



**Trilogy Capital, Inc.**  
2601 Main Street, Suite 100  
Irvine, CA 92614  
(714) 843-9977 – Phone  
(714) 845-2989 - Fax

Part 2A Brochure

October 31, 2023

This brochure provides information about the qualifications and business practices of Trilogy Capital, Inc. If you have any questions about the contents of this brochure, please contact us at (714) 843-9977. 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. Trilogy Capital is a Registered Investment Advisor. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Additional information about Trilogy Capital, Inc. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Trilogy Capital, Inc. is 281597.

---

## ITEM 2 – MATERIAL CHANGES

---

### **Summary of Material Changes**

This section of the Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Since the last annual update to the Form ADV Part 2A dated February 22, 2023, Trilogy has made the following material updates to its Firm Disclosure Brochure:

- Updated language in the Brochure to reflect the transition from TD Ameritrade to Charles Schwab throughout the document.
- Added language Under Item 5 to clarify billing on Margin balances.

If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact our Chief Compliance Officer June Adams at (714) 843-9977 x1191 or [june.adams@trilogyfs.com](mailto:june.adams@trilogyfs.com). We encourage you to read this document in its entirety.

---

### 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	13
ITEM 6 - PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT	18
ITEM 7 - TYPES OF CLIENTS	18
ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	18
ITEM 9 - DISCIPLINARY INFORMATION	23
ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	23
ITEM 11 - CODE OF ETHICS PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	26
ITEM 12 - BROKERAGE PRACTICES	27
ITEM 13 - REVIEW OF ACCOUNTS	33
ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION	34
ITEM 15 - CUSTODY	36
ITEM 16 - INVESTMENT DISCRETION	37
ITEM 17 - VOTING CLIENT SECURITIES	37
ITEM 18 - FINANCIAL INFORMATION	38

---

## ITEM 4 – ADVISORY BUSINESS

---

This disclosure document is being offered to you by Trilogy Capital, Inc. (“Trilogy”) in connection with the investment advisory services we provide. It discloses information about the services that we provide and the manner in which those services are made available to you, the client.

We are an investment management firm with locations in Arizona, California, Colorado, and Massachusetts. Our main headquarters is in Irvine, CA. We specialize in investment advisory services for high-net-worth individuals, families, trusts, estates, and profit-sharing plans. The firm was established by Jeff Motske, the firm’s principal owner, in 2015.

Our firm offers its services under the business name of Trilogy Financial. Our IARs will use this name and logo for marketing purposes and Trilogy Financial may appear on marketing materials or client statements. The Client should understand that Trilogy Financial is an affiliated entity of Trilogy Capital. The Investment Advisor Representatives (“IARs”) are under the supervision of Trilogy Capital and the advisory services of the IARs are provided through Trilogy Capital.

We are committed to helping clients build, manage, and preserve their wealth, and to providing assistance that helps clients to achieve their stated financial goals. We may offer an initial complimentary meeting upon our discretion; however, investment advisory services are initiated only after you and Trilogy execute an engagement letter or client agreement.

### **Investment Management and Supervision Services**

We offer discretionary and non-discretionary investment management and investment supervisory services for a fee based on a percentage of your assets under management. The discretionary investment management services include investment analysis, allocation of investments, quarterly portfolio statements, financial commentaries, and ongoing monitoring of client portfolios.

We determine your portfolio composition based on your needs, your portfolio restrictions, if any, your financial goals and your risk tolerances. We will work with you to obtain necessary information regarding your financial condition, investment objectives, liquidity requirements, risk tolerance, time horizons, and any restrictions on investing. This information enables us to determine the portfolio best suited for your investment objective and needs.

In performing our services, we shall not be required to verify any information received from you or from other professionals. We may recommend and/or engage the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional.

We will rebalance the portfolio, as we deem appropriate, to meet your financial objectives. For discretionary accounts, we will trade these portfolios and rebalance them on a discretionary basis based on our market views and on your investment objectives, using our investment philosophy and process as outlined in Item 8 in this Brochure. We tailor our advisory services to meet the needs of our clients and seek to ensure that client portfolios are managed in a manner consistent with those financial needs and investment objectives.

We do have limited authority to direct the Custodian to deduct our investment advisory fees from your accounts, but only with the appropriate authorization by you on our Discretionary Investment Management Agreement and the Custodian paperwork.

You are advised and are expected to understand that our past performance is not a guarantee of future results. Certain market and economic risks exist that may adversely affect an account’s performance. This could result in capital losses in your account.

There may be times a non-discretionary account relationship exists with our firm. In these circumstances, the client may call in to facilitate a trade on their account. Our Advisors will assist in facilitating the transaction on behalf of the client but we do not have continuous or supervisory oversight on such accounts and do not bill advisory fees for such relationships. The custodian charges additional fees such as transaction costs, custodial fees, redemption fees, retirement plan and administrative fees or commissions.

### **Coach – “Financial Coaching”**

As an additional service to our investment management services described above, Trilogy provides financial consulting services (“Coaching & Advanced Planning”) based on the information provided by you regarding your individual financial objectives, needs and circumstances. The specific services to be provided are disclosed in the Coach Agreement but includes financial guidance for you with a focus on budgeting, tax strategies, education, and retirement planning. Services may include preparation of a comprehensive financial plan document and analysis with specific investment and/or planning recommendations, and an annual financial plan update. Our recommendations are based on the information you provide us; therefore, the completeness and accuracy of the information provided to us is essential. You agree to discuss with us your current financial resources and projected needs, and to provide copies of any financial documents that we may reasonably request as necessary to evaluate your financial circumstances and provide consulting services. You may choose to have us review and update the consulting recommendations annually or more frequently to adjust for changes in your financial situation or investment objectives. The recommendations should be reviewed and updated as necessary.

If agreed to by the Client under our Advanced Planning services, our Firm will provide a comprehensive financial plan. We will address any or all of the six areas of financial planning established by the National Endowment for Financial Education and endorsed by the Certified Financial Planner Board of Standards, depending on your specific needs. These may include: financial position, protection planning, investment planning, income tax planning, retirement planning, and estate planning.

Our specific services in preparing your Advanced Planning Written Plan may include:

- Review and clarification of your financial goals.
- Assessment of your overall financial position including cash flow, balance sheet, investment strategy, risk management and estate planning.
- Creation of a unique plan for each goal you have including personal and business real estate, education, retirement or financial independence, charitable giving, estate planning, business succession and other personal goals.
- Development of a goal-oriented investment plan around tax suggestions, asset allocation, expenses, risk, and liquidity factors for each goal. This includes IRA and qualified plans, taxable and trust accounts that require special attention.
- Design of a risk management plan including risk tolerance, risk avoidance, mitigation, and transfer, including liquidity as well as various insurance and possible company benefits.
- Crafting and implementation of, in conjunction with your estate and/or corporate attorneys as tax advisor, an estate plan to provide for you and/or your heirs in the event of an incapacity or death.
- Generation of a benefits plan, risk management plan and succession plan for your business, if applicable.

The fees and services for investment management and Coaching services are separate and distinct of each other. When engaging in Investment Management and Coaching services, clients enter into separate Agreements outlining each of the services and advisory/consulting fees.

When both investment management or plan implementation and Coaching services are offered, there is a conflict of interest since there is an incentive for us to recommend products or services for which Trilogy Capital receives compensation. However, Trilogy Capital will make all recommendations independent of such considerations and based solely on our obligations to consider your investment objectives and financial needs. As a Coach client, you have the right not to act upon any of our recommendations and not effect the transaction(s) through us if you decide to follow the investment recommendations.

### **General Consulting Services**

We also provide general consulting services to clients which provide investment advice on a more-limited basis on one-or-more isolated areas of concern such as estate planning, retirement planning, or any other specific topic. Additionally, we may provide consulting on non-securities matters in connection with the rendering of estate planning, insurance, and/or annuity contracts. In these cases, you may be required to select your own investment managers, broker-dealer and/or insurance companies for the implementation of consulting recommendations. If your needs include brokerage and/or other financial services, we may recommend the use of one of several investment managers, brokers, banks, custodians, insurance companies or other financial professionals ("Firms"). You must independently evaluate these Firms before opening an account or transacting business and have the right to effect business through any firm you choose. You are under no obligation to follow the consulting advice that we provide.

### **Types of Retirement Plan Services**

Our Firm offers (1) Discretionary Investment Management Services, (2) Non-Discretionary Investment Advisory Services and/or (3) Retirement Plan Consulting Services to employer-sponsored retirement plans and their participants. Depending on the type of Plan and the specific arrangement with the Sponsor, we may provide one or more of these services. Prior to being engaged by the Sponsor, we will provide a copy of this Form ADV Part 2A along with a copy of our Privacy Policy and Plan Sponsor Investment Management Agreement ("Agreement") that contains the information required under Sec. 408(b)(2) of the Employee Retirement Income Security Act ("ERISA") as applicable.

The Agreement authorizes our Investment Advisor Representatives ("IARs") to deliver one or more of the following services:

### **Discretionary Investment Management Services**

These services are designed to allow the Plan fiduciary to delegate responsibility for managing, acquiring and disposing of Plan assets that meet the requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"). We will perform these investment management services through our IARs and charge fees as described in this Form ADV and the Agreement. If the Plan is subject to ERISA, we will perform these services as an "investment manager" as defined under ERISA Section 3(38) and as a "fiduciary" to the Plan as defined under ERISA Section 3(21). Specifically, the Sponsor may determine that we perform the following services:

#### **SELECTION, MONITORING & REPLACEMENT OF DESIGNATED INVESTMENT ALTERNATIVES ("DIAs")**

Our Firm will review with Sponsor the investment objectives, risk tolerance and goals of the Plan and provide to Sponsor an IPS that contains criteria from which we will select, monitor and replace the Plan's DIAs. Once approved by Sponsor, our Firm will review the investment options available to the Plan and will select the Plan's DIAs in accordance with the criteria set forth in the IPS. On a periodic basis, we will monitor and evaluate the DIAs and replace any DIA(s) that no longer meet the IPS criteria.

## **SELECTION, MONITORING & REPLACEMENT OF QUALIFIED DEFAULT INVESTMENT ALTERNATIVES ("QDIA(s)")**

Based upon the options available to the Plan, our Firm will select, monitor and replace the Plan's QDIA(s) in accordance with the IPS.

## **MANAGEMENT OF TRUST FUND**

We will review with Sponsor the investment objectives, risk tolerance and goals of the Plan and provide to Sponsor an IPS that contains criteria from which our Firm will select, monitor and replace the Plan's investments. Once approved by Sponsor, we will review the investment options available to the Plan and will select the Plan's investments in accordance with the criteria set forth in the IPS. On a periodic basis, our Firm will monitor and evaluate the investments and replace any investment(s) that no longer meet the IPS criteria.

## **Non-Discretionary Investment Management Services**

These services are designed to allow the Sponsor to retain full discretionary authority or control over assets of the Plan. We will solely be making recommendations to the Sponsor. We will perform these Non-Discretionary investment advisory services through our IARs and charge fees as described in this Form ADV and the Agreement. If the Plan is covered by ERISA, we will perform these investment advisory services to the Plan as a "fiduciary" defined under ERISA Section 3(21). The Sponsor may engage us to perform one or more of the following Non-Discretionary investment advisory services:

### **INVESTMENT POLICY STATEMENT ("IPS")**

Our Firm will review with Sponsor the investment objectives, risk tolerance and goals of the Plan. If the Plan does not have an IPS, we will provide recommendations to Sponsor to assist with establishing an IPS. If the Plan has an existing IPS, our Firm will review it for consistency with the Plan's objectives. If the IPS does not represent the objectives of the Plan, we will recommend to Sponsor revisions to align the IPS with the Plan's objectives.

### **ADVICE REGARDING DESIGNATED INVESTMENT ALTERNATIVES ("DIAs")**

Based on the Plan's IPS or other guidelines established by the Plan, our Firm will review the investment options available to the Plan and will make recommendations to assist Sponsor with selecting DIAs to be offered to Plan participants. Once Sponsor selects the DIAs, we will, on a periodic basis and/or upon reasonable request, provide reports and information to assist Sponsor with monitoring the DIAs. If a DIA is required to be removed, our Firm will provide recommendations to assist Sponsor with replacing the DIA.

### **ADVICE REGARDING QUALIFIED DEFAULT INVESTMENT ALTERNATIVE ("QDIA(s)")**

Based on the Plan's IPS or other guidelines established by the Plan, our Firm will review the investment options available to the Plan and will make recommendations to assist Sponsor with selecting or replacing the Plan's QDIA(s).

## **PARTICIPANT INVESTMENT ADVICE**

Our Firm will meet with Plan participants, upon reasonable request, to collect information necessary to identify the Plan participant's investment objectives, risk tolerance, time horizon, etc. We will provide written recommendations to assist the Plan participant with creating a portfolio using the Plan's DIAs or Models, if available. The Plan participant retains sole discretion over the investment of his/her account.

## **ADVICE REGARDING INVESTMENT OF TRUST FUND**

Based on the Plan's IPS, our Firm will review the investment options available to the Plan and will make recommendations to assist Sponsor with selecting investments that meet the IPS criteria. Once Sponsor selects the investment(s), we will, on a periodic basis and/or upon reasonable request, provide reports and information to assist Sponsor with monitoring the

investment(s). If the IPS criteria require any investment(s) to be replaced, our Firm will provide recommendations to assist Sponsor with replacing the investment(s).

### **Retirement Plan Consulting Services**

Retirement Plan Consulting Services are designed to allow our IARs to assist the Sponsor in meeting his/her fiduciary duties to administer the Plan in the best interests of Plan participants and their beneficiaries. Retirement Plan Consulting Services are performed so that they would not be considered "investment advice" under ERISA. The Sponsor may elect for our IARs to assist with any of the following services:

<b>ADMINISTRATIVE SUPPORT</b>
✓ Assist Sponsor in reviewing objectives and options available through the Plan
✓ Review Plan committee structure and administrative policies/procedures
✓ Recommend Plan participant education and communication policies under ERISA 404(c)
✓ Assist with development/maintenance of fiduciary audit file and document retention policies
✓ Deliver fiduciary training and/or education periodically or upon reasonable request
✓ Recommend procedures for responding to Plan participant requests
<b>SERVICE PROVIDER SUPPORT</b>
✓ Assist fiduciaries with a process to select, monitor and replace service providers
✓ Assist fiduciaries with review of Covered Service Providers ("CSP") and fee benchmarking
✓ Provide reports and/or information designed to assist fiduciaries with monitoring CSPs
✓ Coordinate and assist with CSP replacement and conversion
<b>INVESTMENT MONITORING SUPPORT</b>
✓ Periodic review of investment policy in the context of Plan objectives
✓ Assist the Plan committee with monitoring investment performance
✓ Educate Plan committee members, as needed, regarding replacement of DIA(s) and/or QDIA(s)
<b>PARTICIPANT SERVICES</b>
✓ Facilitate group enrollment meetings and coordinate investment education
✓ Assist Plan participants with financial wellness education, retirement planning and/or gap analysis

### **Potential Additional Retirement Services Provided Outside of the Agreement**

We and our IARs, in the course of providing Retirement Plan Services or otherwise, may establish a client relationship with one or more plan participants or beneficiaries. Such client relationships develop in various ways, including, without limitation:

- as a result of a decision by the plan participant or beneficiary to purchase services from us not involving the use of plan assets;
- as part of an individual or family financial plan for which any specific recommendations concerning the allocation of assets or investment recommendations relating to assets held outside of a plan; or
- through a rollover of an Individual Retirement Account ("IRA Rollover").

In providing these optional services, we may offer employers and employees information on other financial and retirement products or services offered by us and our IARs. If we are providing Retirement



Plan Services to a plan, IARs may, when requested by a participant or beneficiary, arrange to provide services to that participant or beneficiary through a separate agreement.

When a participant requests assistance with an IRA Rollover from his/her plan to an account advised or managed by us, we will have a conflict of interest if our fees are reasonably expected to be higher than those we would otherwise receive in connection with the Retirement Plan Services. For participants invested in plans which we do not advise, we also have a conflict of interest given that we may not earn any compensation if they remain invested in their current plan. We will disclose relevant information about the applicable fees charged by us prior to opening an IRA account. Any decision to affect the rollover or about what to do with the rollover assets remain that of the plan participant or beneficiary alone.

### **Use of Sub-Advisors**

Factors we will consider in recommending a particular sub-advisor include, but are not limited to, the client's stated investment objectives, management style, independence, stature of the custodian utilized by the sub-advisor, performance, philosophy, financial strength, continuation of management, client service, reporting, commitment to a particular investment mandate, fees, trading efficiency, and research.

We provide investment advice, recommendations and utilize the investment strategies of Outside Investment Managers ("Managers") through a sub-adviser relationship. Selected Managers are evaluated by us for use in a client's account. Managers selected by us may offer multiple strategies. Some of these strategies include the use of ESG criteria to build investment offerings. There are inherent risks involved in ESG investing. Please see Item 8 for details. Please inquire for additional information if interested in investing in these types of strategies. Our Firm will monitor Managers to ensure that it adheres to the philosophy and investment style for which it was selected and to ensure that its performance, portfolio strategies, and management remain aligned with the client's overall investment goals and objectives. We will retain discretionary authority to hire and fire the Manager. Our ongoing review includes, but is not limited to, assessment of the Manager's disclosure brochure, performance information, materials, personnel turnover, and regulatory events.

When we engage a Manager to invest a separately managed account ("SMA"), the SMA will be traded by either the Manager (externally-traded) or by our Firm (internally-traded). In both cases, all research, investment selections and portfolio decisions are the responsibility of the Manager, not by our Firm. Performance reporting may be provided by the Manager.

Our Firm has entered into agreements with various independent Managers. Under these agreements, we offer clients various types of programs sponsored by these Managers. All third-party Managers to whom we will refer or engage for clients will be licensed as registered investment advisors by their resident state and any applicable jurisdictions or registered investment advisors with the U.S. Securities and Exchange Commission ("SEC").

Through our Discretionary Investment Management Agreement, the Client grants Trilogy Capital authority to utilize a sub-advisor. Trilogy Capital receives no compensation or additional benefits from the Manager related to this arrangement. Our Firm, in conjunction with the Manager, will continue to provide advisory services to the Client for the ongoing monitoring, review, and reporting of the overall account performance.

Third-party managed programs generally have account minimum requirements that will vary from investment advisor to investment advisor. A complete description of the Manager's services, fee schedules and account minimums will be disclosed in the Manager's Form ADV or similar Disclosure

Brochure which will be provided to clients at the time an agreement for services is executed and account is established.

### **LPL Financial Sponsored Advisory Programs**

We may provide advisory services through certain programs sponsored by LPL Financial LLC (LPL), a registered investment advisor and broker-dealer. Below is a brief description of each LPL advisory program available to our Firm. For more information regarding the LPL programs, including more information on the advisory services and fees that apply, the types of investments available in the programs and the potential conflicts of interest presented by the programs please see the program account packet (which includes the account agreement and LPL Form ADV program brochure) and the Form ADV, Part 2A of LPL or the applicable program.

### **Model Wealth Portfolios Program (MWP)**

MWP offers clients a professionally managed mutual fund asset allocation program. Our Firm will obtain the necessary financial data from the client, assist the client in determining the suitability of the MWP program and assist the client in setting an appropriate investment objective. We will initiate the steps necessary to open an MWP account and have discretion to select a model portfolio designed by LPL's Research Department consistent with the client's stated investment objective. LPL's Research Department or third-party portfolio strategists are responsible for selecting the mutual funds or ETFs within a model portfolio and for making changes to the mutual funds or ETFs selected.

The client will authorize LPL to act on a discretionary basis to purchase and sell mutual funds and ETFs and to liquidate previously purchased securities. The client will also authorize LPL to effect rebalancing for MWP accounts.

MWP requires a minimum asset value for a program account to be managed. The minimums vary depending on the portfolio(s) selected and the account's allocation amongst portfolios. The lowest minimum for a portfolio is \$25,000. In certain instances, a lower minimum for a portfolio is permitted.

### **Wrap Fee Program**

Trilogy Capital is the sponsor and manager of the Trilogy Capital Wrap Program (the "Program"), a wrap fee program (i.e., an arrangement where brokerage commissions and transaction costs are absorbed by the Firm). The fee covers transaction costs or commissions resulting from the management of your accounts, however, most investments trade without transaction fees today, so our payment of these and other incidental custodial related expenses should not be considered a significant factor in determining the relative value of our wrap program. Participants in the Program may pay a higher aggregate fee than if brokerage services are purchased separately. Additional information about the Program is available in Trilogy Capital's Wrap Brochure, which appears as Part 2A Appendix 1 of the Firm's Form ADV. We adhere to our fiduciary duty when trading in your accounts. Trades are made only on the basis of the account's stated investment objectives, and without concern to the firm's trading costs and firm's expenses that trading the accounts will create. In order to mitigate this conflict of interest, we will fulfill our fiduciary duty by acting in the client's best interest.

All advisory accounts at LPL Financial are in our Wrap Fee Program. Clients will receive investment advisory services, the execution of securities brokerage transactions, custody, and reporting services for a single specified fee. The terms and conditions of a wrap program engagement are more fully discussed in LPL's Disclosure Brochure provided to prior to opening your account. The "wrap" fee program at LPL may be more or less than the fees and commissions charged by other advisory firms, third-party managers, and brokerage firms if the services were acquired separately. The factors that bear upon the cost of services are the size of the account, type of transaction and whether trades are placed through a brokerage firm other than the custodian resulting in per trade commissions being charged.

## IRA Rollover Considerations

If you have an employer-sponsored retirement plan, you have several choices as to what to do with your assets when you retire or separate from employment. As part of our consulting and advisory services, we may offer you recommendations or education only concerning your employer retirement plan or other qualified retirement account. Our recommendations may include you consider withdrawing the assets from your employer's retirement plan or other qualified retirement account and roll the assets over to an individual retirement account ("IRA"). Further, we offer our management services be applied to those funds and securities rolled into an IRA or other account for which we will receive compensation. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset-based fee as described in our Firm's ADV Part 2A Brochure and Form CRS. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee-based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Furthermore, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by us. It is important for you to understand many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should, among other factors, consider impacts relating to costs and fees, available investments, services provided, simplicity and convenience, required minimum distributions, and early distribution penalties.

An employee will typically have four options:

1. Leave the funds in your existing employer plan.
2. Move the funds to a new employer plan.
3. Take a lump-sum distribution.
4. Roll the funds over to an IRA account.

You should carefully weigh the advantages and disadvantages of each option, including any applicable fees and all features of each option before making your decision. You should also consult your tax and/or legal advisor to determine any applicable tax consequences. Your financial advisor can provide you with information you need to consult with your tax and/or legal advisor and make the appropriate decisions to meet your specific needs, but it is ultimately your decision as to which option is best for you. The following are general factors that you should consider when making your decision.

1. If you keep your assets in certain types of employer-sponsored plans [e.g., 401(a) or 401(k)], consider:
  - *Tax Deferral*. Your money can continue to grow tax deferred within the plan.
  - *Additional Withdrawal Allowances*. There is no federal tax penalty for withdrawals if you are age 59 ½ or separated from employment during or after the calendar year in which you reach age 55.
  - *Low-Cost Investment Options/Investment Strategy*. You may have access to lower priced mutual funds or special products that are not available in an IRA, such as company stock, fixed annuity contracts or stable value options. Your current plan may offer model portfolio options at no additional cost.
  - *No Asset Management Services*. It is likely you will not be charged a management fee and will not receive ongoing asset management services or advice unless you elect to have such services. In the event your plan offers asset management or model portfolio management, there may be a fee associated with the service that is more or less than our asset management fee.
  - *Protection from Creditors*. Assets in a retirement savings plan such as a 401(k) or 403(b) are generally protected from creditors and legal judgments, while assets in IRAs receive more limited protections from creditors.

- *Deferral of Required Minimum Distributions (RMD's)*. Your employer-sponsored retirement plan may offer this feature if you are currently working for the sponsoring employer and are over age 72.
  - *Availability of Company Stock as an Investment Option*. If you hold company stock in your former employer's plan, you should consider the impact of net unrealized appreciation.
  - *Outstanding Loan Balances*. If you leave your employment, you may be able to continue repaying any outstanding loan. Alternatively, you may be required to repay the loan in full or have it become taxable. (Consult with the Plan's Administrator to determine the consequences of any outstanding plan loan.)
  - *Subject to Plan Limitations*. Accounts of inactive or retired participants may have limitations, such as restrictions on plan loans. The employer might change plans or plan provisions in the future. You can no longer make contributions to the plan.
  - *Plan Advice and Service*. Your Plan may allow you to hire us as the manager and keep the assets titled in the plan and/or your current plan may offer financial advice or guidance at no additional costs.
2. If you rollover assets into another employer-sponsored plan, consider:
- *Tax Deferral / Additional Withdrawal Allowances / Low-Cost Investment Options / Protection from Creditors / RMD Deferrals*. Like keeping your assets in your existing employer-sponsored plan, if you move your assets into new employer's retirement plan, you may likely receive similar benefits such as these, as noted above.
  - *Consolidation of Retirement Accounts*. It may be easier to track your assets and manage your retirement plan accounts with all your money in one place.
  - *Plan Limitation on Accepting Rollover Assets*. You must check with the receiving employer-sponsored plan to confirm that it is willing to accept rollovers.
  - *Possible Limitations on Access to Funds Rolled into Plan*. Check with the receiving employer-sponsored plan to confirm that the plan does not impose any restrictions on your ability to access or withdraw funds rolled into the plan.
3. If you take a lump-sum distribution, consider:
- *Withdrawals May be Subject to Withholding, Taxes, Penalties and Other Charges*. If you are under the age 59½, the withdrawal will be subject to mandatory tax withholding as well as applicable tax penalties for early withdrawal. Note, there are limited exceptions to the penalty tax (e.g., payments made to you after you separate from service if you are age 55 or over in the year in which you separate). Note also that the penalty tax does not apply to distributions from a governmental 457(b) plan. You may also be subject to surrender charges or penalties assessed under the terms of the applicable investment.
4. If you rollover assets into an IRA from an employer-sponsored plan, consider:
- *Tax Deferral*. Your money can continue to grow tax deferred. No taxes or penalties are applicable for direct rollovers of pre-tax contributions to traditional IRAs or direct rollovers of Roth contributions to Roth IRAs.
  - *More Investment Options*. IRAs generally allow for a broader range of investment options, which include mutual funds, exchange-traded funds, stocks and bonds.
  - *Asset Management and Additional Services*. You should understand the asset management programs and various services we offer and you might take advantage of and the cost of those services.
  - *Consolidation of Retirement Accounts*. Combining all retirement plan accounts into a single IRA makes it easier to track your assets and manage required minimum distributions required under federal tax laws.
  - *Inability to Take Plan Loans/Limited Access to Monies Prior to age 59 ½*. You will not have the ability to take penalty-free withdrawals as a plan loan. In addition, your access to IRA

assets prior to age 59 ½ will be limited to certain specific circumstances, such as first-time homebuyers and higher education expenses.

- *Conflicts of Interest.* Your financial advisor has a financial incentive to recommend an IRA rollover because of the compensation that he/she receives for our management services.
- *Loss of Plan Options.* You may lose certain options offered by your former plan, which often include, but are not limited to, guaranteed interest rates, death benefits and protection from creditors (under certain plan types).
- *Charges for Rollovers.* Surrender charges could be imposed by the former provider if the account included an annuity.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding if you have questions contact your financial advisor.

### **Participant Account Management (Discretionary)**

We use a third-party platform to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once Client account(s) is connected to the platform, Advisor will review the current account allocations. When deemed necessary, Advisor will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least quarterly, and allocation changes will be made as deemed necessary.

### **Assets**

As of December 31, 2022, we manage a total of \$1,650,789,006 in regulatory assets under management. All assets under our management are discretionary assets.

---

## **ITEM 5 - FEES AND COMPENSATION**

---

### **Investment Management Fees and Compensation**

Trilogy charges a fee as compensation for providing Investment Management services on your account. These services include advisory and consulting services, sub-advisory, trade entry, investment supervision, and other account-maintenance activities. Our custodian may charge transaction costs, custodial fees, redemption fees, retirement plan and administrative fees or commissions. See Additional Fees and Expenses below for additional details.

In addition, some mutual fund assets deposited in your accounts may have been subject to other mutual fund annual management and administrative fees as described in the funds' prospectuses. These fees are independent of our fees and should be disclosed by the custodian or contained in each fund's prospectus. You should also note that fees for comparable services vary and lower fees for comparable services may be available from other sources.

The Advisory Fees will be calculated and paid to our firm each calendar month in arrears based on the average daily value of the Portfolio during the previous calendar month (calculated based on the Portfolio's value at the end of each day). Under the average daily balance method, each day's balance for the month is summed then divided by the number of days in the month, to compute the average daily balance. The average daily balance is then multiplied by the monthly portion of the annual fee to determine the monthly fee due. Fees are assessed on all assets under management, including

securities, cash, and money market balances. Margin balances are included as part of assets under management for purposes of calculating Trilogy Capital's advisory fee.

In the event of termination, any paid but unearned fees will be promptly refunded to the Client based on the number of days that the Portfolio was managed, and any fees due to Trilogy Capital will be deducted from the Client's account prior to termination.

For purposes of this fee calculation, "value of the Portfolio" means the sum of the fair market value of all of the holdings in the Portfolio. Equity securities listed or traded on a national securities exchange or quoted on the over-the-counter market are valued at the last sales price on the day of valuation or, if no sale price is reported, at the last bid price.

Our maximum investment advisory fee is 2.25%. The specific advisory fees are set forth in your Investment Advisory Agreement. Fees may vary based on the size of the account, complexity of the portfolio, extent of activity in the account or other reasons agreed upon by us and you as the client. In certain circumstances, our fees and the timing of the fee payments may be negotiated.

At our discretion, we will aggregate asset amounts in accounts from your same household together to determine the advisory fee for all your accounts. We may do this, for example, where we also service accounts on behalf of your minor children, individual and joint accounts for a spouse, and/or other types of related accounts. This consolidation practice is designed to allow you the benefit of an increased asset total, which could potentially cause your account(s) to be assessed a lower advisory fee based on the asset levels available in our fee schedule.

The independent qualified custodian holding your funds and securities will debit your account directly for the advisory fee and pay that fee to us. You will provide written authorization permitting the fees to be paid directly from your account held by the qualified custodian. Further, the qualified custodian agrees to deliver an account statement at least quarterly directly to you indicating all the amounts deducted from the account including our advisory fees. See Item 15 for details. At our discretion, you may pay the advisory fees by check. You are encouraged to review your account statements for accuracy.

There may be a possibility for price or account value discrepancies due to month-end transactions in an account. Dividends or trade date settlements may occur, and our third-party billing software may report a slight difference in account valuation at month end compared to what is reported on your Statement from the Custodian.

Either Trilogy or you may terminate the management agreement immediately upon written notice to the other party. The management fee will be pro-rated to the date of termination, for the month in which the cancellation notice was given and any earned fees will be billed to your account. Upon termination, you are responsible for monitoring the securities in your account, and we will have no further obligation to act or advise with respect to those assets.

### **Fees for Sub-Advisory relationships**

As discussed in Item 4 above, there are occasions where Manager acts in a sub-advisor capacity to our Firm. Under this arrangement, the Manager invests the assets based upon the parameters provided by our Firm. Depending on the agreement with the Manager, the total advisory fee will be collected by the custodian and the portion of the advisory fee is sent to the Manager and our Firm. This total fee includes our Firm's portion of the investment advisory fee as well as the Manager's fee. The fee billed is defined in the relevant Discretionary Investment Management Agreement as well as in the individual Form ADV Filing of the respective Manager.

The Manager's relationship may be terminated at our Firm's discretion. We may at any time terminate the relationship with a Manager. We will notify you of instances where we have terminated a relationship with any Manager(s) you are investing with. Factors involved in the termination of a Manager may include a failure to adhere to their stated management style or your objectives, a material change in the professional staff of the sub-advisor, unexplained poor performance, unexplained inconsistency of account performance, or our decision to no longer include the Manager on our approved list.

Managers generally do not have any direct contact with our clients. They provide services directly to us and we are solely responsible for client accounts. Upon entering into an agreement for advisory services with us, clients authorize us to use these Managers to service their account, including executing trades, billing, and the deduction of fees from client accounts. Clients agree to allow us to share non-public, personal information with these unrelated third-party service providers for the purpose of administering and managing the clients' accounts.

Trilogy Capital and LPL may share in the account fee and other fees associated with the Wrap Fee Program accounts. Associated persons of Trilogy Capital may also be registered representatives of LPL and conflict disclosure language can be found in Item 10 of this Brochure. For LPL advisory program accounts in MWP, the account fee charged to the client is negotiable, subject to a maximum account fee of 2.25%. The MWP account fee consists of an LPL program fee, a strategist fee (if applicable) and a Trilogy Capital advisory fee. Refer to LPL's MWP Program Brochure for more information.

### **Coach Fees**

Fees may vary based on the extent and complexity of your individual personal circumstances. Any fee will be agreed in advance of services being performed. The fee will be determined based on factors including the complexity of your financial situation, agreed upon deliverables, and whether you intend to implement any recommendations through your financial advisor. Fixed fees for coaching services start at \$1200.

Three fee payment options are available for Coaching services:

- Option 1:** 12 Monthly Payments of a \$100 via AdvicePay.
- Option 2:** Full Payment of \$1,200 via Check or AdvicePay.
- Option 3:** Waived \$1,200 for Clients over \$250k in managed assets.

Two fee payment options are available for Advanced Planning:

- Option 1:** \$1,200 up front, \$1,200 at delivery via Check or AdvicePay
- Option 2:** Waived \$2,400 for Clients over \$500k in managed assets.

Fees can be paid via check to Trilogy Capital from your personal bank account or can be invoiced and processed through a third-party nonaffiliated service, AdvicePay. Clients will be asked to set up their bank account or credit card at AdvicePay to enable credit card or ACH payments. While AdvicePay allows firms like Trilogy Capital to receive payments directly from the client's credit card or bank account, it does not give Trilogy Capital access to the bank account itself, nor to any of the client's credit card or bank account information. Trilogy Capital is not able to initiate any additional payments via AdvicePay as agreed upon and outlined in the Agreement.

The Coach Agreement is terminated after 1 (one) year.

We will not require prepayment of more than \$1200 in fees per client, six (6) or more months in advance of providing any services. Lower fees for comparable services may be available from other sources.

### **General Consulting Services**

Trilogy provides planning services for clients who need advice on a limited scope of work. Trilogy will negotiate consulting fees with you. Fees may vary based on the extent and complexity of the consulting project. Fees are negotiated and you will be billed as services are rendered.

Either party may terminate the agreement. Upon termination, services provided up to date of termination but not yet paid to Trilogy Capital will be billed to you based on the agreed upon hourly rate outlined in the Consulting Agreement.

### **Employee Retirement Income Security Act Retirement Plan Advisory Services**

Fees for the Retirement Plan Services ("Fees") are negotiable and vary based upon the nature, scope and frequency of our services as well as the size and complexity of the plan. A general description of the different types of fees for Retirement Plan Services appears in the fee schedule below:

<b><u>Fee Type</u></b>	<b><u>Fee Range Maximum</u></b>
<b><u>Asset-Based Fees</u></b>	Negotiable based upon size of plan, number of participants, nature, scope and frequency of services provided. Maximum fee is 2.00%
<b><u>Flat Fees</u></b>	Negotiable based upon size of plan, number of participants, nature, scope and frequency of services provided
<b><u>Project or Hourly Fees</u></b>	Negotiable based upon scope of work performed

Depending upon the capabilities and requirements of the Plan's recordkeeper or custodian, we may collect our Fees in arrears or in advance. Typically, Sponsors instruct the Plan's recordkeeper or custodian to automatically deduct our Fees from the Plan account; however, in some cases a Sponsor may request that we send invoices directly to the Sponsor or recordkeeper/custodian.

Sponsors receiving Retirement Plan Services may pay more than or less than a client might otherwise pay if purchasing the Retirement Plan Services separately or through another service provider. There are several factors that determine whether the costs would be more or less, including, but not limited to, the size of the Plan, the specific investments made by the Plan, the number of or locations of Plan participants, services offered by another service provider, and the actual costs of Retirement Plan Services purchased elsewhere. In light of the specific Retirement Plan Services offered by us, the Fees charged may be more or less than those of other similar service providers.

In determining the value of the Account for purposes of calculating any asset-based Fees, our Firm will rely upon the valuation of assets provided by Sponsor or the Plan's custodian or recordkeeper without independent verification.

Unless we agree otherwise, no adjustments or refunds will be made in respect of any period for (i) appreciation or depreciation in the value of the Plan account during that period or (ii) any partial withdrawal of assets from the account during that period. If the Agreement is terminated by us or by Sponsor, we will refund certain Fees to Sponsor to the extent provided in Section 8 of the Agreement. Unless we agree otherwise, all Fees shall be based on the total value of the assets in the account without regard to any debit balance.

All Fees paid to us for Retirement Plan Services are separate and distinct from the fees and expenses charged by mutual funds, variable annuities and exchange-traded funds to their shareholders. These fees and expenses are described in each investment's prospectus. These fees will generally include a management fee, other expenses, and possible distribution fees. If the investment also imposes sales



charges, a client may pay an initial or deferred sales charge. The Retirement Plan Services we provide may, among other things, assist the client in determining which investments are most appropriate to each client's financial condition and objectives and to provide other administrative assistance as selected by the client. Accordingly, the client should review both the fees charged by the funds, the fund manager, the Plan's other service providers and the fees charged by us to fully understand the total amount of fees to be paid by the client and to evaluate the Retirement Plan Services being provided.

In the event we receive any third-party payments or subsidies in connection with our Retirement Plan Services, we will disclose such fees to Sponsors in accordance with ERISA and Department of Labor regulations.

No increase in the Fees will be effective without prior written notice.

### **Additional Fees and Expenses:**

Advisory fees payable to us do not include all the fees you will pay when we purchase or sell securities for your Account(s). The following list of fees or expenses are what you may pay directly to third parties only, whether a security is being purchased, sold, or held in your Account(s) under our management.

- Transaction fees
- SEC fees
- Custodial fees
- Transfer taxes
- Wire transfer and electronic fund processing fees
- Mark Down and Mark Ups for Fixed Income Strategies (Continuity Portfolio Series)
- Mutual Fund Internal Expenses
- Maintenance Fees

There are certain securities or investments a client wishes to purchase or hold in their account. These investment products may carry fees from the delivering firm to the Custodian. Custodians may also charge an additional fee for select securities and/or alternative investments to be included in the holdings of their account.

Examples of the investments outside the typical securities that may have additional fees at the Custodian:

- REITS (To be billed by custodian - \$100 initial purchase fee, \$250 annual holding fee, \$100 redemption fee)

Please refer to the "Brokerage Practices" below for discussion of Trilogy' brokerage practices.

### **Administrative Services Provided by Orion**

Trilogy has contracted with Orion to utilize its technology platforms to support data reconciliation, performance reporting, fee calculation and billing, client database maintenance, quarterly performance evaluations, payable reports, and other functions related to the administrative tasks of managing client accounts. Due to this arrangement, Orion will have access to client information, but Orion will not serve as an investment advisor to our clients. Trilogy and Orion are non-affiliated companies. Orion charges our Firm an annual fee for each account administered by Orion. Please note that the fee charged to the client will not increase due to the annual fee Trilogy pays to Orion. The annual fee is paid from the portion of the management fee retained by our Firm.

### Transition Assistance

Certain investment adviser representatives of our Firm are also associated with LPL Financial as broker-dealer registered representatives (“Dually Registered Persons”). In their capacity as registered representatives of LPL Financial, certain Dually Registered Persons may earn commissions for the sale of securities or investment products that they recommend for brokerage clients. They do not earn commissions on the sale of securities or investment products recommended or purchased in advisory accounts through Trilogy Capital. Clients have the option of purchasing many of the securities and investment products we make available to you through another broker-dealer or investment adviser. However, when purchasing these securities and investment products away from Trilogy Capital you will not receive the benefit of the advice and other services we provide.

### Regulatory Fees

To facilitate the execution of trades, regulatory Trading Activity Fees (TAF) are added to applicable sales transactions. The Securities and Exchange Commission (SEC) regulatory fee is assessed on client accounts for sell transactions, and a FINRA fee is assessed on client accounts for sell transactions, for certain covered securities. This fee is not charged by our Firm but is assessed and collected by the custodian. The Custodians that our Firm uses, are FINRA member firms. These fees recover the costs incurred by the SEC and FINRA, for supervising and regulating the securities markets and securities professionals. The fee rates vary depending on the type of transaction and the size of that transaction.

For more information on the SEC and FINRA fees, please visit their websites:

[www.sec.gov/fast-answers/answerssec31htm.html](http://www.sec.gov/fast-answers/answerssec31htm.html)

[www.finra.org/industry/trading-activity-fee](http://www.finra.org/industry/trading-activity-fee)

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

We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance-based fees). Our advisory-fee compensation is charged only as disclosed above in Fees and Compensation.

## **ITEM 7 - TYPES OF CLIENTS**

We provide investment advice to individuals, high-net-worth individuals, families, small businesses, pensions, foundations, trusts and estates. Our minimum initial account value is \$5,500; however, we may accept accounts for less than the minimum.

Our Retirement Plan Services are available to clients that are sponsors or other fiduciaries to plans, including 401(k), 457(b), 403(b) and 401(a) plans. Plans include participant-directed defined contribution plans and defined benefit plans. Plans may or may not be subject to ERISA.

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

### **Overview**

We seek to recommend investment strategies that will give a client a diversified portfolio consistent with the client's investment objective. We do this by analyzing the various securities, investment strategies, and third-party management firms. The goal is to identify a client's risk tolerance, and then find a manager with the maximum expected return for that level of risk.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

We utilize both fundamental and technical analysis. We gather our information from a broad array of financial resources including financial newspapers, magazines, research prepared by others, corporate rating services, company press releases, annual reports, prospectuses and filings with the Securities and Exchange Commission.

We determine how to allocate assets among the various asset classes based on the client's investment strategy that is chosen, prevailing economic conditions and our determination of where we are in the economic cycle. Potential risks and opportunities are weighed to determine to what degree the portfolio should be invested.

From time-to-time, market conditions may cause your account to vary from the established allocation. To remain consistent with the asset allocation guidelines established, your account is monitored on an ongoing basis and rebalanced to the original allocation, or if deemed beneficial, to a new allocation based on the then prevailing economic conditions and within the guidelines of the chosen investment strategy.

In addition to the rebalancing, overall market conditions and microeconomic factors that affect specific holdings in your account may trigger changes in allocation. Your account may also receive informal reviews more frequently.

### **Investment Philosophy**

Prior to making recommendations, we determine your financial status, needs, time horizon, investment objectives, risk tolerance, and tax status. From this, we create an investor profile and general asset allocation target. While we believe asset allocation is a key factor affecting long-term rate of return, we also believe fundamental research and securities selection are vital. To that end, we select from a narrow, refined list of institutional fund managers known for excellence in their respective disciplines. We focus primarily on the people, processes, research, consistency, and culture rather than simply recent "high performance" or "track record".

As much as reasonably possible, we strive to:

- Diversify strategically with non-correlating assets.
- Balance between growth and value styles.
- Diversify globally.
- Rebalance as markets change.
- Manage for tax efficient returns wherever possible.

### **Portfolios**

Trilogy Capital offers strategic portfolios designed to be risk based. The portfolios all have different levels of risk/return trade-off (potential return that can be gained with the amount of risk taken). The risk/return trade-off is based upon the client's risk tolerance, financial planning needs and/or financial goals. Each of these investment strategies are globally diversified to help reduce specific company, sector, or asset class risk. These core strategies are evaluated on long term performance. This means our Firm is evaluating how portfolios do over three-, five- and ten-year periods as opposed to shorter timeframes. Below are the Portfolio series offered:

- ✓ **Core Portfolio Series:** A family of investments strategies focused on globally – balanced portfolios which are intended to give broad market exposure not focused on any one sector or geographic region, providing index-like returns with lower risk over full market cycles.
- ✓ **Select Portfolio Series:** A family of investment strategies focused on actively managed portfolios of sector or strategy focused securities. These strategies seek to provide investors with non-correlated returns to the Core series as well as potential alpha as compared to standard benchmark. Additional risk factors are noted below for certain portfolios and potential investors need to meet certain criteria to invest in some of the non-traditional investment portfolios.
- ✓ **Foundation Portfolio Series:** A family of investment strategies focused on portfolios for smaller accounts. These strategies are designed for investors who cannot meet the minimums for the Core series and would still like access to globally-invested, actively – rebalanced strategy.
- ✓ **Continuity Portfolio Series:** An asset management arrangement by which we oversee long-term held assets such as individual bonds and other income-producing strategies. These portfolios will often require less active management due to the buy-and-hold strategy.

While non-traditional investments may offer potential benefits when used in conjunction with traditional stock and bond portfolios there are additional risks to consider. For example, some non-traditional strategies will utilize ETFs with exposure to commodities and the use of leverage to meet their portfolio objectives. As with any investment, it is very important to read prospectus information and work with your advisor to educate yourself on the potential risks and rewards of the strategies that may be considered for inclusion for your portfolio.

### **Sub-Advisor, Independent Third-Party Manager & Investment Subscription Services**

We seek to recommend investment strategies that will give a client a diversified portfolio consistent with the Client's investment objective. We do this by analyzing the various securities, investment strategies, and third-party management firms. The goal is to identify a Client's risk tolerance, and then find a manager with the maximum expected return for that level of risk.

We examine the experience, expertise, investment philosophies and past performance of independent, third-party managers in an attempt to determine if that Manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the Managers' underlying holdings, strategies, concentrations, and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the Managers' compliance and business enterprise risks.

A risk of investing with a third-party Manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a managers' portfolio, there is also a risk that the Manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the Managers' daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Our Firm does engage the services of unaffiliated and independent registered investment advisor(s) ("Signal Providers") to receive buy and sell signals, research, or other information that the Firm uses to manage a particular strategy/portfolio. Such Signal Providers will not act as fiduciaries with respect to any client as they are engaged to provide market-related services to our Firm. In providing individualized investment advice, our Firm will invest a client's assets in accordance with the recommendations of one or more Signal Providers or may invest the account in any manner it deems appropriate based on the client's personal objectives. All fees incurred by the subscription to various Signal Providers are paid

by Trilogy (as a percentage of the fees generated within a particular strategy). Thus, a portion of the advisory fee paid by a client to Trilogy may be used to compensate such third-party providers or consultants.

### **Risk of Loss**

Clients must understand that past performance is not indicative of future results. Therefore, current, and prospective clients should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities involves risk of loss. Further, depending on the different types of investments there will be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our Firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. Investors should be aware that accounts are subject to the following risks:

**Market Risk** - Even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer-specific events will cause the value of securities to rise or fall. Because the value of investment portfolios will fluctuate, there is the risk that you will lose money and your investment may be worth more or less upon liquidation.

**Foreign Securities and Currency Risk** - Investments in international and emerging-market securities include exposure to risks such as currency fluctuations, foreign taxes and regulations, and the potential for illiquid markets and political instability.

**Capitalization Risk** - Small-cap and mid-cap companies may be hindered as a result of limited resources or less diverse products or services, and their stocks have historically been more volatile than the stocks of larger, more established companies.

**Interest Rate Risk** - In a rising rate environment, the value of fixed-income securities generally declines, and the value of equity securities may be adversely affected.

**Credit Risk** - Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value and, thus, impact the fund's performance.

**Securities Lending Risk** - Securities lending involves the risk that the fund loses money because the borrower fails to return the securities in a timely manner or at all. The fund could also lose money if the value of the collateral provided for loaned securities, or the value of the investments made with the cash collateral, falls. These events could also trigger adverse tax consequences for the fund.

**Exchange-Traded Funds** - ETFs face market-trading risks, including the potential lack of an active market for shares, losses from trading in the secondary markets and disruption in the creation/redemption process of the ETF. Any of these factors may lead to the fund's shares trading at either a premium or a discount to its "net asset value."

**Performance of Underlying Managers** - We select the mutual funds and ETFs in the asset allocation portfolios. However, we depend on the manager of such funds to select individual investments in accordance with their stated investment strategy.

**Liquidity Risk** - Liquidity risk exists when particular investments would be difficult to purchase or sell, possibly preventing clients from selling such securities at an advantageous time or price.

**Derivative Risk** - Derivatives are securities, such as futures contracts, whose value is derived from that of other securities or indices. Derivatives can be used for hedging (attempting to reduce risk by offsetting one investment position with another) or non-hedging purposes. Hedging with derivatives may increase expenses, and there is no guarantee that a hedging strategy will achieve the desired results.

**Bond Mutual Funds and Laddered Individual Bonds** - A laddered individual bond portfolio is comprised of individual bonds where each bond or series of bonds features strategically staggered maturity dates at regular intervals. As each bond or series of bonds matures, proceeds are used to purchase new bonds to continue the bond ladder, or they are used as income. Both laddered individual bonds held in a laddered bond portfolio and bond funds generally have higher risks than money market funds, largely because they typically pursue strategies aimed at producing higher returns. Unlike money market funds, the SEC's rules do not restrict bond funds and laddered individual bonds to high quality or short-term investments. Because there are many different types of bonds, bond funds and laddered individual bonds, they can vary dramatically in their risks and rewards. Some of the risks associated with bond funds and laddered individual bonds include:

**Interest Rate Risk** - Interest rate risk refers to the risk that the market value of bonds will go down when interest rates go up. Because of this risk, investors can lose money in any bond fund or laddered individual bond portfolio, if a bond were sold before its maturity date. Interest rate risk applies to investments in insured bonds and U.S. Treasury Bonds. Longer-term bonds and bond funds tend to have higher interest rate risks.

**Credit Risk** - Credit risk refers to the risk that companies or other issuers may fail to pay their debts (including the debt owed to holders of their bonds). Consequently, this affects individual bond ladders, mutual funds, and exchange-traded funds (ETFs) that hold these bonds. Credit risk is less of a factor in investments including insured bonds or U.S. Treasury Bonds. By contrast, those that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.

**Prepayment Risk** - Issuers may choose to pay off debt earlier than the stated maturity date on a bond. For example, if interest rates fall, a bond issuer may decide to "retire" its debt and issue new bonds that pay a lower rate. When this happens, proceeds from the sale of individual bonds or a bond fund may not be able to be reinvested in an investment with as high a return or yield.

**Cybersecurity Risk** - In addition to the Material Investment Risks listed above, investing involves various operational and "cybersecurity" risks. These risks include both intentional and unintentional events at our firm or one of its third-party counterparties or service providers, that may result in a loss or corruption of data, result in the unauthorized release or other misuse of confidential information, and generally compromise our Firm's ability to conduct its business. A cybersecurity breach may also result in a third-party obtaining unauthorized access to our clients' information, including social security numbers, home addresses, account numbers, account balances, and account holdings. Our Firm has established business continuity plans and risk management systems designed to reduce the risks associated with cybersecurity breaches. However, there are inherent limitations in these plans and systems, including that certain risks may not have been identified, in large part because different or unknown threats may emerge in the future. As such, there is no guarantee that such efforts will succeed, especially because our Firm does not directly control the cybersecurity systems of our third-party service providers. There is also a risk that cybersecurity breaches may not be detected.

**Responsible Investing and ESG Risk** - Clients utilizing responsible investing strategies and environment, social responsibility, and corporate governance (ESG) factors may underperform strategies which do not utilize responsible investing and ESG considerations. Responsible investing and ESG strategies may operate by either excluding the investments of certain issuers or by selecting investments based on their compliance with factors such as ESG. This strategy may exclude certain sectors or industries from a client's portfolio, potentially negatively affecting the client's investment performance if the excluded sector or industry outperforms. Responsible investing and ESG are subjective by nature, and our Firm may rely on analysis and 'scores' provided by third parties in determining whether an issuer meets our Firm's standards for inclusion or exclusion. A client's perception may differ from our Firm or a third parties on how to judge an issuers adherence to responsible investing principles.

**Commodities Risk** – Our Firm's use of commodities in a client's portfolio would be limited to ETF's and only investments approved on our recommended Custodian's platform. Investments in commodity-linked investments, including commodity derivatives, may subject the Account to greater volatility than investments in traditional securities. To the extent a strategy concentrates assets in a particular sector of the commodities market (such as oil, metal, Bitcoin, environmental or agricultural products), it may be more susceptible to risks associated with those sectors. The prices for commodities in those sectors may fluctuate widely due to factors such as supply and demand disruptions in major producing or consuming regions, and governmental regulatory policies. Further, ability to invest in certain commodity interests may be limited due to applicable regulations pertaining to position limits.

**Interval funds:** An interval fund is a type of closed-end fund. Unlike other closed end shares they do not trade on the secondary market. Instead, the fund periodically offers to buy back a percentage of outstanding shares at net asset value.

The rules for interval funds, along with the types of assets held, make this investment largely illiquid compared with other funds. High yields are the main reason investors are attracted to interval funds. There may not be a guarantee that the fund will offer to buy back the shares.

**Use of leveraged mutual funds and/or ETFs.** Leveraged mutual funds or ETFs are utilized for certain clients where the use of such leveraged products is suitable pursuant to each client's investment profile. The leveraged funds are a component part of many other investment holdings to enable proper diversification of a client's portfolio. The funds are utilized when the equity market is experiencing a definable bullish, upward trend. We will reduce or eliminate the leveraged exposure when our proprietary tactical asset allocation model indicates that a bear market is imminent. There are risks associated with investing in these leveraged products. When using a leveraged product, you are taking on additional risk in order to make more profit. While returns can increase in multiples for products that use leverage or borrowed dollars, there is also a risk that this leverage creates magnified capital losses. Leverage products carry high internal expense ratios. When held for longer than a few days, this cost can significantly affect returns. For example, investing in a 2X leveraged fund held for multiple days should not expect returns of 30% if the index it tracks increases by 15%. These internal expenses can decrease a fund's return when the fund earns a lesser return on the investment than the cost of the leverage.

---

## ITEM 9 - DISCIPLINARY INFORMATION

---

Trilogy does not have any legal, financial, or other "disciplinary" item to report.

---

## ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

---

## **Insurance**

An affiliated entity, Trilogy Financial, doing business as Trilogy Protect, is a licensed insurance agency with various States. Investment Advisor Representatives ("IAR") of Trilogy may act as agents appointed with various life, disability, or other insurance companies, receive commissions, trails, or other compensation from the respective product sponsors and/or as a result of effecting insurance transactions for clients. However, clients should note that they are under no obligation to purchase any insurance products through Trilogy or its IAR. Please note that IARs spend less than 10% of their time on business relating to Insurance.

## **Broker Dealer/Other Registered Investment Advisor Affiliations**

Trilogy is not a broker/dealer, but some of our Investment Advisor Representatives ("IAR") are registered representatives of LPL Financial LLC ("LPL"), a full-service broker-dealer, member FINRA/SIPC, which compensates them for effecting securities transactions. When placing securities transactions through LPL in their capacity as registered representatives, they will earn sales commissions. Because some of the IARs are dually registered representatives and agents of LPL and Trilogy, LPL has certain supervisory and administrative duties pursuant to the requirements of FINRA Conduct Rule 3280. LPL and Trilogy are not affiliated companies. Some of the IARs of Trilogy spend a portion their time in connection with broker/dealer activities. A select number of our Firm's IARs are dually registered as Investment Advisor Representatives under LPL Financials' RIA. These select dually registered individuals participate in the Retirement Plan Consulting Professional program under the LPL RIA. The dual affiliation is required to service only legacy retirement plan account(s) held at LPL.

As a broker-dealer, LPL engages in a broad range of activities normally associated with securities brokerage firms. Pursuant to the investment advice given by Trilogy or its IARs, investments in securities may be recommended for clients. If LPL is selected as the broker-dealer, LPL and its registered representatives, including some of the IARs of Trilogy, may individually receive commissions for executing securities transactions.

You are advised that if LPL is selected as the broker-dealer, the transaction charges may be higher or lower than the charges you may pay if the transactions were executed at other broker/dealers. You should note, however, that you are under no obligation to purchase securities through IARs of Trilogy or LPL.

Moreover, you should note that under the rules and regulations of FINRA, LPL has an obligation to maintain certain client records and perform other functions regarding certain aspects of the investment advisory activities of its registered representatives. These obligations require LPL to coordinate with, and have the cooperation of its registered representatives that operate as, or are otherwise associated with, investment advisors other than LPL. Accordingly, LPL may limit the use of certain custodial and brokerage arrangements available to clients of Trilogy and LPL may collect, as paying agent of Trilogy, the investment advisory fee remitted to Trilogy by the account custodian. LPL may retain a portion of the investment advisory fee you pay, as a charge for the functions it performs, and such portion may be further re-allowed to other registered representatives of LPL. The charge will not increase the advisory fee you have agreed to pay Trilogy.

Some of the IARs of Trilogy, in their capacity as registered representatives of LPL, or as agents appointed with various life, disability or other insurance companies, receive insurance commissions, fee trails, or other compensation from the respective product sponsors and/or as a result of effecting securities transactions for clients. However, clients should note that they are under no obligation to purchase any investment products through Trilogy's representatives.



As a result of the relationship with LPL, LPL Financial may have access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) about Trilogy Capital's clients, even if client does not establish any account through LPL. If you would like a copy of the LPL Financial privacy policy, please contact our firm's CCO. The contact information for the CCO can be found on the Cover Page of this Brochure.

Please refer to Item 12 for a discussion of the benefits Trilogy Capital may receive from LPL Financial and the conflicts of interest associated with receipt of such benefits.

### **Schwab Advisor Services Advisory Board Membership**

Jeff Motske, President of Trilogy Capital serves on the Schwab Advisor Services Advisory Board (the "Advisory Board"). As described under Item 12 of this Form ADV, Trilogy Capital recommends clients establish brokerage accounts with Charles Schwab & Co., Inc. ("Schwab") to maintain custody of the clients' assets and effect trades for their accounts. The Advisory Board consists of representatives of independent investment advisory firms who have been invited by Schwab management to participate in meetings and discussions of Schwab Advisor Services' services for independent investment advisory firms and their clients. Advisory Board members enter into nondisclosure agreements with Schwab under which they agree not to disclose confidential information shared with them. This information generally does not include material nonpublic information about the Charles Schwab Corporation, whose common stock is listed for trading on the New York Stock Exchange (symbol SCHW). The Advisory Board meets in person or virtually approximately twice per year and has periodic conference calls scheduled as needed. Advisory Board members are not compensated by Schwab for their service, but Schwab does pay for or reimburse Advisory Board members' travel, lodging, meals and other incidental expenses incurred in attending Advisory Board meetings.

### **Benefits to Investment Advisor Representatives**

Trilogy Capital and its related person Trilogy Financial provide various benefits to Registered Persons (IARs) that are new to the Trilogy Capital to assist the Advisor with the costs associated with transitioning his or her business to the Trilogy Capital. The amount of the benefits are often significant in relation to the overall revenue earned or compensation received by the IAR at his/her prior firm. Such payments are generally based on the size of the IAR's business established at his/her prior firm and/or assets under management with Trilogy Capital. Please refer to the relevant Part 2B brochure supplement for more information about the specific benefits your IAR receives.

These benefits are provided to persons of Trilogy in their capacity as IARs of Trilogy. However, the receipt of benefits by such IARs creates conflicts of interest relating to Trilogy's advisory business because it creates a financial incentive for Trilogy's IARs to recommend that its clients maintain their accounts with Trilogy. In certain instances, the receipt of such benefits is dependent on as IAR maintaining its clients' assets with Trilogy therefore Trilogy has an incentive to recommend that clients maintain their account with Trilogy in order to generate such benefits.

Trilogy attempts to mitigate these conflicts of interest by evaluating and recommending that clients use Trilogy's services based on the benefits that such services provide to our clients, rather than the benefits earned by any Trilogy Capital IAR. Trilogy and its IARs will always act in the best interest of their clients when recommending advisory services.

### **Sub-Advisor Relationships**

As described in Item 4 – Advisory Business and Item 5 – Fees and Compensation, Trilogy has formed relationships with independent, investment advisors to serve as sub-advisors. When we utilize a third-party Manager, you need to know that our firm will pay the Manager a portion of the total fee billed to the Client.

### **Promoter Arrangements**

Trilogy has promoter agreements with unaffiliated registered investment advisory firms, where Trilogy is a promoter for the named firm. Such a promoter arrangement, if any, is on a per client basis, and the client along with Trilogy and the unaffiliated firm executes a disclosure notifying them of the particulars of such an arrangement.

Trilogy's promoter agreements are with firms only and Trilogy does not have any agreements and arrangements with individuals whether licensed or otherwise.

### **Outside Business Activities**

Investment Advisory Representatives ("IAR") of Trilogy Capital have properly disclosed outside business activities where they act in the capacity of an attorney, insurance agent, registered representative or mortgage broker. At no time should any IAR of Trilogy Capital discuss or provide these services while acting in the capacity as an IAR of Trilogy Capital.

## **ITEM 11 - CODE OF ETHICS PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

Trilogy and persons associated with us are allowed to invest for their own accounts or to have a financial interest in the same securities or other investments that we recommend or acquire for your account, and may engage in transactions that are the same as or different than transactions recommended to or made for your account. This creates the potential for a conflict of interest. We recognize the fiduciary responsibility to place your interests first and have established policies in this regard to avoid any potential conflicts of interest.

We have developed and implemented a Code of Ethics that sets forth standards of conduct expected of our advisory personnel to mitigate this conflict of interest. The Code of Ethics addresses, among other things, personal trading, gifts, the prohibition against the use of inside information and other situations where there is a possibility for conflicts of interest.

The Code of Ethics is designed to protect our clients by deterring misconduct, educate personnel regarding the firm's expectations and laws governing their conduct, remind personnel that they are in a position of trust and must act with complete propriety at all times, protect the reputation of Trilogy, guard against violation of the securities laws, and establish procedures for personnel to follow so that we may determine whether their personnel are complying with the firm's ethical principles.

We have established the following restrictions in order to ensure our firm's fiduciary responsibilities:

1. No director, officer or employee of Trilogy shall prefer his or her own interest to that of the advisory client.
2. We maintain a list of all securities holdings, and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer/individual of Trilogy.
3. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where we are granted discretionary authority of the client's account.
4. We emphasize the unrestricted right of the client to select and choose any broker-dealer (except in situations where we are granted discretionary authority) he or she wishes.
5. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.

6. Any individual not in observance of the above may be subject to termination.

You may request a complete copy of our Code by contacting us at the address, telephone, or email on the cover page of this Part 2; Attn: Chief Compliance Officer.

---

## **ITEM 12 - BROKERAGE PRACTICES**

---

Trilogy does not maintain custody of your assets on which we advise, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15—Custody, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We refer to our relationships with Charles Schwab & Co. (“Schwab”), Inc and LPL Financial combined as the Custodian (“the Custodian”), both broker-dealers registered with the Securities and Exchange Commission and a member of FINRA and SIPC.

We are independently owned and operated and not affiliated with Custodian. Custodian will act solely as a broker-dealer and not as an investment advisor to you. It will have no discretion over your account and will act solely on instructions it receives from us [or you]. Custodian has no responsibility for our services and undertakes no duty to you to monitor our firm’s management of your account or other services we provide to you. Custodian will hold your assets in a brokerage account and buy and sell securities and execute other transactions when we [or you] instruct them to. (Please see the disclosure under Item 14 below.)

We are independently owned and operated and are not affiliated with either Custodian. Either Custodian will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we require that you use either Custodian as custodian/broker, you will decide whether to do so and will open your account with Custodian by entering into an account agreement directly with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14 (Client referrals and other compensation). You should consider these conflicts of interest when selecting your custodian.

We do not open the account for you, although we may assist you in doing so. If you do not wish to place your assets with Custodian, then we cannot manage your account. Even though your account is maintained at Custodian, and we anticipate that most trades will be executed through Custodian, we can still use other brokers to execute trades for your account as described below.

### **How we select brokers/custodians**

We seek to use custodians/brokers that will hold your assets and execute transactions. When considering whether the terms that Custodian provide are, overall, most advantageous to you when compared with other available providers and their services, we take consider a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability

- Prior service to us and our clients
- Services delivered or paid for by Schwab
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us from Schwab”)

### **Your brokerage and custody costs**

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, many mutual funds and ETFs) may not incur Schwab commissions or transaction fees. Schwab are also compensated by earning interest on the uninvested cash in your account.

Although we are not required to execute all trades through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How we select brokers/custodians”). By using another broker or dealer you may pay lower transaction costs.

### **Products and services available to us from Schwab:**

- Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like us. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to get institutional brokerage services from Schwab without going through us.
- Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Schwab’s support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of Schwab’s support services:
  - Services that benefit you. Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets.
  - The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients.
  - Schwab’s services described in this paragraph generally benefit you and your account.
  - Services that do not directly benefit you. Schwab also makes available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts and operating our firm. They include investment research, both Schwab’s own and that of third parties. We use this research to service all or a substantial number of our clients’ accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:
    - Provide access to client account data (such as duplicate trade confirmations and account statements)
    - Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
    - Provide pricing and other market data
    - Facilitate payment of our fees from our clients’ accounts
    - Assist with back-office functions, recordkeeping, and client reporting

Services that generally benefit only us. Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology and business needs
- Consulting on legal and related compliance needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

### **Our interest in Schwab's services**

We believe that taken in the aggregate, our recommendation of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/ custodians") and not Schwab's services that benefit only us.

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

In the event you request us to recommend a broker/dealer custodian for execution and/or custodial services, we generally recommend your account to be maintained at Schwab. We may recommend that you establish accounts with Schwab to maintain custody of your assets and to effect trades for your accounts. You are under no obligation to act upon any recommendations, and if you elect to act upon any recommendations, you are under no obligation to place the transactions through any broker/dealer we recommend. Our recommendation is generally based on the broker's cost and fees, skills, reputation, dependability and compatibility with the client. You may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to us is not a factor in determining the selection of broker/dealer or the reasonableness of their commissions.

### ***Recommendation of LPL Financial***

Trilogy Capital will generally recommend and request that clients establish a brokerage account with LPL Financial to maintain custody of clients' assets and to effect trades for their accounts. LPL Financial

provides brokerage and custodial services to independent investment advisory firms, including Trilogy Capital. For Trilogy Capital's accounts custodied at LPL Financial, LPL Financial generally is compensated by clients through commissions, trails, or other transaction-based fees for trades that are executed through LPL Financial or that settle into LPL Financial accounts. For IRA accounts, LPL Financial generally charges account maintenance fees. In addition, LPL Financial also charges clients miscellaneous fees and charges, such as account transfer fees. LPL Financial charges Trilogy Capital an asset-based administration fee for administrative services provided by LPL Financial. Such administration fees are not directly borne by clients, but may be taken into account when Trilogy Capital negotiates its advisory fee with clients.

While LPL Financial does not participate in, or influence the formulation of, the investment advice Trilogy Capital provides, certain supervised persons of Trilogy Capital are Dually Registered Persons. Dually Registered Persons are restricted by certain FINRA rules and policies from maintaining client accounts at another custodian or executing client transactions in such client accounts through any broker-dealer or custodian that is not approved by LPL Financial. As a result, the use of other trading platforms must be approved not only by Trilogy Capital, but also by LPL Financial.

Clients should also be aware that for accounts where LPL Financial serves as the custodian, Trilogy Capital is limited to offering services and investment vehicles that are approved by LPL Financial, and may be prohibited from offering services and investment vehicles that may be available through other broker-dealers and custodians, some of which may be more suitable for a client's portfolio than the services and investment vehicles offered through LPL Financial.

Clients should understand that not all investment advisers require, request or recommend that clients custody their accounts and trade through specific broker-dealers.

Clients should also understand that LPL Financial is responsible under FINRA rules for supervising certain business activities of Trilogy Capital and its Dually Registered Persons that are conducted through broker-dealers and custodians other than LPL Financial. LPL Financial charges a fee for its oversight of activities conducted through these other broker-dealers and custodians. This arrangement presents a conflict of interest because Trilogy Capital has a financial incentive to recommend that you maintain your account with LPL Financial rather than with another broker-dealer or custodian to avoid incurring the oversight fee.

### ***LPL Benefits Received by Trilogy Capital Personnel***

LPL Financial makes available to Trilogy Capital various products and services designed to assist Trilogy Capital in managing and administering client accounts. Many of these products and services may be used to service all or a substantial number of Trilogy Capital's accounts, including accounts not held with LPL Financial. These include software and other technology that provide access to client account data (such as trade confirmation and account statements); facilitate trade execution (and aggregation and allocation of trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of Trilogy Capital's fees from its clients' accounts; and assist with back-office functions; recordkeeping and client reporting.

LPL Financial also makes available to Trilogy Capital other services intended to help Trilogy Capital manage and further develop its business. Some of these services assist Trilogy Capital to better monitor and service program accounts maintained at LPL Financial, however, many of these services benefit only Trilogy Capital, for example, services that assist Trilogy Capital in growing its business. These support services and/or products may be provided without cost, at a discount, and/or at a negotiated rate, and include practice management-related publications; consulting services; attendance at conferences and seminars, meetings, and other educational and/or social events; marketing support;

and other products and services used by Trilogy Capital in furtherance of the operation and development of its investment advisory business.

Where such services are provided by a third party vendor, LPL Financial will either make a payment to Trilogy Capital to cover the cost of such services, reimburse Trilogy Capital for the cost associated with the services, or pay the third party vendor directly on behalf of Trilogy Capital.

The products and services described above are provided to Trilogy Capital as part of its overall relationship with LPL Financial. While as a fiduciary Trilogy Capital endeavors to act in its clients' best interests, the receipt of these benefits creates a conflict of interest because Trilogy Capital's [requirement, request or recommendation] that clients custody their assets at LPL Financial is based in part on the benefit to Trilogy Capital of the availability of the foregoing products and services and not solely on the nature, cost or quality of custody or brokerage services provided by LPL Financial. Trilogy Capital's receipt of some of these benefits may be based on the amount of advisory assets custodied on the LPL Financial platform.

### ***Transition Assistance Benefits***

LPL Financial provides various benefits and payments to Dually Registered Persons that are new to the LPL Financial platform to assist the representative with the costs (including foregone revenues during account transition) associated with transitioning his or her business to the LPL Financial platform (collectively referred to as "Transition Assistance"). The proceeds of such Transition Assistance payments are intended to be used for a variety of purposes, including but not necessarily limited to, providing working capital to assist in funding the Dually Registered Person's business, satisfying any outstanding debt owed to the Dually Registered Person's prior firm, offsetting account transfer fees (ACATs) payable to LPL Financial as a result of the Dually Registered Person's clients transitioning to LPL Financial's custodial platform, technology set-up fees, marketing and mailing costs, stationary and licensure transfer fees, moving expenses, office space expenses, staffing support and termination fees associated with moving accounts.

The amount of the Transition Assistance payments are often significant in relation to the overall revenue earned or compensation received by the Dually Registered Person at his/her prior firm. Such payments are generally based on the size of the Dually Registered Person's business established at his/her prior firm and/or assets under custody on the LPL Financial. Please refer to the relevant Part 2B brochure supplement for more information about the specific Transition Payments your representative receives.

Transition Assistance payments and other benefits are provided to associated persons of Trilogy Capital in their capacity as registered representatives of LPL Financial. However, the receipt of Transition Assistance by such Dually Registered Persons creates conflicts of interest relating to Trilogy Capital's advisory business because it creates a financial incentive for Trilogy Capital's representatives to recommend that its clients maintain their accounts with LPL Financial. In certain instances, the receipt of such benefits is dependent on a Dually Registered Person maintaining its clients' assets with LPL Financial and therefore Trilogy Capital has an incentive to recommend that clients maintain their account with LPL Financial in order to generate such benefits.

Trilogy Capital attempts to mitigate these conflicts of interest by evaluating and recommending that clients use LPL Financial's services based on the benefits that such services provide to our clients, rather than the Transition Assistance earned by any particular Dually Registered Person. Trilogy Capital considers LPL Financial's availability of investment research and tools that assist us in making investment decisions and the competitiveness of the price of those services (commission rates, margin rates, other fees, etc. and the willingness to negotiate them when recommending or requiring that clients maintain accounts with LPL Financial. However, clients should be aware of this conflict and take it into

consideration in making a decision whether to custody their assets in a brokerage account at LPL Financial.

### **Employer Sponsored Retirement Plans**

For employer-sponsored retirement plans with participant-directed investments, clients must maintain assets in an account at a qualified custodian, generally a broker-dealer, trust company or bank. The custodian will hold client assets in a brokerage account and buy and sell mutual funds when we instruct them to. Each Plan Sponsor must decide which custodian to utilize and open accounts with the custodian by entering account agreements directly with them. The accounts will always be held in the name of the client and never in Trilogy's name.

In the event you request us to recommend a Custodian for execution and/or custodial services, we generally recommend your account to be maintained at the Custodian. We may recommend that you establish accounts with the Custodian to maintain custody of your assets and to effect trades for your accounts. You are under no obligation to act upon any recommendations, and if you elect to act upon any recommendations, you are under no obligation to place the transactions through any Custodian we recommend. Our recommendation is generally based on the broker's cost and fees, skills, reputation, dependability and compatibility with the client. You may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to us is not a factor in determining the selection of Custodian or the reasonableness of their commissions.

We do not select or recommend broker/dealers based upon receiving client referrals from a Custodian or third-party. We do not routinely recommend, request, or require that you direct us to execute transaction through a specified broker/dealer. Additionally, we typically do not permit you to direct brokerage.

We place trades for your account subject to our duty to seek best execution and other fiduciary duties. We may use a broker/dealer other than your Custodian to execute trades for your account. The practice of using other broker/dealers may result in additional costs to you so that we are more likely to place trades through your custodian rather than through other broker/dealers. Your custodian's execution quality may be different than other broker/dealers.

We will aggregate trades for ourselves or our associated persons with your trades, providing that the following conditions are met:

1. Our policy for the aggregation of transactions shall be fully disclosed separately to our existing clients (if any) and the broker/dealer(s) through which such transactions will be placed.
2. We will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek the best execution (which includes the duty to seek best price) for you and is consistent with the terms of our investment advisory agreement with you for which trades are being aggregated.
3. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all our transactions in a given security on a given business day, with transaction costs based on each client's participation in the transaction.
4. We will prepare a written statement ("Allocation Statement") specifying the participating client accounts and how to allocate the order among those clients.
5. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement; if the order is partially filled, the accounts that did not receive the previous trade's positions should be "first in line" to receive the next allocation.



6. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment and the reason for difference of allocation is explained in writing and is reviewed by our compliance officer. Our books and records will separately reflect, for each client account, the orders of which aggregated, the securities held by, and bought for that account.
7. We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation; and
8. Individual advice and treatment will be accorded to each advisory client.

As a matter of policy and practice, we do not utilize research, research-related products and other services obtained from broker-dealers, or third-parties, on a soft-dollar commission basis.

### **Trade Errors**

We have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of our clients. In cases where a client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole, and we will absorb any loss resulting from the trade error if the error was caused by our firm. If the error is caused by the Custodian, the Custodian will be responsible for covering all trade error costs. If an investment gain results from the correcting trade and for accounts custodied at the Custodian, the gain will be donated to charity. If an investment gain results from the correcting trade and for accounts custodied at LPL, the gain will be retained by LPL. Please note that our firm will never benefit or profit from trade errors.

---

## **ITEM 13 - REVIEW OF ACCOUNTS**

---

### **Account Reviews and Reviewers – Investment Supervisory Services**

The underlying securities within the investment supervisory services are regularly monitored. These reviews will be made by your individual Investment Advisor and are reviewed by the supervisor in charge. An annual review is usually conducted in person or by telephone.

The purpose of all these reviews is to ensure that the investment plan continues to be implemented in a manner which matches your objectives and risk tolerances. More-frequent reviews may be triggered by material changes in variables such as your individual circumstances, or the market, political or economic environment. You are urged to notify us of any changes in your personal circumstances.

### **Statements and Reports**

Trilogy will have the ability to provide clients with Performance/Position summary reports upon request. Reports may also be provided at every client meeting.

The custodian for the individual client's account will also provide clients with an account statement at least quarterly.

***You are urged to compare the reports provided by Trilogy against the account statements you receive directly from your account custodian.***

Coach clients will receive at least quarterly progress calls from our IARs.

## **Retirement Plan Services**

We will contact you at least once a year to review our Retirement Plan Services. It is important that you discuss any changes in the Plan's demographic information, investment goals, and objectives with your IAR. Plans may receive written reports directly from their IAR based upon the services being provided, including any reports evaluating the performance of Plan investment manager(s) or investments.

---

## **ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION**

---

Our Firm does not currently compensate any individual promoters consistent with the requirements of applicable law and regulation, including the Advisers Act as well as applicable state/local laws and regulations.

Trilogy has been engaged as a promoter through an agreement with Stonebridge Capital Advisors, LLC. In such instance, Trilogy acts as a promoter and receives a portion of the fee paid to this unaffiliated advisor. This does not raise the fee paid by the client and the client receives all required disclosure forms disclosing the terms of the promoter relationship at the time the referral is made.

We pay a flat fee to participate in an online matching program that seeks to match prospective advisory clients with investment advisers. The program, which is operated by SmartVestor, provides information about investment advisory firms to persons who have expressed an interest in such firms. The program also provides the name and contact information of such persons to the advisory firms as potential leads. The flat fee we pay for being provided with potential leads varies based on certain factors, including the size of the person's portfolio, and the fee is payable regardless of whether the prospect becomes our advisory client.

## **Benefits of Using LPL as Custodian**

Our Firm receives support services and/or products from LPL Financial, many of which assist our Firm to better monitor and service program accounts maintained at LPL Financial; however, some of the services and products benefit Trilogy Capital and not client accounts. These support services and/or products may be received without cost, at a discount, and/or at a negotiated rate, and may include the following:

- investment-related research
- pricing information and market data
- software and other technology that provide access to client account data
- compliance and/or practice management-related publications
- attendance at conferences, meetings, and other educational and/or social events
- other products and services used by Trilogy Capital in furtherance of its investment advisory business operations.

These support services are provided to our Firm based on the overall relationship between Trilogy Capital and LPL Financial. It is not the result of soft dollar arrangements or any other express arrangements with LPL Financial that involves the execution of client transactions as a condition to the receipt of services. We will continue to receive the services regardless of the volume of client transactions executed with LPL Financial. Clients do not pay more for services as a result of this arrangement. There is no corresponding commitment made by Trilogy Capital to LPL or any other entity to invest any specific amount or percentage of client assets in any specific securities as a result of the arrangement. However, because Advisor receives these benefits from LPL Financial, there is a potential conflict of interest. The receipt of these products and services presents a financial incentive for Advisor to recommend that its clients use LPL Financials' custodial platform rather than another custodian's platform.

## **Benefits provided by Schwab**

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

From time to time, we may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing-expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

### **Other Compensation Arrangements**

Trilogy's IARs may be incentivized to join and remain affiliated with Trilogy and to recommend that clients establish accounts with Trilogy through the provision of benefits discussed in Item 10. Trilogy Capital provides these additional benefits to its IARs including but not limited to repayable and forgivable loans. The receipt of any such compensation creates a financial incentive for your representative to recommend Trilogy for the assets in your advisory account.

### **Retirement Plan Services**

Various vendors, product providers, distributors and other providers provide non-monetary compensation by paying for expenses related to training and education, including travel expenses, and attaining professional designations. We also receive payments to subsidize our own training programs and certain vendors invite us to participate in conferences, on-line training or receive publications designed to further our skills and knowledge. Some occasionally provide us with gifts, meals and entertainment of reasonable value consistent with industry rules and regulations.

In the event the payments, or non-monetary compensation, are received in connection with or as a result of the Retirement Plan Services, we will disclose such fees to Sponsors in accordance with ERISA and Department of Labor regulations.

### **Transition Assistance**

Trilogy Capital and/or its Dually Registered Persons are incented to join and remain affiliated with LPL Financial and to recommend that clients establish accounts with LPL Financial through the provision of Transition Assistance (discussed in Item 12 above). LPL also provides other compensation to Trilogy Capital and its Dually Registered Persons, including but not limited to, bonus payments, repayable and forgivable loans, stock awards and other benefits.

The receipt of any such compensation creates a financial incentive for your representative to recommend LPL Financial as custodian for the assets in your advisory account. We encourage you to discuss any such conflicts of interest with your representative before making a decision to custody your assets at LPL Financial.

### **Non-cash referral arrangements**

Our Firm may be asked to recommend a financial professional, such as an attorney, accountant, or mortgage broker. In such cases, our Firm does not receive any direct compensation in return for any referrals made to individuals or firms in our professional network. Clients must independently evaluate these firms or individuals before engaging in business with them and clients have the right to choose any financial professional to conduct business. Individuals and firms in our financial professional network may refer clients to our Firm. Again, our Firm does not pay any direct compensation in return for any referrals made to our Firm. Our Firm does recognize the fiduciary responsibility to place your interests first and have established policies in this regard to mitigate any conflicts of interest.

---

## **ITEM 15 - CUSTODY**

---

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

Trilogy is deemed to have custody of client funds and securities whenever Trilogy is given the authority to have fees deducted directly from client accounts. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which Trilogy is deemed to have custody, the firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from Trilogy. When you have questions about your account statements, you should contact Trilogy or the qualified custodian preparing the statement.

When fees are deducted from an account, Trilogy is responsible for calculating the fee and delivering instructions to the custodian. At the same time Trilogy instructs the custodian to deduct fees from the client's account; Trilogy will send you a notification itemizing the fee. Itemization shall include the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

### **Standing Letters of Authorization ("SLOA")**

Our firm is also deemed to have custody of clients' funds or securities when clients have standing authorizations with their custodian to move money from a client's account to a third-party ("SLOA") and, under that SLOA, it authorizes us to designate the amount or timing of transfers with the custodian. The

SEC has set forth a set of standards intended to protect client assets in such situations, which we follow. We do not have a beneficial interest on any of the accounts we are deemed to have Custody where SLOAs are on file. In addition, account statements reflecting all activity on the account(s), are delivered directly from the qualified custodian to each client or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from us. When you have questions about your account statements, you should contact us, your Advisor or the qualified custodian preparing the statement.

### **Retirement Plan Services**

We will not serve as a custodian for Plan assets in connection with the Retirement Plan Services. Sponsor is responsible for selecting the custodian for Plan assets. We may be listed as the contact for the Plan account held at an investment sponsor or custodian. Sponsor for the Plan will complete account paperwork with the outside custodian that will provide the name and address of the custodian. The custodian for Plan assets is responsible for providing the Plan with periodic confirmations and statements. We recommend that Sponsor reviews the statements and reports received directly from the custodian or investment sponsor.

---

## **ITEM 16 - INVESTMENT DISCRETION**

---

Prior to engaging Trilogy to provide investment advisory services, you will enter into a written Agreement with us granting the firm the authority to supervise and direct, on an on-going basis, investments in accordance with the client's investment objective and guidelines. In addition, you will need to execute additional documents required by the Custodian to authorize and enable Trilogy, in its sole discretion, without prior consultation with or ratification by you, to purchase, sell or exchange securities in and for your accounts. We are authorized, in our discretion and without prior consultation with you to: (1) buy, sell, exchange and trade any stocks, bonds or other securities and assets and (2) determine the amount of securities to be bought or sold and (3) place orders with the custodian. Any limitations to such authority will be communicated by you to us in writing.

The limitations on investment and brokerage discretion held by Trilogy for you are:

1. For discretionary clients, we require that we be provided with authority to determine which securities and the amounts of securities to be bought or sold.
2. Any limitations on this discretionary authority shall be included in this written authority statement. You may change/amend these limitations as required. Such amendments shall be submitted in writing.

In some instances, we may not have discretion. We will discuss all transactions with you prior to execution or you will be required to make the trades if in an employer sponsored account.

### **Retirement Plan Services**

When providing Retirement Plan Services described herein, we may exercise discretionary authority or control over the investments specified in the Agreement. We perform these services to the Plan as a fiduciary under ERISA Section 3(21) and investment manager under ERISA Section 3(38). We are legally required to act with the degree of diligence, care and skill that a prudent person rendering similar services would exercise under similar circumstances. This discretionary authority is specifically granted to us by the Sponsor, as specified in the Agreement.

---

## **ITEM 17 - VOTING CLIENT SECURITIES**

---

We will not vote proxies under our limited discretionary authority. You are welcome to vote proxies or designate an independent third-party at your own discretion. You designate proxy voting authority in the custodial account documents. You must ensure that proxy materials are sent directly to you or your

assigned third-party. We do not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies.

#### **Retirement Plan Services**

We have no authority or responsibility to vote any security held by the Plan or the related proxies. That authority is reserved by the Sponsor or trustee of the Plan.

---

### **ITEM 18 - FINANCIAL INFORMATION**

---

This item is not applicable to this brochure. We do not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time.