEW OF ACCOUNTS

### PERIODIC REVIEWS

Our owners and associates will meet with you at least annually either in person or by telephone to conduct a review of your account(s).

### OTHER REVIEWS

Additional reviews are conducted periodically depending on market conditions, economic or political events, or by changes in a client’s financial situation (such as retirement, termination of employment, physical move or inheritance).

## REPORTS

We will provide you with a written financial plan. You will receive at least quarterly account-statements from the account's custodian. Third-Party Advisers may send their own quarterly statements in addition to the custodian's statement.

## ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

### OTHER COMPENSATION

We participate in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to you for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give to you, although we receive economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from your accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transactions fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third-party vendors. TD Ameritrade may also have paid for business consulting and professional services received by our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit your accounts. These products or services may assist us in managing and administering your accounts, including account not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by us or its personnel through participation in the program do not depend on the amount of brokerage transactions direct to TD Ameritrade. As part of our fiduciary duties to you, our endeavors at all times are to put the interests of our clients first. You should be aware, however, that the receipt of economic benefits by us or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

### CLIENT REFERRALS

We engage independent solicitors to provide client referrals. If a client is referred to us by a solicitor, this practice is disclosed to the client in writing by the solicitor and we pay the solicitor out of our own funds—specifically, we generally pay the solicitor a portion of the advisory fees earned for managing the capital of the client or investor that was referred. The use of solicitors is strictly regulated under applicable federal and state law. Our policy is to fully comply with the requirements of Rule 206(4)-3, under the Investment Advisers Act of 1940, as amended, and similar state rules, as applicable.

We may receive client referrals from Zoe Financial, Inc. through our participation in Zoe Advisor Network (ZAN). Zoe Financial, Inc. is independent of and unaffiliated with us and there is no employee relationship between us. Zoe Financial established the Zoe Advisor Network as a means of referring individuals and other investors seeking fiduciary personal investment management services or financial planning services to independent investment advisors. Zoe Financial does not supervise us and has no responsibility for our management of client portfolios or our other advice or services. We pay Zoe Financial an on-going fee for each successful client referral. This fee is usually a percentage of the advisory fee that the client pays to us (“Solicitation Fee”). We will not charge clients referred through Zoe Advisor Network any fees or costs higher than our standard fee schedule offered to our clients. For information regarding additional or other fees paid directly or indirectly to Zoe Financial Inc, please refer to the Zoe Financial Disclosure and Acknowledgement Form.

#### ITEM 15 – CUSTODY

Your funds, securities, and accounts will be held at a qualified custodian, TD Ameritrade. We do not take possession of your securities. However, you will be asked to authorize us with the ability to instruct the custodian to deduct our management fee from your account. This authorization will apply to our management fee only. This is considered a limited form of custody. You may terminate this authorization at any time. You will receive at least quarterly account statements from the custodian that holds and maintains your assets. We urge you to carefully review these account statements.

#### ITEM 16 – INVESTMENT DISCRETION

We offer discretionary and non-discretionary investment management services. With discretionary management services, you must sign the investment management agreement to grant us discretionary power over your account. Our investment management agreement contains a limited power of attorney that allows us to select the security, the amount, and the time of the purchase or sale in your account. It also allows us to place each trade without your prior approval. In addition to our investment management agreement, your custodian may request that you sign the custodian’s limited power of attorney. This varies with each custodian. We discuss all limited powers of attorney with you prior to their execution. In all cases, however, our discretion will be exercised in a manner consistent with the state investment objectives for your account and any other investment policies, limitations or restrictions.

With non-discretionary investment management services, you retain full discretion to supervise, manage, and direct the assets of the account. We will make recommendations on how the account should be managed. However, we must receive your permission prior to placing trades. Still you will be free to manage the account with or without our recommendation and all with or without our prior consultation.

#### ITEM 17 – VOTING CLIENT SECURITIES

We do not vote proxy votes for any client. All proxy materials are mailed or emailed directly to you from the custodian. Any proxy materials received by us will be forwarded to you for response

and voting. In the event that you have a question about a proxy solicitation, you should feel free to contact us.

#### ITEM 18 – FINANCIAL INFORMATION

##### BALANCE SHEET

We do not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance. Therefore, we are not required to provide a balance sheet.

##### FINANCIAL CONDITION

We are required in this Item to provide you with certain financial information or disclosures about our financial condition if we have a financial commitment that impairs our ability to service you. We do not have a financial commitment that impairs our ability to service our clients.

##### BANKRUPTCY

We have not been the subject of a bankruptcy proceeding.