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FORM ADV PART 2A BROCHURE

This brochure provides information about the qualifications and business practices of Elm3 Financial Group, LLC. If you have any questions about the contents of this brochure, contact us at 678-297- 9500. 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 Elm3 Financial Group, LLC is available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Elm3 Financial Group, LLC is 140594.

Elm3 Financial Group, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2: Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

This brochure is dated December 11, 2023, and is an Annual Updating Amendment. Since our last Amendment dated March 20, 2023, the following material changes have been made.

- The financial planning timing of payments in Item 5 has been updated.
- Item 15 has been updated as no employee of Elm3 Financial Group will have access to client accounts or passwords.

We may, at any time, update this brochure and send a copy to you with a summary of material changes, or send you only a summary of material changes that includes an offer to send you a copy of the full brochure either by electronic means (email) or in hard copy form.

For more information about the firm, please call 678-297-9500. Additional information about Elm3 Financial Group, LLC and its investment adviser representatives is available on the SEC's website at www.adviserinfo.sec.gov.

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Item 4: Advisory Business

Elm3's History and Principal Owners

Founded by Stacey Nickens in 2006, Elm3 Financial Group, LLC ("Elm3", the "firm", "our", or "we"), provides comprehensive services for our clients, including portfolio management, investment advisory, and financial planning services. In 2022, Elm3 Financial Group split into two businesses: Elm3 Financial Group and Elm3 CPA Tax and Accounting. Elm3 CPA Tax and Accounting provides tax and bookkeeping services. Elm3 Financial Group provides investment advisory and financial planning services. At Elm3 Financial Group, our objective is simple: to ensure our clients feel confident and secure about their financial future. Our difference is our desire to provide exemplary client service along with up-to-date strategies. Our mission is to provide investment advice that caters to the specific needs of each individual client. Elm3 is a limited liability company controlled by Stacey Nickens and has provided investment advice and portfolio management services since 2006.

Portfolio Management & Investment Advisory Services

Investment guidance and portfolio management services are performed on a continuing basis. These services include the appropriate allocation of portfolio assets among cash, bonds, stocks, ETFs and mutual funds with the selection of specific securities which will provide proper diversification and help meet the client's stated investment objectives. Though Elm3 provides investment advice regarding all types of securities, our focus is on building client investment portfolios through the purchase of individual bonds and equities in order to provide maximum tax efficiency and avoid the layering of fees.

Elm3 understands that each client has unique goals and objectives with different risk tolerances and investment time horizons. We realize how important financial peace of mind is to our clients. Therefore, our number one objective is to help them realize and maintain their financial goals and independence. Our approach to overseeing our clients' investment portfolios is based on a blend of on-going personal account planning, risk minimization, disciplined money management, year-round tax evaluation, and on-going portfolio review.

Our firm works with clients to clearly define their goals and objectives and to bring their investment strategies in line with their goals. By selecting appropriate investments for each client and providing solid, independent market insight, Elm3 helps clients minimize their risks while protecting their wealth.

As of December 31, 2022, we had regulatory assets under management totaling \$106,820,681. Of this total, \$105,978,482 is managed on a discretionary basis and \$842,199 is managed on a non-discretionary basis.

Wrap Fee Programs

We do not sponsor or manage any wrap fee programs.

Financial Planning Services

In addition to investment advisory services, Elm3 provides comprehensive and targeted financial planning services to assist clients in reaching their financial and retirement goals. The Firm develops financial plans and provides consultations by evaluating data relating to a client's personal financial profile, investment objectives and goals, risk tolerance, and tax status in accordance with a written Financial Planning Agreement entered into between the Firm and the client. These financial planning services may be provided on an ongoing or as-needed basis, depending on the client's needs, and may be paid through hourly fees or fixed fees, as further described below in Item 5. Elm3's financial planning services may

include information regarding financial plans, evaluation, retirement savings, college planning, divorce counseling, estate, pensions and other advisory services.

The Comprehensive Financial Planning Service includes life clarity and goals identification, assistance in completing proprietary questionnaires, creation of a 'Base Plan' financial projection and at least three other "What if" scenario projections, financial document organization assistance, investment portfolio review, life insurance and long-term care insurance review and recommendations, debt management review and recommendations, and income and estate tax review and recommendations. Clients engaging in any level of Elm3's financial planning services are under no obligation to contract for Investment Management or Advisory Services.

The financial advisory services include, but are not limited to, cash flow planning, retirement needs analysis, tax efficient distribution strategies, gift and estate planning, executive compensation, employee benefits, insurance (life, long-term care) and annuity reviews, and education planning.

Financial Consulting (Stand-Alone)

To the extent requested by a client, Elm3 may provide financial review or consulting services related to specific financial topics on a stand-alone basis. The topics we address may include, but are not limited to, risk assessment/management, investment planning, financial organization, life event financial decision making, and/or Social Security planning.

If requested by a client, our Social Security planning service starts with a detailed review of your earnings and/or benefit statement to determine if it is correct and if any changes are necessary. We will answer all of your questions and can discuss which Medicare option best suits you. We will help you understand any potential tax implications, the effects of continuing to work and how your family situation may apply. We will also develop a strategy for you to file so you maximize your Social Security benefits. We will prepare a detailed report and we even can help you apply online. Additionally, we will continue to be available for any follow-up questions. Clients engaging in Elm3's consulting services are under no obligation to contract for Investment Management or Advisory Services. Elm3's Social Security planning is not endorsed by, nor connected with any government agency or organization.

Item 5: Fees and Compensation

Investment Advisory Fees

The specific manner in which fees are charged by Elm3 is established in a client's written agreement. The annual fee for investment advisory services is not negotiable and will be charged as a percentage of assets under management according to the schedule below.

Assets Under Management	Annual Fee
\$ 0 - \$1,000,000	1.25%
\$ 1,000,001 - \$3,000,000	1.00%
\$ 3,000,001 - \$5,000,000	0.80%
\$ 5,000,001 - and above	0.70%

Our fees are payable quarterly, in arrears using the gross value of the investment portfolio as of the last business day of the prior quarter. Our clients authorize the account custodian to debit their client account for the amount of our investment advisory fee. At the inception of the relationship and each quarter thereafter, we will notify your custodian of the amount of the fee due and payable to us through our fee

schedule and contract. The custodian does not validate or check our fee, its calculation or the assets on which the fee is based. They will "deduct" the fee from your account(s) or, if you have more than one account from the account you have designated to pay our advisory fees.

Each month, you will receive a statement directly from your custodian showing all transactions, positions and credits/debits into or from your account; the statements after the quarter end will reflect these transactions, including the advisory fee paid by you to us.

Management fees shall be pro-rated for capital contributions made during the applicable calendar quarter (with the exception of de minimis contributions). Accounts opened in mid-quarter will be assessed at a pro-rated management fee.

With regards to employee related accounts and certain other accounts, the quarterly fees may be less, at the sole discretion of Elm3 depending upon a number of factors, including portfolio size, length of employment and relationship to the employee.

In the event of termination, any paid but unearned fees will be promptly refunded to the client, and any fees due to Elm3 from the Client will be debited from an account or paid promptly.

Brokerage and Custodian Fees

In addition to the advisory fees paid to our firm, subscribers are also responsible for all transaction, brokerage, and custodian fees incurred as part of their account management. All fees paid to Elm3 for investment advisory services are separate and distinct from the fees and expenses charged by custodians and mutual fund companies (described in each fund's prospectus). These fees can include a management fee and other expenses. If the fund also imposes a sales charge, a client could pay an initial or deferred sales charge. Fees paid to Elm3 are exclusive of all custodial and transaction costs paid to account custodian, brokers or other third-party consultants and Elm3 shall not receive any portion of these commissions, fees, and costs. The client should review all fees charged by mutual funds, the custodian, Elm3 and others to fully understand the total amount of fees to be paid by the client.

Financial Planning Fees

Financial planning services are billed on a flat-fee or hourly basis. Fees will be quoted in advance and range from \$850 to \$5,000 depending on the scope and complexity of work. The quote will be based on estimated time spent on the project which is calculated at a rate not to exceed \$325 per hour depending upon which professional is working on the project. If a client elects hourly billing, the rate will not exceed \$325 per hour. Elm3 will provide the Client with an estimate of fees prior to beginning any work. Should additional time be required in order to complete the plan, the client shall be notified and made aware that additional charges may apply. It is Elm3's policy to receive approval for planning fees prior to the initiation of work. For one-time financial planning engagements, the fee will be due when the financial plan is delivered to and presented to the client. For ongoing financial planning engagements, the initial fee will be due when the financial plan is delivered to and presented to the client. The client will then be billed either monthly for ongoing updates or will be billed at the beginning of each year for updates throughout that year.

Financial plans are not required to be implemented through Elm3.

Financial Consulting (Stand-Alone) Fees

Stand-alone financial consulting services are billed on a flat-fee or hourly basis. Fees will be quoted in advance and range from \$850 to \$5,000 depending on the scope and nature of the consulting services required. The quote will be based on estimated time spent on the project which is calculated at a rate not to exceed \$325 per hour depending upon which professional is working on the project. If a client elects

hourly billing, the rate will not exceed \$325 per hour. Elm3 will provide the Client with an estimate of fees prior to beginning any work. Should additional time be required, the client shall be notified and made aware that additional charges may apply. Fees are due in advance of service. In the event you terminate our services prior to the completion of the consulting project, you will be entitled to a refund of any prepaid fees less time spent up to the point of termination. Elm3 may waive any or all fees related to consulting services at our sole discretion.

Compensation for the Sale of Securities or Other Investment Products

Certain persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons can earn separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Insurance commissions are separate and in addition to our advisory fees. This presents a conflict of interest because persons providing investment advice on behalf of our firm who are also insurance agents have a financial incentive to recommend insurance products. We manage this conflict of interest by ensuring that the issuing insurer reviews the potential sale of any products to determine adherence to insurance suitability standards. Clients are under no obligation to act upon our recommendations related to insurance products and have the option to purchase insurance products through other insurance companies not associated with our firm.

Retirement Plan Rollovers

A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If We recommend that a client roll over their retirement plan assets into an account to be managed by the Firm, such a recommendation creates a conflict of interest as We will earn a new (or increase our current) advisory fee as a result of the rollover. We address this conflict of interest by reviewing any such recommendation to ensure it is in the best interest of the client. No client is under any obligation to roll over retirement plan assets to an account managed by Us.

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

Elm3 does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7: Types of Clients

Elm3 generally provides portfolio management advice to individuals, families, businesses, trusts and estates.

Generally, Elm3 does not impose any condition, such as a minimum account size, in connection with providing advisory services.

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

Methods of Analysis

When analyzing potential investments and monitoring existing positions, Elm3 uses a comprehensive approach that includes cyclical, technical, and fundamental analysis. Utilizing a top-down method that analyzes key macroeconomic variables and broad market technical indicators, Elm3 begins with thorough analysis of the big picture in order to make economic forecasts and best identify strong sectors. From there, analysis of individual companies is used to refine and determine which investments provide for the

best risk-adjusted returns. Stock selection criteria include, but are not limited to, measures of financial health, profitability, sustainable and increasing dividends, and fair value assessments. Potential catalysts to unleash value and provide price appreciation are also critical considerations.

The main sources of outside data and professional opinion used by Elm3 in performing its analysis are independent investment research, financial periodicals, corporate rating services, market timing reports, prospectuses, and filings with the Securities and Exchange Commission. As a Fidelity Institutional Advisor, Elm3 also has access to Fidelity Investments research departments for use in analyzing specific investments.

Investment Strategies

As a registered investment advisor that strives to provide active asset management, Elm3 is not a buy and hold investment advisor. Specific strategies may vary between accounts due to client specific goals and risk tolerance levels. Elm3 recognizes the dynamic nature of the market and incorporates proactive asset management strategies to adapt to the current market environment. We attempt to add value with a dual emphasis on short-term trading and long-term wealth accumulation.

Short-term strategies include:

- trading to profit on temporary market inefficiencies
- using short positions to hedge portfolio risk and enhance returns
- using ETFs for hedging, sector rotation, and capitalizing on broad overbought and oversold
- responding to conditions in the market
- using options for hedging, speculation, and additional income.

Long-term strategies are evident in a core asset allocation that is diversified between asset classes and company sectors. Additionally, Elm3 believes in reducing risk by maintaining adequate exposure to alternative investments that do not respond to market volatility.

Typical portfolios consist of stocks and bonds of companies that:

- have demonstrated strong competitive advantages
- are likely to be sustainable far into the future
- are financially sound
- have strong positions in stable and highly profitable industries
- have good management.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. Elm3 continually assesses risk and reward within its investments and utilizes strategies to control for various types of risk; however, there is no guarantee that Elm3 will be able to achieve the stated goals of its managed portfolios. As such, risk factors should be considered before investing. Among others, these include:

- Purchasing Power Risk - The risk that future inflation will cause the purchasing power of cash flow from an investment to fall

- Reinvestment Rate Risk - The risk that falling interest rates will cause the cash flow from an investment to fall when the principal or interest payments of that investment are reinvested at lower rates
- Interest Rate Risk - The risk that a change in interest rates, especially rising rates, will cause the market value of a fixed-income security to fall
- Market Risk - The risk that changes in overall market prices will cause changes in the market value of a specific security
- Exchange Rate Risk - The risk that an appreciating home-country currency, compared to a foreign currency, will cause an investment in a foreign security denominated in the foreign currency to be worth less, in dollar terms, than what that investment would have been worth if the currency rates had remained stable
- Business Risk - The risk associated with the nature of the business
- Credit Risk - The risk that an enterprise's financial condition will deteriorate, resulting in a downgrading of its debt
- Default Risk - The risk that an enterprise's financial conditions will deteriorate to the point where it will not meet its financial obligations, most commonly illustrated by an issuer of a bond issue not paying interest and/or principal when due.

While Elm3 is committed to a low fee structure and best trade pricing, frequent trading and increased turnover may increase trading costs and carry adverse tax consequences when compared to more passive strategies. All investing, especially investments in long options, carry risk of loss of some or all of principal.

Item 9: Disciplinary Information

There have been no legal or disciplinary actions taken against Elm3 and its advisors. Additionally, there are no pending legal actions against Elm3 or any of its advisors.

Item 10: Other Financial Industry Activities and Affiliations

Stacey Nickens is the Managing Member of Elm3 CPA Tax & Accounting, LLC (“CPA Tax & Accounting”), an affiliate of Elm3. CPA Tax & Accounting is actively engaged in the business of tax preparation, tax planning, and small business accounting services. As the Managing Member, Stacey Nickens is responsible for the day-to-day management of CPA Tax & Accounting. Margaret Nickens is a Member of CPA Tax & Accounting but does not control the operations. Elm3 may refer persons to CPA Tax & Accounting for tax preparation, tax planning, and small business accounting services. When this happens, CPA Tax & Accounting receives an hourly fee as compensation for its services. This is a conflict of interest in that Elm3 has an incentive to refer clients to CPA Tax & Accounting. Clients are free to choose any tax preparer and/or accounting service provider. In all situations, Elm3 will always act in the best interest of the client.

Also, persons providing investment advice on behalf of our firm are licensed as insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate from our advisory fees. Please see the *Fees and Compensation* section in this brochure for more information on the compensation received by insurance agents who are affiliated with our firm.

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

Code of Ethics

Elm3 follows a strict Code of Ethics which establishes written standards promulgated to deter wrongdoing and to promote:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships
- full, fair, accurate, timely, and understandable disclosure in reports and documents that Elm3 or its affiliates file with, or submits to, the Securities and Exchange Commission (SEC) and in other public communications made by Elm3
- compliance with governmental laws, rules, and regulations that apply to Elm3.

This Code of Ethics or any amended version of it will be distributed to all clients or prospective clients of Elm3 and its affiliates upon request. Clients or prospective clients will have the option to request and receive the Code of Ethics in paper or electronic formats.

Elm3's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Margaret Nickens. It is Elm3's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Elm3 will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Participation or Interest in Client Transactions

From time to time, Elm3 or a related person of Elm3 may buy or sell securities that it also recommends to clients. To ensure no clients are treated unfairly during these transactions, and all clients are giving equal opportunity to obtain favorable pricing, Elm3 strictly monitors all such trades. Furthermore, Elm3 and its related parties are not allowed to buy and sell securities it recommends to clients if such transaction could directly manipulate the price of the securities. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Elm3 and its clients.

Personal Trading

At times, the principals and affiliated persons of Elm3 may invest in products recommended to the client. Clients' accounts are always given priority. In any case, Elm3 is too small an investor to noticeably affect the market or to benefit significantly from the client's investing. Regardless, such transactions are monitored to ensure client accounts are not adversely affected. Any thinly traded securities are avoided when trading simultaneously in clients' accounts. Elm3 also has strict oversight of employees' or related person's individually managed accounts outside the firm proper.

Item 12: Brokerage Practices

When clients are seeking custodial services Elm3 will recommend Fidelity Institutional Wealth Services. Clearing, custody or other brokerage services may be provided by National Financial Services LLC, Fidelity Brokerage Services LLC, or Fidelity Distributors Company LLC, all of which are members of the NYSE and SIPC. Fidelity provides specialized services to Elm3 through its Institutional Wealth Services program (FIWS). This program offers a dedicated team to Elm3 which enables Elm3 to better serve Client needs. Elm3 has no other affiliation with Fidelity or any of its subsidiaries.

As part of Fidelity's program Elm3 receives some benefits including research, ongoing training, educational webinars, seminars, and software for acquiring daily pricing on the Clients' securities. The reasonableness of commissions is based on the broker's ability to provide professional services, competitive commission rates, research and other services which will help Elm3 in providing investment advisory services to all Elm3 clients. Research services may be useful in servicing all of Elm3's clients, and not all of such research may be useful for the account for which the particular transaction was effected. Clients who choose a different broker dealer may limit Elm3's ability to provide performance reporting on certain accounts. Elm3 may at times elect to execute trades through other broker dealers other than National Financial Services LLC, Fidelity Brokerage Services LLC, or Fidelity Distributors Company LLC. At all times, when given the discretion to do so, Elm3 will endeavor to select those brokers or dealers which will provide the best services along with consideration given to fees to be paid by the Client.

Directed Brokerage

We routinely require that you direct our firm to execute transactions through Fidelity and do not permit directed brokerage. As such, we may be unable to achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisers require their clients to direct brokerage.

Block Trading

We combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

We combine multiple orders for shares of the same securities purchased for discretionary accounts; however, we do not combine orders for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary arrangements with our firm.

Item 13: Review of Accounts

For those clients to whom Elm3 provides discretionary investment management or advisory services, accounts are monitored throughout each month. Account reviews are generally conducted quarterly, but economic conditions may trigger more frequent reviews. Reviews for financial planning relationships vary depending on the scope of the relationship and are determined contractually.

All investment advisory and financial planning clients are advised that it remains their responsibility to advise Elm3 of any changes in their investment objectives and/or financial situation. All clients are encouraged to comprehensively review financial planning issues (to the extent applicable), investment objectives, risk tolerance and account performance with Elm3 on at least an annual basis, as applicable.

Special Procedures upon a Major Market Change

Elm3 may conduct account reviews on an other-than-periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, significant market increases or decreases, or client request.

Portfolio Reports Provided to Clients

Account custodians are responsible for providing monthly, quarterly or annual account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide confirmation of all trading activity, and year-end tax statements, such as 1099 forms. Elm3 urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Through the use of an online portal, Elm3 clients have access to written monthly performance analysis reports. These reports include a breakdown of beginning value, net contributions, capital appreciation, income, expenses, and ending value. Return on investment figures will be compared to the major market indices for comparison purposes. Additionally, a snapshot view of asset allocation and holdings will also be provided. Upon request, Elm3 will provide clients with access to these reports without the client having to use the online portal.

Those clients contracting only for hourly consultations or for the preparation of a one-time financial plan will not receive regular reports on their accounts as their engagement agreement expires upon completion of the analysis and payment of the invoice.

Item 14: Client Referrals and Other Compensation

At the current time, Elm3 does not compensate anyone for referrals and does not accept any referral fees when referring a client to another advisor.

Item 15: Custody

Other than as described below, it is Elm3's policy not to take physical custody of client accounts. In accordance with Securities and Exchange Commission regulations, Elm3 is considered to take custody of client securities in the following circumstances:

- Some clients have signed standing letters of authorization, which allow Elm3 to transfer assets to an account of their choice outside of Fidelity.

At a client's consent, Elm3 may have the ability to have its client fees debited by the custodian quarterly. At least quarterly, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer/custodian for their accounts. Elm3 may also provide a periodic report summarizing account activity and performance online via the client secure website.

- To the extent that Elm3 provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by Elm3 with the account statements received from the account custodian.
- The account custodian does not verify the accuracy of the Elm3's advisory fee calculation.

Elm3 has custody of client funds and securities due to our standing authority to make third-party transfers on behalf of our clients who have granted us this authority. This authority is granted to us by the client through the use of standing letter of authorization ("SLOA") established by the client with his or her qualified custodian. The SLOA authorizes Elm3 to disburse funds to one or more third parties specifically designated by the client pursuant to the terms of the SLOA and can be changed or revoked by the client at any time. We have implemented the safeguard requirements of SEC regulations by requiring safekeeping of your funds and securities by qualified custodians. We have further implemented procedures to comply with the requirements outlined by the SEC in its February 17, 2017 No-Action Letter to the Investment Adviser Association.

Elm3 does not require prepayment of more than \$1,200 per client and six or more months in advance.

Item 16: Investment Discretion

In most cases, Elm3 will provide investment advisory services on a discretionary basis. Before Elm3 assumes discretionary authority over a client's account, the client is required to execute an Agreement, naming Elm3 as client's attorney and agent in fact, granting Elm3 full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account. When exercising this authority, Elm3 can place transaction orders for client accounts without contacting the client on a trade-by-trade basis for advance permission to place the orders. Elm 3 has discretion to determine the securities and the amount of securities to be bought or sold for the client's account.

Clients should be aware that Elm3 may make different recommendations and effect different trades with respect to the same securities to different advisory clients.

Clients who engage Elm3 on a discretionary basis may, at any time, impose reasonable restrictions, in writing, on Elm3's discretionary authority (for example, limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, and/or limit or proscribe Elm3's use of margin).

Item 17: Voting Client Securities

Elm3 does not vote client proxies. Clients maintain exclusive responsibility for (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client are voted and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings, or other type events pertaining to the client's investment assets.

Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Elm3 to discuss any questions they may have with a particular solicitation.

Item 18: Financial Information

Registered investment advisers are required in some cases to provide certain financial information and or disclosures about their financial condition. For example, if the firm requires prepayment of fees for six months in advance, has custody of client funds, or has a condition that is reasonably likely to impair its ability to meet its contractual commitments to its clients, it must provide financial information and make disclosures. Elm3 has no financial or operating conditions which trigger such additional reporting requirements.

Elm3 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.

Elm3 has not been the subject of a bankruptcy petition.