

Four Financial Management

WRAP PROGRAM BROCHURE (APPENDIX 1 TO FIRM BROCHURE)

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This wrap fee program brochure provides information about the qualifications and business practices of Morman, Kaplan, Brilliant and Fransko, LLC dba Four Financial Management. If you have any questions about the contents of this brochure, please contact us at (734) 272-4322. 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 Morman, Kaplan, Brilliant and Fransko, LLC dba Four Financial Management is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for the Firm is 284251.

ITEM 2 - MATERIAL CHANGES

We have the following material changes to report since our last annual update filing done on March 24, 2023:

- In December 2023, we submitted a request to become registered with the U.S. Securities and Exchange Commission.

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ITEM 4 - SERVICES, FEES AND COMPENSATION

Morman, Kaplan, Brilliant and Fransko, LLC dba Four Financial Management (“We”) is a Michigan Limited Liability Company. We subsequently registered as a Michigan investment adviser in 2016. Michael Kaplan (“Mr. Kaplan”), Alan Brilliant (“Mr. Brilliant”), David Fransko (“Mr. Fransko”), and Stephen Morman (“Mr. Morman”) are the co-owners and members of the firm. Each can act on the firm’s behalf. Additional information about them can be found under Item 19 and in their attached supplemental brochures.

SERVICES

We offer investment management services on a wrap account basis. The program is titled SWM II, and it offers us the flexibility to customize a portfolio for each client. Utilizing various security types and investment strategies, we work with the client to formulate an individualized portfolio on the SWM II platform based upon his or her objectives, time frame, risk parameters and other investment considerations. Once we have this information, we create an individualized portfolio for the client. We regularly monitor the client’s portfolio and adjust it as determined by the stock market and work events. Strategies employed include;

Asset Allocation - Asset Allocation is an investment strategy that aims to balance risk and reward by apportioning a portfolio's assets according to an individual's goals, risk tolerance and investment horizon among various asset classes. The asset classes typically include equities, fixed-income, alternative investments, and cash and equivalents. Each class has different levels of risk and return, so each will behave differently over time.

Income – Income strategy prioritizes the objective of dividends, interest and/or distributions. Portfolios are customized to client objectives and cash flow needs.

Capital Preservation – Capital Preservation strategy prioritizes protection of principal and reducing downside capital risk.

Tactical Growth - Tactical Growth is an active management strategy in which portfolio positions are allocated to specific asset classes as a way to increase or decrease overall portfolio risk and equity and/or bond exposure on a near term basis. The respective asset classes are determined on a monthly basis, using a proprietary algorithm.

FEES

For our portfolio management services, we charge an annualized management fee based on a percentage of assets under management. Our management fee ranges from 0.50% to 1.50%. The fee is negotiable, based on the amount of client assets under management and the complexity and nature of the portfolio management services. The client may aggregate accounts to negotiate a lower fee. The management fee is calculated and collected on a quarterly basis in advance, except for the initial quarter of management.

The initial quarter’s management fee will be prorated for the number of days’ service was provided during the quarter. However, initial quarter’s management fee will be collected at the end of the quarter based on the quarter-end account value. Thereafter, the management fee will be calculated on the account’s previous quarter-end value as reported by the account’s custodian.

In a wrap account, clients pay a single annualized advisory fee for advisory services and execution of transactions. Clients do not pay brokerage commissions, markups or transaction charges for execution of transactions in addition to the advisory fee.

Although clients do not pay a transaction charge for transactions in a SWM II account, clients should be aware that we pay LPL Financial, LLC's charges for the transactions. The transaction charges paid by us vary based on the type of transaction (e.g., mutual fund, equity or fixed income security) and range from \$0 to \$40. Because we pay the transaction charges in program accounts, there is a conflict of interest. Clients should understand that the cost to us of transaction charges may be a factor that we consider when deciding which securities to select and how frequently to place transactions in a program account.

In many instances, LPL makes available mutual funds in a SWM II account that offer various classes of shares, including shares designated as Class A Shares and shares designed for advisory programs, which can be titled, for example, as "Class I," "institutional," "investor," "retail," "service," "administrative" or "platform" share classes ("Platform Shares"). The Platform Share class offered for a particular mutual fund in SWM II in many cases will not be the least expensive share class that the mutual fund makes available and was selected by LPL in certain cases because the share class pays LPL compensation for the administrative and recordkeeping services LPL provides to the mutual fund. Client should understand that another financial services firm may offer the same mutual fund at a lower overall cost to the investor than is available through SWM II. In other instances, a mutual fund may offer only Class A Shares, but another similar mutual fund may be available that offers Platform Shares. Class A Shares typically pay LPL a 12b-1 fee for providing brokerage-related services to the mutual funds. Platform Shares generally are not subject to 12b-1 fees. As a result of the different expenses of the mutual fund share classes, it is generally more expensive for a client to own Class A Shares than Platform Shares. An investor in Platform Shares will pay lower fees over time and keep more of his or her investment returns than an investor who holds Class A Shares of the same fund.

We have a financial incentive to recommend Class A Shares in cases where both Class A and Platform Shares are available. Although the client will not be charged a transaction charge for transactions, we pay LPL a per transaction charge for mutual fund purchases and sales in the account. We generally do not pay transaction charges for Class A Share mutual fund transactions, but generally do pay transaction charges for Platform Share mutual fund transactions. The cost to us of transaction charges generally may be a factor Advisor considers when deciding which securities to select and whether or not to place transactions in the account.

The lack of transaction charges to our firm for Class A Share purchases and sales, together with the fact that Platform Shares generally are less expensive for a client to own, presents a significant conflict of interest between us and the client. Clients should understand this conflict and consider the additional indirect expenses borne as a result of the mutual fund fees when negotiating and discussing with us the advisory fee for management of an account.

Termination of Portfolio Management Services

A client may terminate the Investment Management Agreement for any reason at any time and, within the first five (5) business days after signing the contract, without any cost or penalty. Thereafter, the contract may be terminated at any time by giving seven (7) days' written notice. To cancel the Agreement, the client must notify us in writing at Four Financial Management, LLC, 777 E. Eisenhower Pkwy., Suite 740, Ann Arbor, MI 48108 and return any materials received to that date. Because we charge in advance, any client that terminates his or her contract within a quarter will receive a prorated refund of fees that is based on the amount of time elapsed during the quarter. For example, if a client cancels 45 days in to a 90-day quarter,

the client will receive a refund of 50% of the fees (45 days divided by 90 days equal 50 percent). Please note that the prorated refund may be adjusted for additional deposits and withdrawals to the advisory account within the termination quarter. If permitted by the client's custodian, the refund will be deposited into the client's account; otherwise, the refund will be paid to the client by company check mailed directly to the client within 30 days of termination notice receipt.

Other Types of Fees and Charges

Program accounts will incur additional fees and charges from parties other than us as noted below. These fees and charges are in addition to the advisory fee paid to us. We do not share in any portion of these third-party fees.

LPL Financial, LLC, as the custodian and broker-dealer providing brokerage and execution services on program accounts, will impose certain fees and charges. LPL Financial, LLC notifies clients of these charges at account opening and makes a list of these fees and charges available on its website at www.LPL.com. LPL Financial, LLC will deduct these fees and charges directly from the client's program account.

There are other fees and charges that are imposed by other third parties that apply to investments in program accounts. Some of these fees and charges are described below.

- If a client's assets are invested in mutual funds or other pooled investment products, he or she should be aware that there will be two layers of advisory fees and expenses for those assets. The client will pay an advisory fee to the fund manager and other expenses as a shareholder of the fund. The client will also pay us the advisory fee with respect to those assets. Most of the mutual funds available in the program may be purchased directly. Therefore, clients could generally avoid the second layer of fees by not using our management services and by making their own investment decisions.
- Certain mutual funds impose fees and charges such as contingent deferred sales charges, early redemption fees and charges for frequent trading. These charges may apply if the client transfers into or purchases such a fund with the applicable charges in a program account.
- Although only no-load and load-waived mutual funds can be purchased in a program account, the client should understand that some mutual funds pay asset-based sales charges or service fees (e.g., 12b-1 fees) to the custodian with respect to account holdings.
- If client holds a variable annuity as part of an account, there are mortality, expense and administrative charges, fees for additional riders on the contract and charges for excessive transfers within a calendar year imposed by the variable annuity sponsor.

Further information regarding fees assessed by a mutual fund or variable annuity is available in the appropriate prospectus, which is available upon request from us or from the product sponsor directly.

Other Important Considerations

- The advisory fee is an ongoing wrap fee for investment advisory services, the execution of transactions and other administrative and custodial services. The advisory fee may cost the client more than purchasing the program services separately, for example, by paying an advisory fee plus commissions for each transaction in the account. Factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include

the type and size of the account, historical and or expected size or number of trades for the account, and number and range of supplementary advisory and client-related services provided to the client.

- The advisory fee also may cost the client more than if assets were held in a traditional brokerage account. In a brokerage account, a client is charged a commission for each transaction, and the representative has no duty to provide ongoing advice with respect to the account. If the client plans to follow a buy and hold strategy for the account or does not wish to purchase ongoing investment advice or management services, the client should consider opening a brokerage account rather than a program account.
- When we recommend the program to the client, we receive compensation as a result of the client's participation in the program. This compensation includes the advisory fee and also may include other compensation, such as bonuses, awards or other things of value offered by LPL Financial, LLC to us or our associated persons. The amount of this compensation may be more or less than what we would receive if the client participated in other LPL Financial, LLC programs or programs of other investment advisors or paid separately for investment advice, brokerage and other client services. Therefore, we may have a financial incentive to recommend a program account over other programs and services.
- The investment products available to be purchased in the program can be purchased by clients outside of a program account, through broker-dealers or other investment firms not affiliated with us.

RETIREMENT ROLLOVER CONFLICTS OF INTEREST

When we recommend you rollover a retirement account for us to manage, this creates a financial incentive because we charge a fee for our services. We attempt to mitigate the conflict of interest by acting in your best interest and applying an impartial conduct standard to all rollovers. Please note that you are not under any obligation to roll over a retirement account to an account managed by us.

ITEM 5 - ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

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

ITEM 6 - PORTFOLIO MANAGER SELECTION AND EVALUATION

In our wrap program, we do not select, review or recommend other investment advisors or portfolio managers. We, through our investment adviser representatives ("IAR"), are responsible for the investment advice and management offered to clients. For more information about the IAR managing the account, client should refer to the IAR's Brochure Supplement (ADV Part 2B), which the client should have received along with this Brochure at the time he or she opened the account. By having our IARs act as the portfolio managers to the program there is a conflict of interest because our evaluation of the IARs as the managers may not be objective. We attempt to mitigate this conflict of interest by holding our IARs to the same standards to which we would hold a non-affiliated portfolio manager. Additionally, we attempt to mitigate this conflict of

interest to the best of our ability by placing the client's interest ahead of our own through our fiduciary duty.

We offer one wrap program called Four Financial Management Wrap Program. A description of this program can be found above in Item 4. It is important to note that our services are tailored to the client's stated goals, needs and objectives. We allow clients to impose restrictions on investment in certain securities or types of securities. All restrictions must be presented to us in writing. Additionally, because our investment adviser representatives are the portfolio managers, we receive a portion of the wrap fee.

LPL Financial, LLC performs certain administrative services for us, including generation of quarterly performance reports for program accounts. The client will receive an individual quarterly performance report, which provides performance information on a time-weighted basis. The performance reports are intended to inform clients on how their investments have performed for a period, both on an absolute basis and as compared to leading investment indices.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Depending on the portfolio chosen we use a combination of asset allocation, tactical asset allocation, and technical analysis. Most model portfolios are designed for long term investment, but some model portfolios hold securities for much shorter time periods. The following is a description of each type of analysis and investment strategy.

Asset Allocation is an investment strategy that aims to balance risk and reward by apportioning a portfolio's assets according to an individual's goals, risk tolerance and investment horizon among various asset classes. The asset classes typically include equities, fixed-income, alternative investments, and cash and equivalents. Each class has different levels of risk and return, so each will behave differently over time. Any asset allocation advice provided by us is based on a number of factors, including the client's investment objectives, risk tolerances, asset class preferences, time horizons, liquidity needs, expected returns and an assessment of current economic and market views expressed by economists, analysts, banks and securities firms.

Tactical Asset Allocation is an active management portfolio strategy that rebalances the percentage of assets held in various categories in order to take advantage of market pricing anomalies or strong market sectors. This strategy is designed to allow portfolio managers to create extra value by taking advantage of certain situations in the marketplace. It is a moderately active strategy because portfolio managers return to the portfolio's original strategic asset mix when desired short-term profits are achieved. The risk associated with this strategy is that the portfolio could be over-exposed to an underperforming market segment.

Technical Analysis is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. The risk associated with technical analysis is that there is no broad consensus among technical traders on the best method of identifying future price movements.

We purchase securities with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year. The risk associated with using a long-term purchase strategy is that it generally assumes the financial markets will go up in the long-term, which may not be the case. There is also the risk that the segment of the market that the client is invested in, or perhaps just that client's particular investment, will go down over

time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost by "locking-up" assets that may be better utilized in the short-term in other investments.

We also purchase securities with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. The risk associated with using a short-term purchase strategy is that it generally assumes that we can predict how financial markets will perform in the short-term, which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short term, such as short-term interest rate changes and cyclical earnings announcements, but may have a smaller impact over longer periods of time.

It is important to note that no methodology or investment strategy is guaranteed to be successful or profitable. It is also important that clients understand the concept and risks inherent in exchanging an investment from one position to another. Some investment decisions result in profit and others in losses. Our firm and your representative cannot guarantee that the objectives of any investment program will be achieved. Furthermore, it is important that each client understands that the exchange of shares of one mutual fund for shares of another mutual fund is treated as a sale for federal income tax purposes, and that capital gains or losses may be realized unless he or she is eligible for tax deferral under a qualified retirement plan.

All investments bear different types and degrees of risk and **investing in securities involves risk of loss that clients should be prepared to bear.** While we use investment strategies that are designed to provide appropriate investment diversification, some investments have significantly greater risks than others. Obtaining higher rates of return on investments entails accepting higher levels of risk. Recommended investment strategies seek to balance risks and rewards to achieve investment objectives. Clients should ask questions about risks they do not understand; we would be pleased to discuss them.

The account investment management is determined by the stated investment objectives of the client (i.e., current income, balanced, growth and income, growth and maximum growth). Our representatives are responsible for developing and determining the investment strategies that will be used when managing a client's accounts. This strategy is based on the client's individual financial situation, goals, and objectives. Our representatives are responsible for monitoring clients' portfolios and, when appropriate, reallocating the portfolios based on changing market conditions, changes in a client's individual circumstances, or other factors. If the account is managed on a non-discretionary basis, the representative will consult the client prior to reallocating securities in his or her account. Reallocations are implemented in discretionary accounts without prior notice to clients.

If a client's individual situation changes, he or she should notify his or her representative, who will assist the client in revising the current portfolio or prepare an updated client profile so that the representative can determine if a different model portfolio would be appropriate to the client's new situation.

We use several types of securities in client portfolios including, but not limited to, mutual funds, stocks, bonds, government issued securities, money market funds and also the following:

- ***Alternative Strategy Mutual Funds.*** Certain mutual funds available in the program invest primarily in alternative investments or strategies. Investing in alternative investments or strategies may not be suitable for all investors and involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and potential illiquidity. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility because of the fund's concentration in the real estate industry.
- ***Closed-End Funds.*** Clients should be aware that closed-end funds available within the program are not readily marketable. In an effort to provide investor liquidity, the funds may offer to repurchase a certain percentage of shares at net asset value on a periodic basis. Thus, clients may be unable to liquidate all or a portion of their shares in these types of funds.
- ***Exchange-Traded Funds (ETFs).*** ETFs are typically investment companies that are legally classified as open-end mutual funds or UITs. However, they differ from traditional mutual funds, in particular because ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as investment companies under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, especially those that invest in commodities, are not registered as investment companies.
- ***Exchange-Traded Notes (ETNs).*** An ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs may be linked to a variety of assets, including commodity futures, foreign currency and equities. ETNs are similar to ETFs because they are listed on an exchange and can typically be bought or sold throughout the trading day. However, an ETN is not a mutual fund and does not have a net asset value; the ETN trades at the prevailing market price. Some of the more common risks of an ETN include the following: the repayment of the principal, interest (if any), and the payment of any returns at maturity or upon redemption are dependent upon the ETN issuer's ability to pay; the trading price of the ETN in the secondary market may be adversely impacted if the issuer's credit rating is downgraded; and the index or asset class for performance replication in an ETN may or may not be concentrated in a specific sector, asset class or country and may therefore carry specific risks.
- ***Leveraged and Inverse ETFs, ETNs and Mutual Funds.*** Leveraged ETFs, ETNs and mutual funds, sometimes labeled "ultra" or "2x" for example, are designed to provide a multiple of the underlying index's return, typically on a daily basis. Inverse products are designed to provide the opposite of the return of the underlying index, typically on a daily basis. These products are different from and can be riskier than traditional ETFs, ETNs and mutual funds. Although these products are designed to provide returns that generally

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

- **Options.** Certain types of option trading are permitted in order to generate income or hedge a security held in the program account; namely, the selling (writing) of covered call options or the purchasing of put options on a security held in the program account. Clients should be aware that the use of options involves additional risks. The risks of covered call writing include the potential for the market to rise sharply. In this situation, the security may be called away and the program account will no longer hold the security. The risk of buying long puts is limited to the loss of the premium paid for the purchase of the put if the option is not exercised or otherwise sold by the program account.
- **Structured Products.** Structured products are securities derived from another asset, such as a security or a basket of securities, an index, a commodity, a debt issuance, or a foreign currency. Structured products frequently limit the upside participation in the reference asset. Structured products are senior unsecured debt of the issuing bank and subject to the credit risk associated with that bank. This credit risk exists whether or not the investment held in the account offers principal protection. The creditworthiness of the issuing bank does not affect or enhance the likely performance of the investment other than the ability of the issuing bank to meet its obligations. Any payments due at maturity are dependent on the issuing bank's ability to pay. In addition, the trading price of the security in the secondary market, if there is one, may be adversely impacted if the issuing bank's credit rating is downgraded. Some structured products offer full protection of the principal invested, while others offer only partial or no protection. Investors may be sacrificing a higher yield to obtain the principal guarantee. In addition, the principal guarantee relates to nominal principal and does not offer inflation protection. An investor in a structured product never has a claim on the underlying investment, whether the underlying investment is a security, zero coupon bond, or option. There may be little or no secondary market for the securities and information regarding independent market pricing for the securities may be limited. This is true even if the product has a ticker symbol or has been approved for listing on an exchange. Tax treatment of structured products may be different from other investments held in the account (e.g., income may be taxed as ordinary income even though payment is not received until maturity). Structured CDs that are insured by the FDIC are subject to applicable FDIC limits.

- **Variable Annuities.** If a client purchases a variable annuity that is part of the program, he or she will receive a prospectus and should rely solely on the disclosure contained in the prospectus with respect to the terms and conditions of the variable annuity. Clients should also be aware that certain riders purchased with a variable annuity may limit the investment options and the ability to manage the subaccounts.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

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

VOTING CLIENT SECURITIES

We do not accept authority to vote client securities. Clients retain the right to vote all proxies that are solicited for securities held in the account. Clients will receive proxies or other solicitations from the custodian of assets. If clients have questions regarding the solicitation, they should contact us or the contact person that the issuer identifies in the proxy materials. In addition, we do not accept authority to act with respect to legal proceedings relating to securities held in the account.

ITEM 7 - CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

In our wrap program, we are responsible for account management; there is no separate portfolio manager involved. We obtain the necessary financial data from the client and assist the client in setting an appropriate investment objective for the account. We obtain this information by having the client complete an advisory agreement and other documentation. Clients are encouraged to contact us if there have been any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions on the management of the account or reasonably modify existing restrictions. Each client should be aware that the investment objective selected for the program is an overall objective for the entire account and may be inconsistent with a particular holding and the account's performance at any time. Each client should also be aware that achievement of the stated investment objective is a long-term goal for the account.

ITEM 8 - CLIENT CONTACT WITH PORTFOLIO MANAGERS

Clients should contact us at any time with questions regarding program accounts.

ITEM 9 - ADDITIONAL INFORMATION

DISCIPLINARY INFORMATION

A registered investment adviser is required to disclose all material facts regarding any legal or disciplinary events within the past 10 years that would be material to a client's evaluation of the adviser or the integrity of its management. We have no information applicable to this Item because we have not been the subject of any administrative, civil, criminal or regulatory proceedings.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Our associates are licensed as registered representatives and investment adviser representatives of LPL Financial, LLC, a full-service broker/dealer and member FINRA/SIPC and registered investment adviser. In this capacity, they can affect securities transactions and may receive

separate yet customary compensation for effecting any securities transactions. Our associates may spend the majority of their time involved in all or a portion of these activities.

This could present a potential conflict of interest if the client elects to implement our recommendations and also selects our associates to execute those transactions. In this case, our associates could receive both fees as advisor representatives and commissions as registered representatives or investment adviser representatives. As registered representatives, they could also receive compensation from mutual fund sales loads, 12(b)-1 distribution fees, variable annuity sales commissions or trail commissions. The 12(b)-1 distribution fees, sales charges and other fee arrangements will be disclosed to a client upon request and are typically described in the applicable fund or annuity prospectus. Any fees or other compensation received by our associates in their separate capacities as registered representatives will be received to the extent permitted by applicable law.

Because of these compensation arrangements, a conflict of interest could exist in connection with our associates recommending particular investments for a client's account. Clients have sole discretion whether to implement any or all of the associated persons' recommendations. In addition, clients are free to select any broker/dealer they wish to implement recommendations.

Our owners also own Kaplan, Brilliant, and Fransko, LLC dba Provizr, a Michigan registered investment adviser. Provizr pays them fees that are separate from the fees described above. This is a conflict of interest because the additional fee creates a financial incentive to recommend the other adviser's services. However, we attempt to mitigate any conflicts of interest to the best of our ability by placing the clients' interests ahead of our own, through our fiduciary duty and by informing clients that they are never obligated to recommended services through us or our owners.

Our owners may be independent insurance agents (Life, Long term Care and Health) and they may recommend these services to clients. This other business activity pays our associates commissions that are separate from the fees described above. This is a conflict of interest because the commissions give our associates a financial incentive to recommend and sell clients the insurance products. However, our associates attempt to mitigate any conflicts of interest to the best of their ability by placing the clients' interests ahead of their own, through their fiduciary duty and by informing clients that they are never obligated to purchase recommended insurance through them.

Finally, our owners may provide tax preparation services through Four Financial Tax Services. They may recommend these services to clients. This other business activity pays them fees that are separate from the investment management fees described above. This is a conflict of interest because the tax preparation fees give them a financial incentive to recommend the tax preparation services. However, they attempt to mitigate any conflicts of interest to the best of their ability by placing the clients' interests ahead of their own, through their fiduciary duty and by informing clients that they are never obligated to purchase recommended tax preparation services through them.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Our Approach to Conflicts of Interest

Conflicts of interest that may arise in the course of providing investment management services are described throughout this brochure, as are some of our policies and procedures designed to address specific conflicts of interest, including our Code of Ethics and personal trading practices.

We have a compliance program in place that is intended to identify, mitigate and, in some instances, prevent actual and potential conflicts of interest, ensure compliance with legal and regulatory requirements and ensure compliance with client investment guidelines and restrictions. Our compliance program includes written policies and procedures that we believe are reasonably designed to prevent violations of applicable law and regulations.

Code of Ethics

According to the Investment Advisers Act of 1940, an investment advisor is considered a fiduciary and has a fiduciary duty to clients. The applicant has established a Code of Ethics to comply with the requirements of Section 204(A)-1 of the Investment Advisers Act of 1940 that reflects fiduciary obligations and those of its supervised persons and requires compliance with federal securities laws. Our Code of Ethics covers all individuals that are classified as “supervised persons”. All employees, officers, directors and investment advisor representatives are classified as supervised persons. We require our supervised persons to consistently act in their clients' best interests in all advisory activities. We impose certain requirements on our affiliates and supervised persons to ensure that they meet our fiduciary responsibilities to our clients. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is only intended to provide current and potential clients with a description of our Code of Ethics. If a client wishes to review the Code of Ethics in its entirety, he or she may request a copy in writing, and we will promptly provide a copy.

Participation or Interest in Client Transactions

In the event that LPL Financial, LLC, our broker/dealer, executes securities transactions through LPL Financial, LLC on behalf of a client or a client's representative, the representative may receive advisory fees and broker/dealer commissions for the sale of securities placed under our management. The receipt of compensation from a variety of sources may be considered to be a conflict of interest. We encourage each client to review this ADV closely and discuss any potential conflicts of interest with his or her representative.

We will process brokerage security transactions through LPL Financial, LLC so long as we determine that executing the transactions through our broker/dealer fulfills our duty of best execution. We consider certain factors when selecting a broker/dealer and determining the reasonableness of commissions. Please refer to the section titled “Brokerage Practices” for more information.

Policy Regarding Engaging in Agency Cross Transactions in Advisory Accounts

It is our policy to prohibit representatives from engaging in agency cross transactions where representatives act as brokers for both buying and selling a single security between two different clients for which the representatives receive compensation in the form of an agency commission or principal mark-up for the trades. Should we adopt a different policy in this area, we will observe all rules and regulations in accordance with the disclosure and consent requirements of Section 206(3) of the Advisers Act. Additionally, we are aware that these transactions can only occur if we can ensure that we meet our duty of best execution for the client.

Policy Regarding Engaging in Principal Trading Involving Advisory Accounts

We do not permit principal transactions to be affected in advisory accounts.

Personal Trading

We and our associates may recommend securities to buy or sell or hold a position in securities identical to the securities recommended to a client at or about the same time that we, our associates or a related person buys or sells the same securities for their own or a related person's account. It is our policy that no supervised person will put his or her interest before a client's interests. Our firm and our representatives may not trade ahead of any client or trade in a way that would cause the supervised person to obtain a better price than the price a client would obtain.

Our Pre-Clearance and Restricted Securities Policy

Due to our affiliation with other investment companies, investment advisors, and broker dealers, LPL Financial, LLC, on our behalf, maintains a Restricted and Pre-Clearance Equity List, which may limit our firm and the representative's ability to transact in certain equities on a client's behalf in a discretionary advisory program. A client's representative may not be able to place certain transactions or may experience delays in submitting certain transactions on a client's behalf based on any pre-clearance or pre-approval requirements implemented by the firm. A client may receive a worse price than what he or she might receive if he or she had placed the transaction through another investment advisor representative not affiliated with LPL Financial, LLC and not subject to any trading restrictions. These trading restrictions are subject to change without notice.

REVIEW OF ACCOUNTS

Frequency of Account Reviews

Mr. Kaplan, Mr. Brilliant, Mr. Fransko, and Mr. Morman, or an Associate, make a reasonable attempt to meet with clients, either in person or by telephone, on an annual basis to discuss and review their accounts.

All accounts will be reviewed at least annually by one or more of Mr. Kaplan, Mr. Brilliant, Mr. Fransko, Mr. Morman or an Associate to ascertain standards of suitability and investment objective.

Review Triggers

The calendar is the triggering factor. Factors triggering an account review may include material market, economic or political events, and significant changes in a client's financial or personal situation or performance of a client's account in general.

Reports and Account Statements

Each client will receive at least quarterly statements from the account custodian or clearing firm. These statements will show any activity in the account, fees paid, as well as period ending position balances.

To the extent that a client receives performance reports from his or her representative, we urge the client to compare performance reports received with account statements received from the custodian. Inquiries or concerns regarding the account, including performance reports, should be directed to the investment advisor firm at the phone number listed on the account statement. Each representative then decides whether to provide these reports to his or her clients. Performance information provided by a representative is believed to be accurate but cannot be guaranteed. A client's representative may or may not include variable annuity account position information within performance reports. Neither our firm nor a client's representative can guarantee the accuracy of fund values, securities and other information obtained from third parties.

CLIENT REFERRALS AND OTHER COMPENSATION

We do not pay for client referrals or use solicitors.

Our representatives may receive incentives to join and remain affiliated with our current broker/dealer, LPL Financial, LLC, through certain compensation arrangements that could include bonuses, enhanced pay-outs, forgivable loans or business transition loans. In addition, we may recommend the services of SEI to our clients, in which SEI will charge the client and a portion of that fee will be paid to us. The receipt of such compensation may be considered to be a conflict of interest. We encourage each client to review this ADV closely and discuss any potential conflicts of interest with his or her representative.

FINANCIAL INFORMATION

We do not have any financial impairment that will preclude us from meeting our contractual commitments to our clients. We do not serve as a custodian for clients' funds or securities. At no time will fees of more than \$500 be charged six or more months in advance by our firm or a client's representative. We have established policies and procedures designed to prevent the collection of fees greater than \$500 six or more months in advance. As such, a balance sheet is not required to be provided at this time.

Also, we have not been the subject of a bankruptcy proceeding.

CUSTODY

LPL Financial, LLC is the qualified custodian and maintains custody of client funds and securities in a separate account for each client under his or her name. LPL Financial, LLC as a qualified custodian sends account statements showing all transactions, positions, and all deposits and withdrawals of principal and income. LPL Financial, LLC sends account statements monthly

when the account has had activity or quarterly if there has been no activity. Clients should carefully review those account statements.

Although most securities available in program accounts are held in custody at LPL Financial, LLC, there are certain securities managed as part of the account that are held by third parties, and not at LPL Financial, LLC. For example, variable annuities, hedge funds and managed futures are often held directly with the investment sponsor. For those outside positions, clients will receive confirmations and statements directly from the investment sponsor.

For outside positions that are not held in custody at LPL Financial, LLC, LPL Financial, LLC may receive information such as the number of shares held and market value from the investment sponsor and display that information on statements and reports prepared by LPL Financial, LLC. This information may also be used to calculate performance in performance reports prepared by LPL Financial, LLC. Although we believe that the information provided by LPL Financial, LLC is accurate, we recommend that clients refer to the statements and reports received directly from the investment sponsor and compare them with the information provided in any statements or reports from LPL Financial, LLC. The statements and reports provided by LPL Financial, LLC with respect to outside positions should not replace the statements and reports received directly from the investment sponsor.

The SEC issued a no-action letter (“Letter”) with respect to the Rule 206(4)-2 (“Custody Rule”) under the Investment Advisers Act of 1940 (“Advisers Act”). The letter provided guidance on the Custody Rule as well as clarified that an adviser who has the power to disburse client funds to a third party under a standing letter of instruction (“SLOA”) is deemed to have custody. As such, our firm has adopted the following safeguards in conjunction with our custodian LPL Financial:

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