

Item 1 – Cover Page



201 South College Street
Suite 2250
Charlotte, NC 28244
(704) 333-1710

www.kingfishercapital.com

October 26, 2023

This Brochure provides information about the qualifications and business practices of Kingfisher Capital, LLC ("Kingfisher"). If you have any questions about the contents of this Brochure, please contact H.K. Hallett at (704) 333-1710 or hk@kingfishercapital.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Kingfisher is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Kingfisher Capital is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This brochure dated October 26, 2023, contains material changes since our last brochure update on February 23, 2023. Mercer Global Advisors Inc. has entered into an agreement to acquire Kingfisher Capital, LLC. The transaction closed on October 16, 2023, and resulted in a change of ownership. Mercer Global Advisors Inc. owns one hundred (100%) percent of the operating assets of Kingfisher Capital, LLC. Due to the acquisition of Kingfisher Capital, LLC, the firm has provided notice to affected clients of the assignment to Mercer Global Advisors Inc. (a SEC-registered investment advisor) of such clients' advisory agreements with Kingfisher Capital, LLC to the extent required under applicable law. Once the account transfer process is complete at the custodial level, Kingfisher Capital, LLC will file a Form ADV-W to wind down the advisory business.

Copies of Mercer Global Advisors' Part 2A, Form CRS and Privacy Notice are available upon request by calling 888-565-1681 or at www.merceradvisors.com.

Item 3 – Table of Contents

Item 1 – Cover Page	1
Item 2 – Material Changes	2
Item 3 – Table of Contents.....	3
Item 4 – Advisory Business	4
Item 5 – Fees and Compensation	7
Item 6 – Performance-Based Fees and Side-By-Side Management	9
Item 7 – Types of Clients.....	10
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	10
Item 9 – Disciplinary Information	11
Item 10 – Other Financial Industry Activities and Affiliations	12
Item 11 – Code of Ethics	12
Item 12 – Brokerage Practices	12
Item 13 – Review of Accounts.....	14
Item 14 – Client Referrals and Other Compensation.....	15
Item 15 – Custody.....	15
Item 16 – Investment Discretion	16
Item 17 – Voting Client Securities.....	16
Item 18 – Financial Information.....	17

Item 4 – Advisory Business

Kingfisher Capital, LLC is a federally registered investment adviser located in Charlotte, NC. H.K. Hallett and Alex Miles are the principals of the firm. As of December 31, 2022 Kingfisher's discretionary assets under management were \$603,005,920. Kingfisher does not have any non-discretionary assets under management.

Kingfisher provides advisory services to high net worth individuals, trusts, estates, pension and profit-sharing plans, charitable institutions, foundations, endowments, corporations, and small businesses. Client accounts are managed based on the particular investment strategy selected by the client, subject to any specific instructions, guidelines or restrictions provided by the client in writing.

Kingfisher offers a suite of services that focus on the client's specific needs. Our goal is to help affluent families, professionals, business owners and institutions protect and expand wealth to achieve their security, lifestyle and legacy objectives. We take a holistic approach to solving complex financial problems by helping clients formulate goals, anticipate and manage risks, and develop viable solutions toward their personal, business and philanthropic objectives.

Kingfisher's comprehensive wealth advisory services are categorized into three offerings, and are described in detail below:

KingfisherINVEST
KingfisherWEALTH
KingfisherCONSULT

KingfisherINVEST

Asset Management Services

Kingfisher offers various equity, fixed income, and global asset allocation investment strategies. The strategies are implemented using common stocks, preferred stocks, bonds, mutual funds, exchange-traded funds, derivatives and/or other alternative investments (i.e. Real Estate Investment Trusts, Master Limited Partnerships, etc.) The strategies vary in risk from conservative to aggressive. Kingfisher also offers customized thematic and niche strategy portfolios.

This program is no longer offered to new clients or existing clients opening new accounts. The Kingfisher Manager Program is a wrap program sponsored by Kingfisher Capital. Kingfisher charges a single fee to clients in this program that includes most custody, trading, investment advisory fees and other expenses associated with management of the account. Kingfisher is also the portfolio manager for the accounts and clients may select any of the investment strategies described above. Kingfisher may choose to engage the services of a third-party manager to implement certain strategies within a client's overall portfolio, such as fixed income investments. Kingfisher will provide clients in this program using any third-party manager with a copy of the manager's Form ADV Part 2.

KingfisherWEALTH

Wealth Management Services

Kingfisher offers comprehensive Wealth Management to existing investment advisory clients. Wealth Management entails a thorough review of one or more aspects of a client's financial condition, which may include:

- Asset protection;
- Employee benefits;
- Education planning
- Investment management;
- Tax strategy and accounting services;
- Estate planning;
- Trust services;
- Business planning;
- Strategic philanthropy.

Kingfisher may recommend clients purchase certain insurance products. Kingfisher will receive compensation in the form of commissions or other remunerations for the sale of the products. This creates an incentive for Kingfisher to recommend insurance products based on the compensation received rather than on the client's needs. Clients are not required to implement any of these recommendations through Kingfisher.

Kingfisher maintains strategic relationships with professional service providers to offer Clients access to a network of attorneys, accountants, trust officers and business consultants. Kingfisher can provide Clients with access to its network of professionals or work with the Client's existing advisers.

401(k) Plan Services

Kingfisher offers small business owners access to a turnkey 401(k) platform developed and administered by Newport Group. Kingfisher conducts enrollment meetings and investment education meetings for employees. Employees electing to participate in the retirement plan have three options for investing their retirement assets:

1. Suite of Investment Choices

Kingfisher recommends a selection of funds that the plan sponsor offers as investment options to employees participating in the plan. The funds typically have low internal expenses and meet certain investment criteria that provide plan participants the opportunity to invest their retirement savings across multiple asset classes. Kingfisher monitors the plan's investment options at least annually and, if necessary, recommends any changes to the fund lineup.

2. Unified Managed Accounts

Kingfisher developed three portfolio models – Conservative, Balanced and Growth – with various risk profiles. Plan participants select the portfolio that best suits their

risk tolerance and long term goals. Kingfisher monitors the portfolios and notifies the plan administrator when changes to the models are warranted.

3. *Self-Directed Brokerage Accounts*

Plan participants have the ability to invest their retirement plan assets in stocks, bonds, exchange-traded funds, mutual funds and/or CDs through a brokerage account (subject to any investment limitations imposed by the plan sponsor). In rare cases, Kingfisher may agree to provide discretionary investment advisory services directly to a plan participant and manage their retirement account and/or other investment accounts according to the specific goals and objectives of the individual. These services are offered for a separate advisory fee and subject to the terms and conditions of an Investment Management Agreement.

KingfisherCONSULT

Kingfishers offers consulting services in areas beyond the typical investment advisory firm. We work with clients and their families to create personalized solutions exploring opportunities that are important to them.

- Strategic business planning
- Thematic investing
- Financial concerns related to women
- Transitioning to the next phase of life
- Selecting a retirement plan for small business
- Lending and credit services for personal or business
- Acquisition or sale of collectibles
- Lifestyle concierge services

Please refer to the Kingfisher website at www.kingfishercapital.com for more details about our KingfisherCONSULT offerings.

Investment Advice Specific to Retirement Account Rollovers

When we provide investment advice regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care (give prudent advice)
- Never put our financial interests ahead of our clients (give loyal advice)
- Avoid misleading statements about conflicts of interest, fees, and investments
- Follow policies and procedures designed to ensure that we give advice in client's best interest
- Charge no more than is reasonable for our services
- Give you basic information about our conflicts of interest.

Item 5 – Fees and Compensation

Asset Management Services

Clients pay Kingfisher a fee based on the value of assets in their account. Fees are charged quarterly in advance based on the value of the account on the last day of the previous quarter. While Kingfisher intends to charge fees in accordance with the standard fee schedule in place at the time of executing the portfolio management agreement, fees are subject to negotiation and may vary from the standard schedules to reflect circumstances that apply to a specific client account. The fee schedule, and any applicable terms and conditions, is stated in the client's portfolio management agreement.

Either party may terminate the portfolio management agreement upon 60 days' written notice to the other party. Upon termination, clients will be refunded all fees paid but unearned as of the date the 60-day notice period expires. Termination of the agreement will not affect the liabilities or obligations incurred or arising from transactions initiated under the agreement prior to the termination.

Clients may, but are not required to, grant Kingfisher the authority to debit advisory fees directly from the clients' accounts. If the client authorizes Kingfisher to debit fees, Kingfisher is deemed to have custody of the client's funds. Clients will receive a statement, usually monthly but no less than quarterly, directly from their account custodian. Kingfisher urges clients to review the information on the statement for accuracy and compare the information to any reports received directly from Kingfisher. Please refer to Item 15 of this document for additional disclosures relating to Custody.

Separate Account Management

The advisory fee charged by Kingfisher for Separate Account Management is as follows:

<u>Asset Value of the Account:</u>	<u>Annual Fee</u>
Up to \$1,000,000	1.50%
\$1,000,001 to \$3,000,000	1.15%
\$3,000,000 to \$5,000,000	1.00%
Greater than \$5,000,000	.80%

The advisory fee covers only the portfolio management and advisory services provided by Kingfisher and does not include brokerage commissions, trade away fees, prime broker fees, mark-up and mark-downs, exchange fees, dealer spreads or other costs associated with the purchase and sale of securities, custodian fees, transfer fees, wire fees, interest, taxes, or other account expenses. All fees paid to Kingfisher for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or in conjunction with internal expenses associated with exchange-traded funds. The client will be solely responsible, directly or indirectly, for these additional expenses. Kingfisher does not receive any portion of these additional fees. Refer to Item 12 for a detailed discussion of brokerage practices.

Kingfisher Manager Program

This program is no longer offered to new clients or existing clients opening new accounts. The advisory fee charged by Kingfisher for clients participating in the Kingfisher Manager Program is as follows:

<u>Asset Value of the Account:</u>	<u>Annual Fee</u>
Up to \$1,000,000	1.50%
\$1,000,001 to \$3,000,000	1.35%
\$3,000,000 to \$5,000,000	1.25%
Greater than \$5,000,000	.90%

In the Kingfisher Manager Program, the advisory fee covers portfolio management, advisory services, custodian fees, brokerage commissions, exchanges fees and other costs associated with the purchase and sale of securities when transactions are executed through the account custodian. Mark-ups, mark-downs and dealer spreads are also included as they are reflected in the price of the transaction. (Please refer to Item 12 – Brokerage Practices for exceptions to these practices and for more information on other fees that may be incurred in your account.) The fee does not include other fees such as account transfer fees, wire transfer fees, interest, taxes, or other account expenses. All fees paid to Kingfisher are separate and distinct from the fees and expenses charged by mutual funds or in conjunction with internal expenses associated with exchange-traded funds. The client will be solely responsible, directly or indirectly, for these additional expenses.

Clients participating in the Kingfisher Manager Program custodied at TD Ameritrade may be subject to additional fees for executing transactions at another broker (“trading away”). As discussed in detail in Item 12, Kingfisher believes that certain situations warrant incurring additional fees in exchange for better execution quality for the transaction, and that the client will benefit from the overall value of the transaction.

Current business practices of broker-dealers we use led to the reduction or elimination of many transaction charges. Commission costs for trading in certain types of securities have been reduced or eliminated which means Kingfisher retains a larger portion of the advisory fee we charge you. Kingfisher has no way of predicting how broker-dealers will assess transaction costs going forward. Future costs may be higher or lower. Kingfisher believes our wrap fee is fair and reasonable based on services we provide and the advice we deliver.

Wealth Management Services

Wealth Management Services are provided in conjunction with asset management services and are available to clients with a minimum of \$2,000,000. The fee schedule for Wealth Management Services is as follows:

<u>Asset Value of the Account:</u>	<u>Annual Fee</u>
Up to \$2,000,000	1.50%
\$2,000,001 to \$5,000,000	1.25%
\$5,000,001 to \$10,000,000	1.10%
\$10,000,001 to \$25,000,000	.90%

Greater than \$25,000,000

Negotiable

401(k) Plan Services

Fees for 401(k) plan setup, implementation, employee education, enrollment meetings, fund selection/monitoring and management of model portfolios is negotiated on a case-by-case basis. The fee is determined based on factors such as: current assets in plan; number of participants; estimated employee contributions; expected growth of plan assets; and any other services requested by the plan sponsor. Kingfisher's fee typically ranges from .25% to 1.00% per year of total plan assets. Newport Group charges the plan one fee (allocated pro rata across all plan participant accounts) that includes Newport Group's fee for plan administration, TD Ameritrade's fee for custodial and brokerage services as well as Kingfisher's fee for advisory services. 401(k) plan fees are calculated in arrears based on the value of the plan assets on the last day of the calendar quarter. TD Ameritrade remits the investment advisory fee to Kingfisher. Kingfisher does not bill these 401(k) plan accounts directly.

Fees paid to Kingfisher and TD Ameritrade by Newport Group are separate and distinct from the fees and expenses charged by mutual funds or in conjunction with internal expenses associated with exchange-traded funds. Plan participants will indirectly bear these additional expenses.

Financial Planning Services

Fees for Financial Planning Services are billed separately from investment management fees. Fees may be billed at a fixed rate based on the scope and terms of the project to be negotiated at the onset of the planning engagement.

The minimum fee for Financial Planning Services is \$3,000 and may range up to or above \$10,000. After the initial plan is complete, any subsequent services will be billed at an hourly rate not to exceed \$300 per hour. All fees for Financial Planning Services are discussed in detail in the Financial Planning Agreement. One half of the negotiated fee is due in advance with the remainder due upon completion of the Financial Plan. Fees for Financial Planning Services are generally not refundable.

KingfisherCONSULT Services

Fees for concierge services offered through KingfisherCONSULT are dependent on the nature and scope of services provided. Fees may be hourly, fixed or retainer-based. Fees attributable to these services (or an estimate in the case of an hourly rate) will be disclosed to the client in advance.

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

Kingfisher does not charge any performance-based fees.

Item 7 – Types of Clients

Kingfisher provides portfolio management services to high net worth individuals, trusts, estates, pension and profit-sharing plans, charitable institutions, foundations, endowments, corporations, and small businesses.

Kingfisher requires a minimum account value of \$1 million for investment advisory services, although this may be reduced or waived at Kingfisher's discretion. If Kingfisher chooses to accept an account below the stated minimum, the client may be subject to a minimum annual fee of \$3,500 per year.

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

Kingfisher's investment selection is a two-step process. First, Kingfisher employs a top-down approach to identify asset classes, sectors, industries, regions or countries that are expected to outperform the broad market based on the current position in the business cycle. Macroeconomic analysis focuses on "gravitational" themes to find investment opportunities originating from globalization, emerging technologies, population migration trends and resource constraints.

Secondly, Kingfisher then employs a bottom-up approach to identify individual investments based on fundamental research. This value-driven process seeks opportunities in overlooked or misunderstood securities, where catalysts for valuation change exist and entry points provide a margin of safety. Among the variables of attractive investments Kingfisher considers are quality of earnings, recurring and sustainable sales, free cash flow generation and a strong capital structure.

Investing in securities involves risk of loss that clients should be prepared to bear. Kingfisher uses its best judgment and good faith efforts in providing advisory services to clients. Kingfisher cannot warrant or guarantee any particular level of account performance, or that an account will be profitable over time. Not every investment decision or recommendation made by Kingfisher will be profitable. Investments in securities are subject to various market, currency, inflation, economic, political and business risks. Kingfisher attempts to minimize these risks by constructing diversified portfolios appropriate for the specific risk parameters of the investment strategy.

- **Market Risk:** Investments are subject to risk, including the possibility of a loss of principal. Fluctuations in the value of an investment may be caused by external factors independent of an investment's particular underlying circumstances.
- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Inflation Risk:** High inflation may adversely affect future purchasing power.

- **Currency Risk:** Foreign investments are subject to fluctuations in the value of the dollar versus the local currency where the investment is made.
- **Reinvestment Risk:** Reinvestment risk occurs when proceeds from an investment may be reinvested at lower prevailing rates.
- **Business Risk:** Business risks are associated with a particular industry or a particular company within an industry.
- **Liquidity Risk:** Liquidity risk occurs when there is a possibility an investment cannot be readily converted to cash.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Kingfisher may, at times, choose to invest a portion of client assets in Master Limited Partnerships ("MLPs"). MLPs are traded like equity securities on a national exchange; however, risks and other factors associated with investing in MLP are significantly different from investing in common stocks or bonds. MLPs are sometimes thinly-traded and may not be liquid or marketable once purchased. MLPs primarily invest in companies that produce and distribute energy and fuels, such as pipelines and other related infrastructure. These companies are affected by fluctuations in supply and demand; interest rates; special risk of constructing and operating facilities or installations; lack of control over pricing, merger and acquisition activity; and federal, state and local regulation. Such fluctuations may, among other things, increase the costs of doing business and limit the potential for growth.

MLPs themselves do not pay U.S. federal income tax at the partnership level. Each investor in an MLP will be issued a K-1 each year showing the allocation of income, gains, losses, deductions and expenses. Changes in tax law could adversely affect the amount of funds available for distribution by the partnership. Furthermore, the partnership could invest in companies that could subject a tax-exempt investor to unrelated business taxable income ("UBTI").

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Kingfisher or its management. Kingfisher has no disciplinary actions to disclose.

Item 10 – Other Financial Industry Activities and Affiliations

As discussed previously, Kingfisher may receive commissions from the sale of insurance products. Clients are not required to implement any recommendations through Kingfisher. Still, this creates an incentive for Kingfisher to recommend insurance products based on the compensation received rather than on the client's needs. Clients do not pay additional fees as a result of the sale of the products. Kingfisher is paid directly from the insurance company issuing the product.

Item 11 – Code of Ethics

Kingfisher adopted a Code of Ethics that sets forth a standard of conduct required by Kingfisher's supervised persons and requires compliance with applicable securities laws, including the Insider Trading and Securities Fraud Enforcement Act of 1988. An investment adviser's Code of Ethics requires certain employees (Access Persons) to report their personal securities holdings within ten days of being hired and annually thereafter, and are required to report securities transactions within thirty days of the end of each calendar quarter. The Chief Compliance Officer or other designated person reviews employee's personal investment activity to ensure employee trading activity does not conflict with advice provided to clients. A complete copy of Kingfisher's Code of Ethics is available to any client or prospective client upon request.

Kingfisher adopted policies and procedures imposing certain conditions and restrictions on transactions for the accounts of Kingfisher's employees. Kingfisher employees are permitted to make investments in securities that are also held in client portfolios, provided they conduct their personal trading in a manner that does not create a conflict of interest with a client, or otherwise take unfair advantage of the client relationship. Employees are required to obtain approval from the Chief Compliance Officer, or other designee, prior to executing trades for their own account in any private placement or initial public offering. Kingfisher employees are prohibited from taking action for personal benefit rather than for a client's benefit, and from using their knowledge of client transactions for personal profit.

Item 12 – Brokerage Practices

Obtaining best execution is an important aspect of every trade that we place in client accounts. Best execution can be described as seeking the most favorable terms for completing client transactions considering all relevant circumstances at the time. Kingfisher has a Best Execution Committee that provides oversight of our trading practices, including execution quality, soft dollars, directed brokerage, broker selection, and trade aggregation. The goal of the Best Execution Committee is to take a best practices approach to trading principals to ensure transactions are executed in a manner that is most beneficial to our clients.

When selecting broker-dealers to execute client transactions, Kingfisher will seek the best combination of price and execution for a particular transaction. Kingfisher evaluates the services provided by broker-dealers and may consider, among other things:

- Reliability, efficiency and overall quality of service provided;
- Transaction costs;
- Specialization in a particular market;
- Liquidity provided;
- Online services;
- Value of any investment research provided;
- Financial condition;
- Integrity and reputation;
- Error resolution.

Section 28(e) of the Securities Exchange Act permits advisers to use soft dollars, whereas a portion of client commissions is used to purchase research and brokerage services that assist the adviser in managing client accounts. The types of eligible research includes, but is not limited to: research reports on companies, industries and sectors; economic and financial data; financial publications; market data and quotations services; asset allocation; and portfolio analytics. Any client account may participate in soft dollar transactions, including separate accounts and wrap accounts.

Kingfisher typically executes client transactions through the broker that also serves as custodian for the account. In some cases, Kingfisher may determine that trading through another broker (“trading away”) may provide clients with better overall execution quality than by trading directly with the custodian. Trading away is often beneficial when trading fixed income securities, since brokers specializing in bonds have larger inventories, better access to specific bonds and more advantageous pricing. Also, when executing large blocks of thinly-traded stocks or ETFs, execution quality may be improved by trading with a specialist in that market.

Trading away may cause the client to incur additional fees from the executing broker and/or the custodian. Kingfisher believes that any additional fees (including trade-away fees, brokerage commissions, soft dollar commissions, mark-ups, spreads, etc.) are offset by the benefit gained from trading away due to the potential for improvement in execution price. Kingfisher’s Best Execution Committee reviews the trading practices to ensure its trade away practices continue to benefit client accounts.

Clients have the opportunity to select the custodian and/or broker-dealer of their choice. However, Kingfisher recommends clients utilize the custodial and brokerage services of Charles Schwab & Co. through the firm’s institutional adviser platform program, in which Kingfisher participates. Schwab is an SEC-registered, FINRA/SIPC/NFA member broker-dealer and is not affiliated with Kingfisher. While these benefits create a potential conflict of interest on behalf of Kingfisher, there is no direct link between Kingfisher’s participation in

the platform and the advice it gives to clients. The reason for this preference includes, but is not limited to: discounted commission rates; dedicated trading and/or client service personnel; availability of no load, no transaction fee, load-waved and institutional class mutual funds; access to electronic and/or block trading; daily transaction download and reconciliation files; discounts on compliance, marketing, research, technology and practice management products and services provided by third party vendors; and familiarity of our staff with their operational procedures. While the receipt of these economic benefits - which are not typically available to the custodians' retail customers - creates a potential conflict of interest, there is no direct link between Kingfisher's participation in the platform and the advice it gives to clients and does not depend on the amount of brokerage transactions directed to these custodians. Not all investment advisers require clients to use the services of a particular broker-dealer or custodian. Therefore, by directing brokerage, clients may not receive best execution on transactions and may incur higher costs.

Clients may request that their account be held at a custodian – and transactions executed at a broker-dealer – other than one recommended by Kingfisher. In such cases, the client understands that Kingfisher may not be able to negotiate the best available execution. As a result, transactions in accounts directed by the client to a particular broker-dealer may result in less favorable net prices than would be the case if Kingfisher were authorized to choose the brokers or dealers through which to execute transactions for the client's account. Furthermore, transactions directed by the client may be executed after transactions for accounts where Kingfisher determines the broker-dealer to execute the trades. To the extent that directed brokerage is the result of a wrap-fee arrangement, clients will generally receive best execution through the wrap program sponsor since the fees paid by the client already include commissions and other related costs.

Kingfisher may choose to, but is not required to, aggregate client purchase and sale orders of securities with those of other clients if, in Kingfisher's judgment, aggregation is reasonably likely to result in an overall economic benefit to clients participating in the trade. Clients participating in an aggregated order will receive the average price of all transactions executed on a pro rata basis. If an order is partially filled, shares will be allocated pro rata based on the client's initial participation in the transaction. To the extent that the limited availability of a security would result in a de minimis allocation, Kingfisher may exclude one or more accounts from participating in the order and/or select an alternative allocation method provided that such method is fair and equitable to all client accounts over time.

Item 13 – Review of Accounts

Strategies are reviewed by portfolio managers and/or other senior officers. Clients' asset allocation and performance reviews are conducted no less than quarterly. These reviews ensure that client accounts are invested according to their overall agreed upon asset allocation. Additional reviews may occur more frequently due to such factors as inflows to or outflows from an account, significant market movements, economic or political events, or other factors as deemed necessary.

Clients will receive a monthly statement from their custodian, which includes an inventory of holdings and a detailed listing of all transactions. Kingfisher may provide additional reports to clients upon request.

Item 14 – Client Referrals and Other Compensation

Kingfisher has access to free or discounted research materials from broker-dealers and/or third-party providers in exchange for recommending clients use the custodial services of various broker-dealers, namely, TD Ameritrade and Schwab. These broker-dealers may provide free industry information that does not qualify as research, such as newsletter or other publications pertaining to compliance, marketing, practice management, etc. In addition, events such as workshops or conferences may be available at reduced cost or no cost. These benefits are not provided on the basis of client transactions. Under no circumstances do any clients pay additional fees or commissions in order to obtain these products or services.

Item 15 – Custody

Kingfisher is deemed to have custody of client funds because investment advisory fees are directly debited from client accounts. Debiting of fees is done pursuant to authorization provided by each client. Usually monthly, but no less than quarterly, clients receive account statements directly from the custodian of their account. Custodial statements include account holdings, market values and any activity that occurred during the period, including the deduction of investment advisory fees. Kingfisher urges clients to compare information contained in reports provided by Kingfisher with the account statements received directly from the account custodian. Differences in portfolio value may occur due to various factors, including but not limited to: (1) unsettled trades; (2) accrued income; (3) pricing of securities; and, (4) dividends earned but not received.

Kingfisher is also deemed to have custody of client assets as a result of clients authorizing Kingfisher to distribute assets from their accounts to a specific named recipient in accordance with a standing letter of instruction. Kingfisher intends to comply with the SEC No-Action Letter dated February 21, 2017 (Investment Adviser Association) allowing firms who comply with all of the provisions of the no-action letter to forego the annual surprise custody examination with respect to those assets.

Kingfisher is also deemed to have custody of client assets by servicing as co-trustee for a client's trust. Kingfisher is currently in the process of terminating their role as co-trustee for that trust. In order to protect client assets and comply with the rules and regulations related to custody, Kingfisher engages the services of an independent CPA firm to conduct an annual audit of the accounts that Kingfisher has custody.

Item 16 – Investment Discretion

Kingfisher manages client portfolios on a discretionary basis. Clients grant Kingfisher discretion over their account by providing authorization in the advisory agreement. This authorization gives Kingfisher the authority to determine, without first obtaining specific client consent, the securities to be bought or sold, the amount of the securities to be bought or sold, the broker/dealer used for execution of client transaction, and the commission rate paid by the client. When managing client accounts, investment discretion is limited only by specific instructions, guidelines and/or mandates provided by clients in writing and to which Kingfisher agrees.

On a limited basis, Kingfisher may enter into a non-discretionary investment advisory arrangement, which would involve giving recommendations only that the client can choose to accept, reject or modify.

Item 17 – Voting Client Securities

Kingfisher may choose to, but is not required to, vote proxies on a client's behalf. Clients that retain proxy-voting responsibilities will receive all issuer communications directly from their custodian.

In the event Kingfisher accepts responsibility for proxy voting, Kingfisher will vote in a manner it believes is in the best interests of clients. The purpose of each voting decision is to maximize the economic value of the client's investment. Kingfisher may vote against management on specific issues, which are deemed to impair shareholder rights or value. Guidelines may be developed to cover routine issues such as board of director nominations, shareholder rights, ratification of auditor, social responsibility, etc. Other issues, such as executive compensation, capitalization and corporate reorganizations are considered on a case-by-case basis in light of relevant facts and circumstances.

Kingfisher engages a third party proxy service vendor specializing in proxy administration and vote recommendations. In addition to offering services to investment advisers, proxy service vendors also provide other services to banks, broker-dealers, other market participants as well as the corporate issuers for whom they recommend to us how to vote. This presents a conflict of interest if the vote recommendation goes against the preferences of the Board of Directors of an issuer that uses the proxy vendor for other corporate governance services. We require that our vendors have policies and procedures in place to mitigate or disclose the nature of any conflicts of interest. In the event that a conflict cannot be mitigated to our satisfaction, Kingfisher always has the ability to override the recommendation of our service provider.

In situations where a conflict of interest arises between Kingfisher and a client with respect to a particular security or a specific issue on the proxy ballot, the conflict of interest will be disclosed to the client and the client may direct Kingfisher how to cast the vote.

A report summarizing each corporate issue and corresponding proxy vote is available to clients upon request by contacting HK Hallett at hk@kingfishercapital.com.

Item 18 – Financial Information

Registered investment advisers are required to provide certain financial information or disclosures about their financial condition. Kingfisher has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to its clients and has not been the subject of any bankruptcy proceeding.