

**Item 1      Cover Page**

**GYL Financial Synergies, LLC**

**75 Isham Rd, Suite 310, West Hartford, Connecticut 06107**

**The firm's CRD number is: 284758**

**ADV Part 2A Brochure**

**Dated: August 25, 2023**

**This brochure provides information about the qualifications and business practices of GYL Financial Synergies, LLC ("GYL"). If you have any questions about the contents of this brochure, please contact us at (860) 206-7400. 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 GYL also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**References herein to GYL as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.**

## **Item 2      Material Changes**

In this section, we discuss changes made to our Brochure since the time of our last annual updating amendment, on April 28, 2023.

- We have begun a business arrangement with an affiliated firm under which certain clients of our firm invest a portion of their assets in certain of the affiliated firm's private investment vehicles. Please see Items 4, 5, 10, and 11 for details of this arrangement.

We have made other stylistic clarifications throughout the Brochure. Clients are encouraged to review the Brochure in its entirety.

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#### **Item 4      Advisory Business**

GYL Financial Synergies, LLC, which has been SEC-registered since August 1, 2016, succeeded to the advisory business of its predecessor, GYL Financial, LLC (CRD# 284259/SEC# 801-108031) which was founded in 2016.

##### **FOCUS FINANCIAL PARTNERS, LLC**

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

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

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

We have a business arrangement with SCS Capital Management LLC (“SCS”), who is an indirect, wholly-owned subsidiary of Focus LLC, under which certain clients of GYL Financial Synergies have the option of investing in certain private investment vehicles managed by SCS. GYL Financial Synergies is an affiliate of SCS by virtue of being under common control with it. Please see Items 5, 10, and 11 of this brochure for further details.

GYL’s private client business provides wealth management and discretionary and/or non-discretionary investment management to individuals and high-net-worth individuals. GYL’s institutional business provides consulting and discretionary and/or non-discretionary investment management services to institutions and retirement plans. GYL offers investment management services on both a “wrapped” and “unwrapped” basis for clients. When “wrapped,” the fee for GYL’s services is bundled with the cost of custody and commissions (but not markups or markdowns embedded in fixed income transactions) for brokerage transactions executed at the wrap program broker.

As of March 31, 2023, GYL had \$4,040,785,921 in discretionary assets under management,

\$1,712,047,847 in non-discretionary assets under management, and \$3,652,177,592 in non-discretionary assets under advisement, including non-discretionary advice rendered to participant- directed defined contribution plans.

While this brochure generally describes the business of GYL, certain sections also discuss the activities of its Supervised Persons, which refer to GYL's employees, directors, officers, partners, (or other persons occupying a similar status or performing similar functions), or any other person who provides investment advice on GYL's behalf and is subject to GYL's supervision or control.

Clients are advised that it remains their responsibility to promptly notify GYL of any change in their financial situation, investment objectives, or wish to place any limitations on the management of their portfolios, for the purpose of reviewing, evaluating, or revising GYL's recommendations and/or services. Clients may impose reasonable restrictions or mandates on the management of their accounts if GYL determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to GYL's management efforts.

### ***Financial Planning and Consulting Services***

GYL offers basic financial planning as part of the firm's wealth management services to clients. For certain clients whose financial planning or consulting requires a greater level of complexity, GYL will enter into a separate engagement to provide financial planning or consulting services on a stand-alone, separate fee basis. In performing these services, GYL is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. When appropriate, GYL will also provide clients with insurance coverage, financial planning and wealth transfer consultation services procured through a third party. Clients are advised that a conflict of interest would exist if GYL provided a financial plan or consulting services under a separate engagement which recommended the engagement of GYL to provide investment management services for additional compensation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by GYL under a financial planning or consulting engagement.

### ***Institutional Consulting Services***

GYL Financial Synergies offers fiduciary and non-fiduciary consulting services, on a non-discretionary and discretionary fee basis, to defined contribution, defined benefit, non-qualified plans and other investment pools. All non-municipal qualified plan client accounts are regulated under the Employee Retirement Income Securities Act ("ERISA"). GYL Financial Synergies will provide non- discretionary and discretionary, fiduciary and non-fiduciary advisory services to the sponsors of the defined contribution, defined benefits plan and non-qualified deferred compensation, whom have ultimate authority to direct the investing and reinvesting of plan assets as they deem appropriate, considering each plan's stated objective, liquidity needs, and stated policies and guidelines. Non-discretionary investment services provided to an ERISA plan means the ERISA plan client retains and exercises the final decision-making authority for implementing or rejecting GYL Financial Synergies'

recommendations. Discretionary investment management services provided on a discretionary basis as an ERISA 3(38) investment manager means GYL Financial Synergies makes the investment decisions in its sole discretion without the ERISA plan client's prior approval. GYL Financial Synergies employs an initial and ongoing screening process based upon various quantitative and qualitative factors, including but not limited to risk-adjusted performance and costs. GYL Financial Synergies will provide services only to the extent it receives necessary and timely cooperation from the client, including but not limited to meetings, telephone calls, production of documents, coordination of services and Company decision making assistance. The Institutional Consulting Services GYL Financial Synergies provides include:

- i. assistance in the development and maintenance of an Investment Policy Statement;
- ii. preparation of asset allocation studies;
- iii. manager selection and evaluation;
- iv. performance monitoring;
- v. fee benchmarking; and
- vi. coordination of RFPs on behalf of a client in connection with ancillary and related services.

### ***Investment Management Services***

GYL manages client investment portfolios on a discretionary or non-discretionary basis. GYL primarily allocates client assets among various mutual funds, exchange-traded funds ("ETFs"), stocks, government and corporate bonds, alternative investments and independent investment managers of separately managed accounts ("Independent Managers") in accordance with their stated investment objectives. At the request of a client, GYL will also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage GYL to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as private placements, direct real estate holdings, variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In the latter situations, GYL directs or recommends the allocation of client assets among the various investment options available with the product. Certain of these assets may be maintained at the underwriting insurance company or the custodian designated by the product's provider.

GYL tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. GYL consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints, and other related factors relevant to the management of their portfolios.

GYL is a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") with respect to investment management services and investment advice provided to ERISA plan clients, including plan participants. GYL is also a fiduciary under section 4975 of the Internal Revenue Code (the "IRC") with respect to investment management services and investment advice

provided to individual retirement accounts (“IRAs”), ERISA plans, and ERISA plan participants. As such, GYL is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid or eliminate the conflict or rely upon a prohibited transaction exemption (a “PTE”).

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

We implement investment advice on behalf of certain clients in held-away accounts that are maintained at independent third-party custodians. These held-away accounts are often 401(k) accounts, 529 plans and other assets that are not held at our primary custodian(s).

### ***Recommendation of Independent Managers***

For certain clients, GYL recommends the allocation of their assets to Independent Managers to provide discretionary investment management services. In such cases, GYL conducts due diligence and monitoring of the Independent Managers, helps to facilitate the engagement of the Independent Manager and communicates with clients regarding their investment with the Independent Manager and charges its investment advisory fee for these services. The Independent Managers charge fees that are separate from and in addition to GYL’s advisory fee. For traditional asset classes, the additional fee paid to an Independent Manager generally ranges from a minimum of .05% to a maximum of 1.5%. GYL does not receive, directly or indirectly, compensation from independent managers that it recommends or selects for its clients.

### ***Recommendation of Private Investment Funds:***

For certain clients, GYL recommends that clients allocate a portion of their assets to private investment funds. In such cases, GYL conducts due diligence and monitoring of the private investment fund manager, helps to facilitate the investment and communicates with clients regarding the investment and charges its investment advisory fee for these services. Private investment funds charge fees and expenses that are in addition to GYL’s fee.

### ***Sponsor and Manager of Wrap Program***

As noted above, GYL offers investment management services to clients on both a “wrapped” and “unwrapped” basis. GYL offers “wrapped” investment management services as the sponsor and manager of the GYL Wrap Program (the “GYL Program”), an arrangement where the client pays a single fee (“GYL Program Fee”) for GYL’s investment advice, custody and commissions for securities

transactions executed at the program broker the client chooses, Fidelity and/or Charles Schwab. The GYL Program Fee does not include the fees and expenses of the underlying mutual funds,ETFs or Independent Managers and their Platform Manager, as described in greater detail in response to Item 5 below, or mark-ups and mark-downs embedded in Fixed Income transactions.

Participants in the GYL Program may pay a higher or lower aggregate fee than if investment management and brokerage services are purchased separately. Additional information about the GYL Program is available in GYL's Wrap Brochure, which appears as Part 2A Appendix 1 of GYL's Form ADV.

The fee paid to GYL could be more or less than the cost of paying for investment advice, trade execution, custody, and reporting services separately, depending on the cost of these services if provided separately and the level of trading activity in the client's account. Depending upon the percentage wrap-fee charged by GYL, the amount of portfolio activity in the client's account, and the value of custodial and other services provided, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. Please see Item 5 "Fees and Compensation" for a fuller discussion of the GYL Wrap Program.

*Conflict of Interest:* A wrap arrangement is not appropriate for every advisory client. Participants in the GYL Program may pay a higher or lower aggregate fee than if investment management and brokerage services are purchased separately. If the number of transactions in a client's account is low enough, the wrap fee the client pays could potentially exceed the standalone investment advisory fee and any separate brokerage fees and commissions that otherwise would have been charged. Under GYL's agreements with the wrap program brokers, GYL can choose whether to pay transaction-based pricing or asset-based pricing for transactions in client accounts. If GYL elects commissions rather than asset-based pricing, GYL will have an economic incentive to maximize its compensation by seeking to minimize the number of trades in the client's account. However, as a fiduciary it remains GYL's duty to always act in the client's best interest.

There will be times, including extensive periods, where there will be no recommendations to trade a client's account, as a result of each individual client's facts and circumstances, including tax reasons, and other financial decisions. As noted above, institutional clients can choose to retain GYL's services on either a wrapped or an unwrapped basis. GYL's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the corresponding conflict of interest a wrap fee arrangement may create.

### ***Family Office Services***

GYL offers family office services, including the following:



- Investment implementation
- Tax information and coordination
- Bill payment
- Reporting and bookkeeping
- Document storage
- Family governance advice
- Philanthropy advice

### ***Miscellaneous Services***

*Non-Investment Consulting and Implementation Services:* To the extent requested by the client, GYL is available to provide consulting services regarding non-investment related matters, such as estate planning, insurance, etc. Neither GYL, nor any of its representatives, provide legal or accounting advice and no portion of GYL’s services should be construed as such. To the extent requested by a client, GYL will recommend the services of other professionals for certain non-investment implementation purposes (i.e., attorneys, accountants, insurance agents, etc.). There are no referral fees received by GYL for recommending services of other professionals.

*eMoney Advisor Platform:* GYL provides its clients with access to an online platform hosted by “eMoney Advisor” (“eMoney”). The eMoney platform allows a client to view their complete asset allocation, including those assets GYL does not manage (the “Excluded Assets”). Unless specifically engaged by clients to do so, GYL does not provide investment management, monitoring, or implementation services for the Excluded Assets, and thus, GYL shall not be held responsible for any adverse results a client may experience if the client engages in financial planning or other functions available on the eMoney platform without GYL’s assistance or oversight.

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

*Focus Risk Solutions:* We help our clients obtain certain insurance solutions from unaffiliated, third-party insurance brokers by introducing clients to our affiliate, Focus Risk Solutions, LLC (“FRS”), a wholly owned subsidiary of our parent company, Focus Financial Partners, LLC. Please see Items 5 and 10 for a fuller discussion of this service and other important information.

## **Item 5 Fees and Compensation**

### ***Financial Planning and Consulting Services Fees***

GYL's planning and consulting fees are negotiable, but generally range from \$2,500 to \$25,000 on a fixed fee basis, and from \$200 to \$800 on an hourly basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s). Prior to engaging GYL to provide planning or consulting services on a stand-alone basis, clients are generally required to enter into a planning and consulting agreement with GYL setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to GYL commencing services.

### ***Institutional Consulting Services***

GYL offers consulting services, on a non-discretionary or discretionary fee basis, to defined contribution, defined benefit, endowments, foundations, insurance pools, Other Post Employment Benefit ("OPEB") trusts, and other non-qualified plans. Generally, GYL Financial Synergies' advisory fees are payable quarterly in arrears based on the average daily value of the accounts under management during the preceding calendar quarter. GYL Financial Synergies' fee for advisory services may be based on a percentage of assets under advisement, an agreed upon fixed fee, or determined on an hourly rate basis.

### ***Investment Management Services***

GYL's annual investment advisory fee shall be based upon various objective and subjective factors. These factors include, but are not limited to, the amount of the assets placed under GYL's advisement, the level and scope of the overall investment advisory services to be rendered and the complexity of the engagement.

GYL charges an investment advisory fee based upon either a fixed percentage (%) of the market value of the assets placed under management or a tiered fee schedule. GYL's fees, which may be up to 2.0% of a client's assets under management, vary depending upon various objective and subjective factors, including but not limited to: the representative assigned to the account, the amount of assets to be invested, the complexity of the engagement, the anticipated number of meetings and servicing needs, related accounts, future earning capacity, anticipated future additional assets, and outcome of negotiations with the client. As a result, similar clients could pay different fees, which will correspondingly impact a client's net account performance. Moreover, the services to be provided by GYL to any particular client could be available from other advisers at higher or lower fees. All clients and prospective clients should consider these factors accordingly.

GYL's Standard Fee Schedule is as follows:

<b><u>Market Value of Assets</u></b>	<b><u>Blended Rate*</u></b>
\$0 to \$500,000	1.20%
\$500,001 to \$2,000,000	1.00%
\$2,000,001 to \$5,000,000	0.70%
\$5,000,001 to \$10,000,000	0.55%
\$10,000,001 to \$25,000,000	0.45%

\$25,000,001 to \$50,000,000	0.35%
\$50,000,001 to \$100,000,000	0.25%
\$100,000,001+	0.20%

\*Rate applies to all managed assets, not just managed assets in the tier.

GYL's investment advisory fees, whether charged as a fixed percentage of market value or pursuant to a fee schedule, are negotiable.

Some GYL clients are subject to fee schedules that are different than our standard fee schedule. Legacy clients who joined GYL from other firms, including Wechter Feldman Wealth Management, Financial Partners Capital Management and Hotaling Investment Management, generally are subject to the legacy fee schedules charged by those firms. The non-standard fee schedules, which are reflected in the agreements with those clients, have different rates and/or tiers that result in fee rates that are in some cases lower, and in other cases are higher, than GYL's standard fee schedule shown above.

*Cash Positions:* At any specific point in time, depending upon perceived or anticipated market conditions or events (there being no guarantee that such anticipated market conditions/events will occur), GYL may maintain cash positions for defensive or other purposes. All cash positions (money markets, etc.), accrued but unpaid interest, and margin balances shall be included as part of assets under management for purposes of calculating GYL's advisory fee.

Additional fees and expenses. In addition to GYL's advisory fee, clients who receive investment management services from GYL will be responsible for the fees and expenses of investing their assets, including fees and expenses charged by mutual funds, private investment funds, ETF's, Independent Managers and their Platform Manager (Envestnet), taxes, commissions, spreads and other transaction-based fees and any other fees, expenses and charges imposed by broker-dealers, custodians and exchanges.

Clients serviced by our New York office pay fees that vary based on the type of asset class the client is invested in. This is a potential conflict of interest, in that it gives us an incentive to recommend that clients invest in assets that pay us higher fees over assets that pay us lower fees. We also have a conflict of interest when we recommend that our clients invest in venture capital investments that have the potential to pay us a performance fee in that it creates an incentive for us to allocate client assets to speculative investments that have the potential to pay us a higher performance fee. We have addressed these potential conflicts of interest through disclosure. These clients sign agreements selecting the relevant asset class and fee rate we offer.

Payment of fees. GYL's annual investment advisory fee shall generally be prorated and paid quarterly, in arrears, based upon the average daily market value of the client's assets during the previous calendar quarter. Client serviced by our New York office are billed quarterly in advance, based on the total market value of the portfolio as of the end of the preceding quarter. Clients may elect to have GYL's advisory fees deducted from their custodial account or elect to be invoiced and remit a check for payment. In the limited event that GYL bills the client directly, payment is due upon receipt of GYL's invoice. In the event that there is not sufficient cash in a client's account to pay the advisory fee, GYL

may sell client assets, with or without client consent, provided that reasonable attempts to obtain consent to effect such transaction (for non-discretionary accounts) are made by GYL and are documented in GYL's books and records.

We do not receive any compensation from SCS in connection with assets that our clients place in SCS's pooled investment vehicles. GYL's clients are not advisory clients of and do not pay advisory fees to SCS. However, our clients bear the costs of SCS's investment vehicle or vehicles in which they are invested, including any management fees and performance fees payable to SCS.

The allocation of GYL's client assets to SCS's pooled investment vehicles, rather than to an unaffiliated investment manager, increases SCS's compensation and the revenue to Focus LLC relative to a situation in which our clients are excluded from SCS's pooled investment vehicles or invested in an unaffiliated third party's pooled investment vehicles. As a consequence, Focus LLC has a financial incentive to encourage us to recommend that our clients invest in SCS's pooled investment vehicles.

### *Family Office Services*

For family office services, GYL charges an implementation fee and an annual fee as specified in the family office agreement. Where appropriate, GYL will also charge fixed fees for special and additional projects. The implementation fee is payable 50% in advance, and 50% upon completion of implementation. The family office services annual fee is payable monthly in arrears.

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

*Focus Risk Solutions:* We help our clients obtain certain insurance solutions from unaffiliated, third-party insurance brokers by introducing clients to our affiliate, Focus Risk Solutions, LLC (“FRS”), a wholly owned subsidiary of our parent company, Focus Financial Partners, LLC. FRS has arrangements with certain third-party insurance brokers (the “Brokers”) under which the Brokers assist our clients with regulated insurance sales activity. FRS does not receive any compensation from such third-party insurance brokers from serving our clients. Further information on this service is available in Item 10 of this Brochure.

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

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

We accept performance-based fees from qualified clients who invest in venture capital investments. This creates an incentive for us to allocate client assets to speculative investments that have the potential to pay us a higher performance fee. We address this conflict of interest through disclosure. These clients sign agreements selecting the relevant asset class and fee rate we offer.

## **Item 7      Types of Clients**

GYL’s clients shall generally include individuals (including high-net-worth individuals), business entities, trusts, estates, charitable organizations, municipalities, insurance pools, Other Post Employment Benefit (“OPEB”) trusts, and qualified and non-qualified defined contribution plans.

GYL generally requires a minimum asset level of \$1,000,000 for investment advisory services for new individual clients and a minimum asset level of \$10,000,000 for new institutional clients. Certain legacy clients have smaller accounts than this minimum size. In addition, GYL, in its sole discretion, may reduce its minimum asset requirement based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

Please Note: Certain independent managers utilized by GYL, may impose more restrictive account

requirements and billing practices than in place at GYL. In these instances, GYL will alter its corresponding account requirements or billing practices to accommodate those of the independent manager.

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

### ***Methods of Analysis and Investment Strategies***

GYL seeks to employ long-term investment strategies incorporating the principles of Modern Portfolio Theory. GYL offers asset allocated, diversified portfolios, principally through the use of managed asset-class mutual funds, ETFs, and if appropriate, separately managed accounts aimed at implementing this investment strategy.

GYL also offers actively-managed strategies to clients, including the following:

***Focus strategy.*** The Focus strategy is a highly concentrated, opportunistic equity strategy that typically owns equity securities of 15 to 25 companies, with the largest position size typically limited to 15% of the portfolio. The Focus investment philosophy is rooted in owning durable businesses that can grow, generate attractive returns on invested capital and free cash flow, and benefit from secular trends.

***Yield Enhanced Strategy (YES).*** The YES Portfolio seeks to achieve real rates of return through a combination of equity dividend income and capital appreciation. YES focuses on high-quality companies that have above average dividend yields, strong balance sheets, low revenue volatility and the ability to grow their dividends over time.

***Options trading:*** We sell covered calls to generate income and reduce downside risk, buy puts for hedging purposes, sell puts in amounts of shares that we would like to own at a lower price, and buy calls.

***Alternative Investments:*** For appropriate and appropriately qualified clients, we recommend alternative investments. Our alternative investment recommendations include investments in real estate and in venture capital funds.

***Large Cap Core Equity Model:*** The Large Cap Core Equity Model is a portfolio of approximately forty (40) larger “blue chip” stocks. GYL utilizes both a fundamental and a quantitative approach to selecting and managing the portfolio.

***Mid Cap Core Equity Model:*** The Mid Cap Core Equity Model is a portfolio of approximately forty (40) stocks intended to provide a greater element of growth potential to a client’s equity allocation. Generally, the companies are smaller (by market capitalization) and at a stage in the life cycle of a company where there are still significant opportunities for growth. GYL utilizes a similar approach to stock selection, employing both fundamental and quantitative analysis in constructing the portfolio.

***Opportunity Core Equity Model:*** The Opportunity Core Equity Model is a portfolio of approximately forty (40) stocks that blends large cap and mid cap stocks. The model is in a category often referred to as multi-cap. It is not sector-constrained, meaning that sectors thought to be more favorable will be overweight, while those thought to be less favorable will be underweight or have no representation.

***Concentrated Core Equity Model:*** Concentrated Core Equity Model is a portfolio of approximately fifteen (15) stocks that blends large cap and mid cap equities. The model takes a more aggressive approach toward seeking capital growth and appreciation by holding fewer equity positions than other

models, which is an approach that offers greater upside potential while also carrying greater risk through less diversification.

***Dividend Growth Sleeve:*** Dividend Growth Sleeve is designed to provide clients with equity investments with enhanced income through corporate dividends that GYL believes to be stable and growing.

***Dividend Hybrid Sleeve:*** Dividend Hybrid Sleeve is designed to combine the benefits of both equity and fixed income investments. Specifically, it is designed to provide dividend income above what would be expected from an investment-grade fixed income portfolio while offering some of the same attributes of a fixed income portfolio.

***Real Estate Sleeve:*** Real Estate Sleeve is designed to provide clients with the benefits of investing in this alternative asset class. This strategy seeks both income and growth, and it is often also effective in diversifying client portfolios.

***Fixed Income Model:*** GYL utilizes both individual bonds and proprietary fixed income mutual fund models. In both cases, GYL utilizes municipal bonds for taxable accounts belonging to clients in upper income tax brackets and corporate bonds for tax-deferred and taxable accounts when advantageous. GYL takes a value-oriented approach to selecting fixed income investments and utilizes fundamental research, ratings agency reports, and other proprietary research to invest and monitor bond portfolios.

## ***Risk of Loss***

### ***Market Risks***

Investing involves risk, including the potential loss of principal, which clients should be prepared to bear. The profitability of a significant portion of GYL's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that GYL will be able to predict those price movements accurately or capitalize on any such assumptions.

### ***Mutual Funds and ETFs***

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

*Closed-end Fund* - Closed-end funds generally do not continually offer their shares for sale. Rather, they sell a fixed number of shares at one time, after which the shares typically trade on a secondary market. Risk factors pertaining to closed-end funds vary from fund to fund.

*Valuation Risk* - Common shares may trade above (a premium) or below (a discount) the net asset value (NAV) of the trust/fund's portfolio. At times, discounts could widen or premiums could shrink, and could either dilute positive performance or compound negative performance. There is no assurance that discounted funds will appreciate to their NAV.

*Interest Rate Risk* - Generally, when market interest rates rise, bond prices fall, and vice versa. Interest rate risk is the risk that the bonds and/or other income-related instruments in a fund's portfolio will decline in value because of increases in market interest rates. The prices of longer-maturity securities tend to fluctuate more than shorter-term security prices.

*Credit Risk* - One or more securities in a trust/fund's portfolio could decline or fail to pay interest or principal when due. Income-related securities of below investment grade quality are predominately speculative with respect to the issuer's capacity to pay interest and repay principal when due and, therefore, involve a greater risk of default.

*Concentration Risk* - A trust/fund that invests a substantial portion of its assets in securities within a single industry or sector of the economy may be subject to greater price volatility or adversely affected by the performance of securities in that particular sector or industry.

*Reinvestment Risk* - Income from a trust/fund's bond portfolio will decline when the trust/fund invests the proceeds from matured, traded, or called bonds at market interest rates that are below the portfolio's current earnings rate. A decline in income could affect the common shares' market price or their overall returns.

*Leverage Risk* - The use of leverage may lead to increased volatility of a trust/fund's NAV and market price relative to its common shares. Leverage is likely to magnify any losses in the trust/fund's portfolio,



which may lead to increased market price declines. Fluctuations in interest rates on borrowings or the dividend rates on preferred shares that take place from changes in short-term interest rates may reduce the return to common shareholders or result in fluctuations in the dividends paid on common shares. There is no assurance that a leveraging strategy will be successful.

*Foreign Investment Risk* - Investment in foreign securities (both governmental and corporate) may involve a high degree of risk. Trusts/funds invested in foreign securities are subject to additional risks such as, but not limited to, currency risk and exchange-rate risk, political instability, and economic instability of the countries from where the securities originate. In regard to debt securities, such risks may impair the timely payment of principal and/or interest.

*Alternative Minimum Tax (AMT)* - A trust/fund may invest in securities subject to the AMT.

#### *Use of Independent Managers*

As stated above, GYL may select certain Independent Managers to manage a portion of its clients' assets. In these situations, GYL continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, GYL generally does not have the ability to supervise the Independent Managers on a day-to-day basis.

#### *Private Investment Funds*

GYL recommends that certain clients invest in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, private credit funds, etc.). Private investment funds are not regulated under the Investment Company Act of 1940 and are less liquid, less transparent and potentially involve greater risk than publicly-traded securities. Private investment funds are suitable only for sophisticated investors who do not require immediate liquidity for their investments, for whom an investment in a private fund does not constitute a complete investment program, and who fully understand and are willing to assume the risks involved in the private fund's investment program. Even where the investments of a private fund are successful, some do not produce a realized return for a period of years. Private investment funds typically provide investors with an offering memorandum containing a detailed description of the risks associated with the investment. Clients should carefully review each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

#### *Master Limited Partnerships (MLPs)*

GYL recommends that certain clients invest in Master Limited Partnerships ("MLPs"). MLPs are collective investment vehicles, the partnership interests of which are publicly traded on national securities exchanges. MLPs invest primarily in companies within the energy sector that engage in qualifying lines of business, such as natural resource production and mineral refinement. MLPs are therefore subject to the underlying volatility of the energy industry and may be adversely affected by changes to supply and demand, regional instability, currency spreads, inflation and interest rate

fluctuations, among other such factors. In addition, MLPs operate as pass-through tax entities, meaning that investors are liable for their pro rata share of the partnership taxes, regardless of the types of accounts where the interests are held.

### *Options*

GYL recommends that certain clients invest in Options which allow investors to buy or sell a security at a contracted “strike” price at or within a specific period of time. The holder of an option pays a premium to have the right but not the obligation to transact when the underlying stock trades at or better than the strike price (“in the money”), and the writer of an option earns a premium to have the obligation to transact when the option price is in the money. When writing options in exchange for options premiums, the client will lose money if the underlying stock trades in the money and the option holder exercises its right to transact at the strike price. In addition, the strategy could generate less income than the client expects if options premiums decline. Client accounts incur additional risks if they do not maintain sufficient cash. If stock is put to the account owner, the account will need to have sufficient cash to purchase the stock. An account that writes options and/or uses margin borrowing could be forced to liquidate or sell securities to raise cash. Forced sales of securities in large amounts have the potential to cause a downward spiral in the value of an account.

### *Real Estate Investment Trusts (REITs)*

GYL recommends to certain clients an investment in, or allocate assets among, various real estate investment trusts (“REITs”), the shares of which exist in the form of either publicly traded or privately placed securities. REITs are collective investment vehicles with portfolios comprised primarily of real estate and mortgage related holdings. Many REITs hold heavy concentrations of investments tied to commercial and/or residential developments, which inherently subject REIT investors to the risks associated with a downturn in the real estate market. Investments linked to certain regions that experience greater volatility in the local real estate market may give rise to large fluctuations in the value of the vehicle’s shares. Mortgage related holdings may give rise to additional concerns pertaining to interest rates, inflation, liquidity and counterparty risk.

### *Management through Similarly Managed “Model” Accounts*

GYL manages certain accounts through the use of similarly managed “model” portfolios, whereby GYL allocates all or a portion of its clients’ assets among various mutual funds and/or securities on a discretionary basis using one or more of its proprietary investment strategies.

The strategy used to manage a model portfolio occasionally involves above average portfolio turnover that could negatively impact clients’ net after tax gains. While GYL seeks to ensure that clients’ assets are managed in a manner consistent with their individual financial situations and investment objectives, securities transactions effected pursuant to a model investment strategy are usually done without regard to a client’s individual tax ramifications. Clients should contact GYL if they experience a change in their financial situation or if they want to impose reasonable restrictions on the management of their accounts.

### *Environmental, Social, Governance (“ESG”) Model Accounts*

GYL believes that environmental, social, and governance ("ESG") issues have the potential to make a long-term impact on the performance of investments and that consideration of such factors is of integral importance to certain of our investors. Our ESG model portfolios integrate ESG considerations into our investment manager analysis and portfolio construction processes. We select mutual funds whose managers are signatories of the United Nations Principles of Responsible Investing, and who either have been given an ESG rating by a research firm such as Morningstar or Mercer that meets our internal screening criteria, or are funds for which we hold high conviction and currently used in client portfolios, whether or not they are ESG rated. Our research team could potentially exclude mutual funds where we have identified holdings we believe to be inconsistent with ESG considerations, such as thermal coal or certain types of weapons. All mutual funds we select must additionally meet our internal performance criteria. The goal of our research process is to select funds that both integrate ESG factors into their investments and have strong historical performance. Clients who select our ESG strategy overlay must accept that ESG portfolios could potentially exclude investments that are high performing, and so could underperform portfolios that do not employ ESG considerations.

### *Cybersecurity*

The computer systems, networks, and devices used by GYL and service providers to both GYL and its clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach.

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

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future. GYL maintains an Information Security Policy as well as a Disaster Recovery Plan ("DRP") which are both intended to mitigate cybersecurity risks and establish policies/procedures should a cybersecurity breach occur. The DRP is tested periodically and GYL's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding GYL's cybersecurity.

### *COVID Risk*

The transmission of COVID and efforts to contain its spread have resulted in border closings and other travel restrictions and disruptions, market volatility, disruptions to business operations, supply chains and customer activity and quarantines. With widespread availability of vaccines, the U.S. Centers for Disease Control and Prevention has revised its guidance, travel restrictions have started to lift, and businesses have reopened. However, the COVID pandemic continues to evolve and the extent to which our investment strategies will be impacted will depend on various factors beyond our control, including the extent and duration of the impact on economies around the world and on the global securities and commodities markets. Volatility in the U.S. and global financial markets caused by the COVID pandemic may continue and could impact our firm's investment strategies.

Although currently there has been no significant impact, the COVID outbreak, and future pandemics, could negatively affect vendors on which our firm and clients rely and could disrupt the ability of such vendors to perform essential tasks.

### **Item 9      Disciplinary Information**

GYL and its supervised persons have not been the subject of any disciplinary actions.

### **Item 10      Other Financial Industry Activities and Affiliations**

#### *Licensed Insurance Agents*

Certain of GYL's representatives are licensed insurance agents. GYL representatives do not sell insurance-related products and do not receive commissions or any other form of compensation in connection with the purchase of an insurance-related product. GYL will collaborate with your insurance advisor to conduct a thorough review of your insurance policies. No client is under any obligation to purchase any commission products from GYL nor are they offered by GYL or its representatives.

#### *Focus Risk Solutions*

We help clients obtain certain insurance products from unaffiliated insurance companies by introducing clients to our affiliate, Focus Risk Solutions, LLC ("FRS"), a wholly owned subsidiary of our parent company, Focus Financial Partners, LLC ("Focus"). FRS acts as an intermediary to facilitate our clients' access to insurance products. FRS has agreements with certain third-party insurance brokers (the "Brokers") under which the Brokers assist our clients with regulated insurance sales activity.

Neither we nor FRS receives any compensation from the Brokers or any other third parties for providing insurance solutions to our clients. For services provided by FRS to clients of other Focus firms, FRS receives a percentage of the upfront commission or a percentage of the ongoing premiums for policies successfully placed with insurance carriers on behalf of referred clients, and such compensation to FRS is also revenue for our common parent company, Focus Financial Partners, LLC. However, this compensation to FRS does not come from insurance solutions provided to any of our clients. The

volume generated by our clients' transactions does benefit FRS and Focus in attracting, retaining, and negotiating with the Brokers and insurance carriers. We mitigate this conflict by: (1) fully and fairly disclosing the material facts concerning the above arrangements to our clients, including in this Brochure; and (2) offering FRS solutions to clients on a strictly nondiscretionary and fully disclosed basis, and not as part of any discretionary investment services. Additionally, we note that clients who use FRS's services will receive product-specific disclosure from the Brokers and insurance carriers and other unaffiliated third-party intermediaries that provide services to our clients.

The insurance premium is ultimately dictated by the insurance carrier, although in some circumstances the Brokers or FRS may have the ability to influence an insurance carrier to lower the premium of the policy. The final rate may be higher or lower than the prevailing market rate. We can offer no assurances that the rates offered to you by the insurance carrier are the lowest possible rates available in the marketplace.

### *Trustees*

Certain of GYL's representatives serve as trustee to trusts who are advisory clients of the Firm. This is a potential conflict of interest in the sense that the trustee is incentivized to recommend that the trust use the portfolio management services of GYL. GYL seeks to mitigate this conflict through disclosure and the adoption of policies which among other things preclude advisors who assume responsibility of being a trustee from also serving as an advisor to said trust.

### *Focus Treasury & Credit Solutions*

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

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

and other unaffiliated third-party intermediaries that provide services to our clients.

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

#### *Credit Solutions from FTCS*

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

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

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

#### *Cash Management Solutions from FTCS*

For FTCS cash management solutions, as stated above, certain third-party intermediaries provide

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

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

#### *SCS Capital Management LLC*

GYL has a business relationship with other Focus firms that is material to our advisory business or to our clients. Under certain circumstances we offer our clients the opportunity to invest in pooled investment vehicles managed by SCS. SCS provides these services to such clients pursuant to limited liability company agreement or limited partnership agreement documents and in exchange for a fund-level management fee and performance fee paid by our clients and not by us. SCS, like GYL, is an indirect wholly owned subsidiary of Focus LLC and is therefore under common control with GYL. The allocation of our clients' assets to SCS's pooled investment vehicles, rather than to an unaffiliated investment manager, increases SCS's, and indirectly, Focus LLC's, compensation and revenue. As a consequence, Focus LLC has a financial incentive to cause GYL to recommend that our clients invest in SCS's pooled investment vehicles, which creates a conflict of interest with GYL's clients who invest, or are eligible to invest, in SCS's pooled investment vehicles. More information about Focus LLC can be found at [www.focusfinancialspartners.com](http://www.focusfinancialspartners.com).

We believe this conflict is mitigated because of the following factors: (1) this arrangement is based on our reasonable belief that investing a portion of GYL's clients' assets in SCS's investment vehicles is in the best interests of the clients; (2) SCS and its investment vehicles have met the due diligence and performance standards that we apply to outside, unaffiliated investment managers; (3) clients will invest in the pooled investment vehicles on a nondiscretionary basis through the completion of subscription documentation; (4) subject to redemption restrictions, we are willing and able to reallocate GYL client assets to other unaffiliated or affiliated investment vehicles, in part or in whole, if SCS's services become unsatisfactory in our judgment and at our sole discretion; and (5) we have fully and fairly disclosed the material facts regarding this relationship to you, including in this Brochure, and GYL clients who invest in SCS's pooled investment vehicles have given their informed consent to those investments.

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

GYL has adopted a code of ethics in accordance with applicable securities laws (“Code of Ethics”) that sets forth the standards of conduct expected of its Supervised Persons. GYL’s Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by GYL or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of GYL’s personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (e.g. initial public offerings, limited offerings). However, GYL’s Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with GYL’s policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities.

When GYL is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed in the client’s account by GYL
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and shares issued by unit investment trusts that are invested exclusively in one or more mutual funds. Clients and prospective clients may contact GYL to request a copy of its Code of Ethics.

GYL recommends that certain of our clients invest in a private investment fund managed by an affiliated Focus partner firm. Please refer to Items 4, 5, and 10 for additional information.

## **Item 12      Brokerage Practices**

GYL routinely recommends that clients select Fidelity, Charles Schwab, and/or TD Ameritrade to serve as the qualified custodian and broker-dealer for their accounts. Broker-dealers such as Fidelity and



Schwab charge brokerage commissions or transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions may be charged for individual equity and fixed income securities transactions).

Factors that GYL considers in recommending Fidelity, Schwab and/or TD Ameritrade include historical relationship with GYL, financial strength, reputation, execution capabilities, pricing, research, and service. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although GYL will seek competitive rates, it does not necessarily obtain the lowest possible commission rates for client account transactions. Higher transaction costs adversely impact account performance.

#### Research and Additional Benefits from Fidelity

GYL receives from Fidelity without cost (or at a discount) support services or products. Included within the support services that are received by GYL are investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance or practice management-related publications, discounted or gratis consulting services, discounted or gratis attendance at conferences, meetings, and other educational or social events, marketing support, computer hardware or software or other products used by GYL in furtherance of its investment advisory business operations.

Fidelity also provides:

- receipt of duplicate client confirmations and bundled duplicate statements;
- access to a trading desk that exclusively services its institutional traders;
- access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and
- access to an electronic communication network for client order entry and account information.

Certain of the support services or products described above assist GYL in managing and administering client accounts. Others do not directly provide such assistance, but rather assist GYL to manage and further develop its business enterprise and offset costs that GYL otherwise would be required to bear. Clients should be aware that GYL's receipt of economic benefits from Fidelity creates a conflict of interest since these benefits may influence GYL's choice of Fidelity over another broker-dealer/custodian that does not furnish similar support.

GYL has not made a commitment to Fidelity or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

### *Benefits Received from Schwab*

As noted above, GYL recommends that certain clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. The final decision to custody assets with Schwab is at the discretion of GYL's clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. GYL is not affiliated with Schwab. Schwab provides GYL with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to advisors. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Schwab also makes available to GYL other products and services that benefit GYL but may not benefit its clients' accounts. These benefits may include national, regional or GYL-specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of GYL by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist GYL in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of GYL's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of GYL's accounts, including accounts not maintained at Schwab Advisor Services.

Schwab Advisor Services also makes available to GYL other services intended to help GYL manage and further develop its business enterprise. These services include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to GYL by independent third parties. Schwab Advisor Services typically discounts or waives fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to GYL. While, as a fiduciary, GYL endeavors to act in its clients' best interests, GYL's recommendation/requirement that clients maintain their assets in accounts at Schwab is based in part on the benefit to GYL of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which creates a potential conflict of interest.

### Soft Dollar Arrangements

We have a soft dollar arrangement with Wells Fargo under which we designate a portion of the commissions from client securities transactions to be used for the payment of research services. We also have a soft dollar arrangement with CAPIS, a soft dollar broker, where we use soft dollar credits to pay for research services. We also have a soft dollar arrangement with JPMorgan. Soft dollars are a benefit to us in that we do not have to pay for products and services obtained through soft dollars. The research services we obtain through soft dollars benefits a broader group of clients than solely those whose securities transactions earned the soft dollar benefits. The safe harbor provided under Section 28(e) of the Securities Exchange Act provides that we may pay a broker-dealer a commission for effecting transactions that exceeds the amounts other broker-dealers would have charged for effecting these transactions if we determine in good faith that such amounts are reasonable in relation to the value of the brokerage and/or research services provided by those broker-dealers.

### Directed Brokerage

At the Firm's request, GYL's clients typically direct GYL to execute all securities transactions through the broker-dealer custodian they have selected to hold the assets in their accounts. In such arrangements, GYL does not seek better execution services or prices from other broker-dealers. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Not all investment advisors routinely request or require directed brokerage arrangements of their clients.

### Trade Aggregation

To the extent that GYL provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless GYL decides to purchase or sell the same securities for several clients at approximately the same time. GYL may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among GYL's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. GYL will allocate aggregated transactions among client account in a manner GYL deems equitable under the circumstances.

## **Item 13      Review of Accounts**

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

GYL will conduct account reviews on an other-than-periodic basis upon the occurrence of a triggering

event, such as a change in client investment objectives or financial situation, market corrections and client request.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian or program sponsor for the client accounts. Upon specific client request, GYL will also provide a written periodic report summarizing account activity and performance.

#### **Item 14      Client Referrals and Other Compensation**

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

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

*Orion Advisor Technology, LLC*

*TriState Capital Bank*

*StoneCastle Network, LLC*

*Charles Schwab & Co., Inc.*

*BlackRock, Inc.*

*Fidelity Brokerage Services LLC*

*Fidelity Institutional Asset Management LLC*

You can access a more recently updated list of recent conference sponsors on Focus' website through the following link: <https://focusfinancialpartners.com/conference-sponsors/>

GYL Financial Synergies has arrangements in place with certain third parties, called promoters, under which such promoters refer clients to us in exchange for a percentage of the advisory fees we collect from such referred clients. Such compensation creates an incentive for the promoters to refer clients to

us, which is a conflict of interest for the promoters. Rule 206(4)-1 of the Advisers Act addresses this conflict of interest by, among other things, requiring disclosure of whether the promoter is a client or a non-client and a description of the material conflicts of interest and material terms of the compensation arrangement with the promoter. Accordingly, we require promoters to disclose to referred clients, in writing: whether the promoter is a client or a non-client; that the promoter will be compensated for the referral; the material conflicts of interest arising from the relationship and/or compensation arrangement; and the material terms of the compensation arrangement, including a description of the compensation to be provided for the referral.

#### **Item 15 Custody**

We have custody of client assets when we have the authority to debit clients' advisory fees, when a supervised person of our firm serves as trustee for advisory clients, when we have password access to client accounts that gives us the authority to withdraw client funds or securities, when advisory clients give us the authority to withdraw client funds to pay bills and when we have the authority to instruct the account custodian to send assets to third parties pursuant to standing letters of authorization ("SLOAs").

SEC-registered advisers who have custody of advisory client funds or securities are required to maintain those funds or securities with a qualified custodian who sends account statements to clients at least quarterly. GYL Clients are provided, at least quarterly, with summary account statements directly from the broker-dealer/custodian for the client accounts. Clients are urged to compare any statement or report provided by GYL with the account statements received from the account custodian. The account custodian does not verify the accuracy of GYL's advisory fee calculation.

GYL is required to obtain verification of the funds and securities over which GYL has custody unless an exception applies. The SEC does not require advisers to obtain a custody audit to verify the fees debited from client accounts and has granted no-action relief from the requirement to obtain a custody audit for SLOAs if certain conditions are met. In situations where a custody audit is required, some clients will be requested to provide confirmation to the custody auditor.

#### **Item 16 Investment Discretion**

Clients are permitted to engage GYL to provide investment advisory services on a discretionary basis. GYL is considered to exercise investment discretion over a client's account if it can effect and/or direct transactions in client accounts without first seeking their consent. Prior to GYL assuming discretionary authority over a client's account, the client shall be required to execute an advisory agreement, which grants GYL authority through a power-of-attorney included in the advisory agreement, to buy, sell, or otherwise effect investment transactions (including determining the securities to be purchased or sold, the amount of securities to be purchased or sold, when transactions should be made and the hiring and firing of Independent Managers) involving the assets in the client's name in the discretionary account.

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

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

As a general matter, GYL's clients maintain exclusive responsibility for: (i) directing the manner in which proxies solicited by issuers of securities owned by the client shall be voted, and (ii) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients for whom GYL does not vote proxies will receive their proxies or other solicitations directly from their custodian. Clients may contact GYL to discuss any questions they may have with a particular solicitation.

GYL votes proxies for certain legacy clients of Financial Partners Capital Management. GYL is required to vote those proxies in the best interest of its clients, to maintain proxy voting records and to inform those clients how their proxies were voted upon client request.

#### **Item 18      Financial Information**

GYL does not solicit investment advisory fees of more than \$1,200, per client, six months or more in advance.

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

GYL has not been the subject of a bankruptcy petition.

ANY QUESTIONS: GYL's Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.