



**Wealth Advisory Group, Inc.**

A Registered Investment Advisory Firm

**A WORLD COMPANY**

**Wealth Advisory Group, Inc.**

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**March 27, 2025**

**FORM ADV PART 2A  
BROCHURE**

This brochure provides information about the qualifications and business practices of Wealth Advisory Group, Inc. If you have any questions about the contents of this brochure, please contact us at 610.225.1000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Wealth Advisory Group, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Wealth Advisory Group, Inc. is 122269.

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

## Item 2 Summary of Material Changes

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

Since our last annual updating amendment dated February 26, 2024 we have made the following material changes to our Brochure:

We also revised Item 4 to note that we sometimes use investment model portfolios that we have created in the course of managing your accounts and may also use model portfolios created by other advisors.

Additionally, we revised our description of our Estate Planning service to note that we are not attorneys and are not engaged in the practice of law. We do not create estate plans but, rather, only consult on the financial concerns involved therein.

We also clarified that for our Employee Benefit Consulting certain types of employee benefit services can be provided through our affiliate, World Employee Benefits, a sub-division of World Insurance Associates.

We also revised Item 4 to clarify that the Schwab Institutional Intelligent Portfolios® Platform is a Wrap Fee Program and that we also offer Wrap Fee programs sponsored by Morningstar Investment Services, LLC and SEI Securities, Inc.

We revised Item 5 under the Platinum Engagement to clarify that the Platinum option fee is either a flat fee not to exceed \$6,000 per quarter, or an asset based fee based on the fair market value of the assets in your account as of the last business day of the month in which the client enrolls and thereafter as of the last business day of each billing period. The engagement fee for asset based fees shall be determined on a client-by-client basis but shall not exceed a maximum fee of 1.25% of the assets under management.

We amended Item 10 to disclose that our holding company, WIA Holdings, LLC, is under the common control and ownership of World Associates Holdings, LLC and that Goldman Sachs & Co., LLC owns an indirect minority interest in the holding company. We also disclosed other affiliated businesses including: Pensionmark Securities, LLC ("PSC") and World Investments, Inc., FINRA broker dealers (Members SIPC); World Advisory Services; World Investment Advisors, LLC; and, Financial Planning Concepts of America, Inc., all SEC Registered Investment Advisers. WAG is also affiliated with: World Insurance Associates, LLC; Scotts American, LLC; Keating, LLC; ESA Associates, LLC; FastComp, LLC; Hamond Safety Management, LLC; Pacific Coast NCA Premium Finance, LLC; and World Insurance Programs, LLC, all insurance agencies engaging in Life, Health, Long Term Care, Variable, and various other Insurance business.

As a result of Goldman Sachs' affiliation, WAG has limited the available Goldman Sachs products it will recommend to its clients. No incentives are provided to WAG or WAG Investment Advisor Representatives to recommend Goldman Sachs products over other investment products.

WAG is also affiliated with other financial services companies, but does not have any shared business dealings, operations, referral programs, clients, representatives, or premises with these other companies, and has no reason to believe the firm's relationship with them otherwise creates a conflict of interest with WAG clients. A full list of WAG's affiliates will be provided upon request.

We revised Item 13 to remove language relating to reviewing of financial plan reports and note that the engagement agreements you enter into with us will specify the reports, if any, that will be provided and the frequency of reviews which will be performed by the adviser representative assigned to your account.

Item 14 was amended to remove language relating to solicitors as we no longer have any solicitor relationships.

Item 15 was amended to disclose that we may effect wire transfers from client accounts to one or more third parties designated, in writing, by the client without obtaining written client consent for each separate, individual transaction, or we may have signatory and check writing authority for client accounts, as long as the client has provided us with written authorization to do so. Such written authorization is known as a Standing Letter of Authorization. This is considered Custody.

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## Item 4 Advisory Business

### Description of Services and Fees

Wealth Advisory Group, Inc., a Pennsylvania based Corporation ("Wealth Advisory Group" or "we", "our" and "us"), located in Berwyn, Pennsylvania, is an investment adviser registered with the United States Securities and Exchange Commission (SEC) under the Investment Advisers Act of 1940 (the "Advisers Act"). Wealth Advisory Group is wholly-owned by WIA Holdings, LLC. This section describes our firm, and explains the types of advisory services that we offer, including investment consulting, discretionary advisory, pre-retirement and financial planning services (together the "advisory services").

Wealth Advisory Group was established in 1993, and provides investment advisory services to corporations, institutions (including ERISA and other retirement accounts and certain pension and/or Taft-Hartley plans), individuals, high net worth individuals, and charitable organizations. Currently, we offer the following investment advisory services, which are personalized to each individual client:

- Portfolio Management Services
- Financial Planning Services
- Selection of Other Advisers
- Pension Consulting Services
- ERISA Plans – 3(21) & 3(38) Co-Fiduciary Investment Advisory Services
- Institutional Intelligent Portfolios® Platform

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we", "our" and "us" refer to Wealth Advisory Group, Inc. and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person throughout this brochure. As used in this brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

### Wealth Advisory Group, Inc.'s Ongoing Fee-Based Engagement Agreements

**Silver Engagement** - The Silver option provides you with a comprehensive and detailed written financial plan of all of your investments and insurance plans including company provided employee benefits. It also includes an annual planning review with an Associated Person of our firm. After this review we will provide you with our observations and recommendations relative to asset performance tracking, net worth statements, asset allocation and proactive coaching of your family wealth.

**Gold Engagement** -The Gold option provides you with all features of a Silver Engagement and includes semi-annual financial planning reviews with an Associated Person of our firm. The opportunity to meet twice a year affords more concentrated time to be spent on detailed financial issues such as estate planning, tax planning, portfolio review and balancing, options strategy and insurance planning. We focus on reviewing the progress from the prior meetings assuring continued progression toward your financial objectives. You will receive an Investment Strategy Profile and asset allocation report showing all of your financial assets, not just the investments in one account. The total household wealth strategy is a proactive approach for planning with your own Family Wealth Advisor.

**Platinum Engagement** - The Platinum option gives you the opportunity to work consistently with a trusted family advisor producing a high degree of confidence, trust and familiarity with the entire family.

All facets of wealth are discussed including private investment opportunities, estate and tax strategies for maximum benefit, philanthropy and distribution strategies.

## **Investment Management**

When needed, we provide discretionary continuous investment management services where the investment advice provided is custom tailored to meet your individual needs and investment objectives. Subject to any written guidelines, which you may provide, we will be granted discretion and authority to manage your account. Accordingly, we are authorized to perform various investment functions, on your behalf and at your expense, without further approval from you. Such functions include the determination of the types and amounts of securities to be purchased and sold. We sometimes use investment model portfolios that we have created in the course of managing your accounts. We may also use model portfolios created by other advisors. Once the portfolio is constructed, we will provide continuous supervision and re-optimization of the portfolio as changes in market conditions and your circumstances may require.

### **Wealth Advisory Group, Inc.'s Other Services:**

You may choose not to be a client of Wealth Advisory Group, Inc.'s ongoing services and still have personalized or customized investment advisory or planning services performed by Associated Persons of our firm. We can offer you various services, including financial consulting relating to estate planning, business planning, employee benefit consulting, investment management services, and pension consulting services.

**Estate Planning** - Individuals and families may want consult with us to on the financial aspects that are involved in the creation of estate plans specifically as they pertain to wealth transfer and gifting strategies. Many techniques are available for the reduction of estate and gift taxes and may involve the utilization of various types of trusts. It should be noted that we are not attorneys and are not engaged in the practice of law. We do not create estate plans but, rather, only consult on the financial concerns involved therein.

**Business Planning** - Business owners face many challenges including business succession planning, funding of buy-sell agreements, disability income continuation, and compensation strategies and planning to attract, retain and reward employees. We will work with the business owner to design solutions to these challenges.

**Employee Benefit Consulting** - Employers face the reality that the cost of benefits is ever increasing and benefits consulting focuses on the plan design, employee contributions and insurance company selection. We can help with an analysis of your current employee benefit plans and make observations and recommendations which affect the net cost of benefits. Certain types of employee benefit services can be provided through our affiliate, World Employee Benefits, a sub-division of World Insurance Associates.

**Pension Plan Investment Management Services** - Companies need to design and administer retirement plans for the benefit of their employees. Most companies offer qualified defined contribution plans which requires a diversified investment menu, enrollment and education, a plan custodian and Third Party Administrator for record keeping and plan compliance. We will act as an investment advisor to the Trustees of the plan by establishing the investment menu and providing investment monitoring, at least annually, to review and make changes to the fund offerings. We can also serve as a 3(21) or 3(38) co-fiduciary to the Plan and provide certain fiduciary functions. A separate custodian and Third Party Administrator will be selected by the company for their services, independent of our firm.

**Retirement Plan Consulting Services** - We provide retirement plan consulting services to employee

benefit plans, the plan sponsors and fiduciaries (collectively, the "Sponsor") based upon an analysis of the needs of the plan. In general, these services may include an existing plan review, formation of an investment policy statement, assisting the Sponsor in fund selection and investment options, investment performance monitoring, risk management education, and/or ongoing consulting. Additionally, we will offer the Sponsor assistance in setting up a relationship with a third party administrator and processing enrollment forms. We may also offer communication and education services to provide meaningful information regarding the retirement plan to its Participants. Information provided to participants in the educational seminars will be limited to general, impersonal advice.

Retirement Plan Consulting services will be provided pursuant to the agreement entered into and within the parameters set forth in the plan documents. Where the Sponsor engages our firm to provide advice to participants on an individual basis, such advice will be limited to general retirement planning issues, and fund selection and asset allocation of plan assets.

Plan Participants who wish to engage us for individualized financial planning or consulting services outside the scope of the qualified plan may do so by executing a separate agreement, including separate fees and fee payment arrangements, with us.

All accounts are regulated under ERISA. We will provide consulting services to the Sponsor and the Participants as described above. The named Sponsor must make the ultimate decision as to retaining our firm for pension consulting services. The Sponsor is free to seek independent advice about the appropriateness of any recommended services for the plan.

**Advisory Services to Retirement Plans and Plan Participants** - As disclosed above, we offer various levels of advisory and consulting services to employee benefit plans ("Plan") and to the participants of such plans ("Participants"). The services are designed to assist plan sponsors in meeting their management and fiduciary obligations to Participants under the Employee Retirement Income Securities Act ("ERISA"). Pursuant to adopted regulations of the U.S. Department of Labor, we are required to provide the Plan's responsible plan fiduciary (the person who has the authority to engage us as an investment adviser to the Plan) with a written statement of the services we provide to the Plan, the compensation we receive for providing those services, and our status (which is described below).

**Status** - Our firm is registered as an investment adviser under the Investment Advisors Act of 1940 and we represent that we are not subject to any disqualification as set forth in Section 411 of ERISA. In performing fiduciary services, we are acting as a fiduciary of the Plan as defined in Section 3(21) for purposes of providing non-discretionary investment advice only, or Section 3(38) for purposes of providing discretionary investment advice, under the Employee Retirement Income Security Act ("ERISA").

### **Selection of Other Advisers**

As part of our investment advisory services, if appropriate and consistent with your needs, we will recommend that you use the services of a third-party investment adviser ("TPA") to manage your entire, or a portion of your, investment portfolio. After gathering information about your financial situation and objectives, we will recommend that you engage a specific TPA or investment program. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the TPA's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We will periodically monitor the TPA(s)' performance to ensure its management and investment style remains aligned with your investment goals and objectives.

## **Use of Sub-Advisers**

As part of our portfolio management services, if appropriate and consistent with your needs, we will use one or more sub-advisers to manage a portion of your account on a discretionary basis. The sub-adviser(s) may use one or more of their model portfolios to manage your account. We will regularly monitor the performance of your accounts managed by sub-adviser(s), and may hire and fire any sub-adviser without your prior approval.

## **Wrap Fee Programs**

### **Institutional Intelligent Portfolios® Platform**

We offer an automated investment program (the “Program”) through which clients are invested in a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange-traded funds (“ETFs”) and a cash allocation. The client may instruct us to exclude up to three ETFs from their portfolio. The client’s portfolio is held in a brokerage account opened by the client at Charles Schwab & Co., Inc. (“CS&Co”). We use the Institutional Intelligent Portfolios® platform (“Platform”), offered by Schwab Performance Technologies (“SPT”), a software provider to independent investment advisors and an affiliate of CS&Co, to operate the Program. We are independent of and not owned by, affiliated with, or sponsored or supervised by SPT, CS&Co, or their affiliates (together, “Schwab”). We, and not Schwab, are the client’s investment advisor and primary point of contact with respect to the Program. We are solely responsible, and Schwab is not responsible, for determining the appropriateness of the Program for the client, choosing a suitable investment strategy and portfolio for the client’s investment needs and goals, and managing that portfolio on an ongoing basis. We have contracted with SPT to provide us with the Platform, which consists of technology and related trading and account management services for the Program. The Platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the “System”). The System includes an online questionnaire that helps us determine the client’s investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that we will recommend a portfolio via the System in response to the client’s answers to the online questionnaire. The client may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but we then make the final decision and select a portfolio based on all the information we have about the client. The System also includes an automated investment engine through which we manage the client’s portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).

The Program can be used in conjunction with other services offered by Wealth Advisory Group or as a stand-alone service. Therefore, participants in the Program may or may not utilize the other services described above depending on the type of engagement agreed to with Wealth Advisory Group.

We also offer Wrap Fee programs sponsored by Morningstar Investment Services, LLC and SEI Securities, Inc.

Wrap Fee programs are a type of investment program that provides clients with access to several money managers or mutual fund asset allocation models for a single fee that includes administrative fees, management fees, and commissions. If you participate in one of the wrap fee programs referenced above, you will pay our firm a single fee, which includes our money management fees, certain transaction costs, and custodial and administrative costs. We receive a portion of the wrap fee for our services. The overall cost you will incur if you participate in our wrap fee program may be higher or lower than you might incur by separately purchasing the types of securities available in the program.

In general, we manage wrap fee accounts on a discretionary basis. Wrap fee accounts are typically



more appropriate for active accounts and are managed accordingly. We also manage non-wrap fee accounts on either a discretionary or a non-discretionary basis, and may include a different investment strategy in managing non-wrap accounts.

If you participate in a wrap fee program, we will provide you with a separate Wrap Fee Program Brochure explaining the program and costs associated with the program. You should also review this Part 2A thoroughly to evaluate any differences between the services we offer as wrap versus non-wrap.

### **Types of Investments**

We offer advice on investment company securities, such as mutual funds and ETFs; however we may advise you on any type of investment, such as equities and fixed income securities, that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

### **Assets Under Management**

As of December 31, 2024, we manage \$219,563,528 in client assets on a discretionary basis, and \$447,304,432 in client assets on a non-discretionary basis.

## **Item 5 Fees and Compensation**

### **Wealth Advisory Group, Inc.'s Ongoing Fee-Based Engagement Agreements**

Depending upon the type of advisory service to be provided, clients generally have a choice regarding the manner in which fees will be calculated for such services. Options for calculating fees include the following:

- Percentage of assets under management;
- Hourly charges;
- Flat Fees (As per the “metallic” engagement levels detailed directly below);
- Other retainer or service fees, or some combination of the above.

Note that when charging an asset-based fee (i.e., a percentage of the assets being managed) a conflict of interest exists since the more assets there are in your account, the more you will pay in fees. We therefore have an incentive to encourage you to increase the assets in your account or to invest in riskier securities that offer the potential for higher growth. However, as a fiduciary, we are obligated to act solely in your best interests and our focus is on providing you with investment advice that is appropriate for you in light of your specific financial situation.

**Silver Engagement** - The Silver option annual fee is \$1,000. Fee payments are due at the time of engagement. The annual fee is renewable annually. Engagement fees may be further discounted at the discretion of our firm. Clients may cancel within five business days of enrollment and receipt of our Form ADV Part 2 for a full refund of any payment made. Thereafter, clients may only cancel by submission of written notice to us. Engagement fees shall be refunded to the client on a pro-rata basis.

**Gold Engagement** -The Gold option annual fee is \$2,500. Fee payments are due 50% at the time of engagement, and the remaining 50% is due six months later. This annual fee is renewable annually. Engagement fees may be further discounted at our discretion. Clients may cancel within 5 business days of engagement and receipt of our Form ADV Part 2 for a full refund of any payment made. Thereafter, clients may only cancel by submission of written notice to us. Engagement fees shall be refunded to the client on a pro-rata basis.

**Platinum Engagement** - The Platinum option fee is either a flat fee not to exceed \$6,000 per quarter,

or an asset based fee based on the fair market value of the assets in your account as of the last business day of the month in which the client enrolls and thereafter as of the last business day of each billing period. The engagement fee for asset-based fees shall be determined on a client-by-client basis but shall not exceed a maximum fee of 1.25% of the assets under management. Platinum fees may be negotiable based upon the complexity and size of the asset holdings. This engagement fee is renewable annually.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

**Investment Management Services** - These services are performed and billed quarterly, in arrears, based upon a percentage of assets under management with fees ranging from 1.25% to 0.20% annually. Typically, we will directly debit client accounts for the payment of portfolio management fees. When we directly debit your account, payment of fees will be made by the qualified custodian holding your funds and securities provided that the following requirements are met:

- You provide written authorization permitting the fees to be paid directly from your account held by the qualified custodian. We do not have access to your funds for payment of fees without your consent in writing.
- The qualified custodian agrees to send you and us a statement, at least quarterly, indicating all amounts dispersed from the account including the amount of the advisory fee paid directly to our firm.

We encourage you to carefully review the statement(s) you receive from the qualified custodian and contact us if you have any questions.

In limited circumstances, upon request, we may agree to directly invoice you for advisory fees. In such cases, fees will be payable as invoiced instead of a direct debit.

Clients may cancel within five business days of enrollment and receipt of our Form ADV Part 2 for a full refund of any payment made. Thereafter, clients may only cancel by submission of written notice to us. Engagement fees shall be refunded to you on a pro-rata basis.

It is understood that the Platinum engagement fee does not include the costs that will be paid by the client for the execution or management of the assets by us or by an independent broker-dealer or money manager, if applicable..

**Wealth Advisory Group, Inc.'s Other Services:**

Wealth Advisory Group, Inc.'s other Services will be performed at either an hourly rate, not to exceed \$350.00 per hour, or based upon a percentage of assets under management with fees ranging from 1.50% to 0.20%. Such fee shall be determined based upon the amount of assets and the level of services provided, and whether we, or our Associated Persons receive compensation from another investment advisor, money manager, or insurance broker for introducing or referring you to them.

The payment terms shall be determined on a case-by-case basis.

**Estate Planning** - Consulting advice is provided on an hourly basis.

**Business Planning** - Business Planning Services are billed on an hourly, or project, basis.

**Employee Benefit Consulting** - Employee Benefit Consulting is done on a project basis with hourly billing.

**Pension Consulting Services** - The scope of these services, the fees, and the terms of the agreement for these services will be negotiated on a case-by-case basis with each Sponsor. We may be compensated based on an hourly fee, a flat fee, a fee based on percentage of assets, or a combination of fee arrangements based on the complexity of the plan and the agreement with the Sponsor. In any case, we will not have access to plan funds for payment of fees without written consent. The terms regarding payment of fees, termination, and refunds will be clearly set forth in the agreement executed between our firm and the Sponsor. We will not receive additional compensation beyond the consulting fees for our pension consulting services.

Either our firm or the Sponsor may terminate the pension consulting agreement within five business days of the date of acceptance without penalty. After the five-day period, either party may terminate the pension consulting agreement by providing written notice to the other party. The Sponsor may incur a charge for services rendered prior to such termination. If applicable, any unearned fees will be refunded on a pro rata basis.

The fees charged are calculated as described above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds, or any portion of your funds.

**Advisory Services to Retirement Plans and Plan Participants** - The services we provide to your Plan are described above, and in the service agreement that you have previously signed. Our compensation for these services is negotiated on a case-by-case basis and detailed in the advisory agreement. We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan or Participants.

#### **Selection of Other Advisers**

Our recommendations to use third-party investment advisers ("TPAs") are included in our portfolio management fee. We do not charge you a separate fee for the selection of other advisers nor will we share in the advisory fee you pay directly to the TPA. Advisory fees that you pay to the TPA are established and payable in accordance with the Form ADV Part 2 or other equivalent disclosure document provided by each TPA to whom you are referred. You should review the recommended TPA's brochure for information on its fees and services.

You will be required to sign an agreement directly with the recommended TPA(s). You may terminate your advisory relationship with the TPA according to the terms of your agreement with the TPA. You should review each TPA's brochure for specific information on how you may terminate your advisory relationship with the TPA and how you may receive a refund, if applicable. You should contact the TPA directly for questions regarding your advisory agreement with the TPA.

#### **Use of Sub-Advisers**

From time to time, we may utilize a sub-advisor to assist us in managing your account. We pay a portion of our advisory fee to the sub-adviser(s) we use. In some circumstances, this can cause your fee to be higher than it would be if we did not use a sub-advisor.

#### **Institutional Intelligent Portfolios® Platform**

We charge clients a fee for our services as described below. Our fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to CS&Co as part of the Program. Schwab does receive other revenues in connection with the Program.

We do not pay Schwab Performance Technologies ("SPT") fees for the Platform so long as we maintain \$100 million in client assets in accounts at CS&Co that are not enrolled in the Program. If we do not meet this condition, then we pay SPT an annual licensing fee of 0.10% (10 basis points) on the value of our clients' assets in the Program. This fee arrangement gives us an incentive to recommend or require that our clients with accounts not enrolled in the Program be maintained with CS&Co. This is a conflict of interest, which we mitigate by assuring that the recommendation of Schwab as the custodian use for our Clients' advisory accounts remains suitable under all the circumstances.

Clients do not pay fees to SPT or brokerage commissions or other fees to CS&Co as part of the Program. Schwab does receive other revenues in connection with the Program. Brokerage arrangements are further described below in Item 12 Brokerage Practices.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses.

You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, and others, which are typically described in the prospectus. For information on our brokerage practices, please refer to the *Brokerage Practices* section of this brochure.

### **Compensation for the Sale of Securities or Other Investment Products**

Persons providing investment advice on behalf of our firm are registered representatives with BCG Securities, Inc., a registered broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In their capacity as registered representatives, these persons will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by these persons in their capacities as registered representatives is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. However, as part of our fiduciary duties to you, we endeavor at all times to put your interests first. You are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm.

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. However, as part of our fiduciary duties to you, we endeavor at all times to put your interests first. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

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

Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the Advisory Business section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## Item 7 Types of Clients

We offer investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your Account if it falls below a minimum size which, in our sole opinion, is too small to effectively manage.

### **Institutional Intelligent Portfolios® Platform**

Clients eligible to enroll in the Program include individuals, IRAs, and revocable living trusts. Clients that are organizations (such as corporations and partnerships) or government entities, and clients that are subject to the Employee Retirement Income Security Act of 1974, are not eligible for the Program. The minimum investment required to open an account in the Program is \$5,000. The minimum account balance to enroll in the tax-loss harvesting feature is \$50,000.

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

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

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- **Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.
- **Long Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- **Short Term Purchases** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

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.

**Fundamental Analysis** - The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a

stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

We may use short-term trading (in general, selling securities within 30 days of purchasing the same securities) as an investment strategy when managing your account(s). Short-term trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk.

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Under IRS regulations, custodians and broker-dealers must report the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the FIFO (First-In First-Out) accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

### **Recommendation of Particular Types of Securities**

As disclosed under the *Advisory Business* section in this Brochure, we primarily recommend stocks, ETFs and mutual funds however, we may recommend other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Mutual funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. The returns on mutual funds will be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the funds typically charge other fees, such as 12b-1 fees, which can also reduce returns. Mutual funds can also be "closed end" or "open end".

## Item 9 Disciplinary Information

Wealth Advisory Group, Inc. has been registered and providing investment advisory services since 1993. Neither our firm nor any of our management personnel has any reportable disciplinary information.

## Item 10 Other Financial Industry Activities and Affiliations

WAG is a wholly owned subsidiary of WIA Holdings, LLC. WIA Holdings, LLC in turn is under the common control and ownership of World Associates Holdings, LLC. Additionally, through a series of other, affiliated, entities, Goldman Sachs & Co., LLC, has an indirect minority interest in World Associates Holdings, LLC. Goldman Sachs & Co., LLC, is a FINRA broker-dealer (Member SIPC) and SEC Registered Investment Adviser. Other affiliated businesses include: Pensionmark Securities, LLC ("PSC") and World Investments, Inc., FINRA broker dealers (Members SIPC); World Advisory Services; World Investment Advisors, LLC; and, Financial Planning Concepts of America, Inc., all SEC Registered Investment Advisers. WAG is also affiliated with: World Insurance Associates, LLC; Scotts American, LLC; Keating, LLC; ESA Associates, LLC; FastComp, LLC; Hamond Safety Management, LLC; Pacific Coast NCA Premium Finance, LLC; and World Insurance Programs, LLC, all insurance agencies engaging in Life, Health, Long Term Care, Variable, and various other Insurance business.

As a result of Goldman Sachs' affiliation, WAG has limited the available Goldman Sachs products it will recommend to its clients. No incentives are provided to WAG or WAG Investment Advisor Representatives to recommend Goldman Sachs products over other investment products.

WAG is also affiliated with other financial services companies, but does not have any shared business dealings, operations, referral programs, clients, representatives, or premises with these other companies, and has no reason to believe the firm's relationship with them otherwise creates a conflict of interest with WAG clients. A full list of WAG's affiliates will be provided upon request.

Where appropriate, we may refer clients to one or more of the above-listed affiliated businesses for service or products such as insurance or brokerage services, employee benefits, etc. In such cases, a conflict of interest arises in that there exists a financial incentive for our parent company to refer clients to those affiliates. Nevertheless, as a fiduciary, we are required to act in your best interests and any referral we make are provided to clients with that obligation in mind. You are not obligated, contractually or otherwise, to use the services of any business we recommend.

Persons providing investment advice on behalf of our firm are registered representatives with BCG Securities, Inc, a registered broker-dealer, and a member of the Financial Industry Regulatory Authority.

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

We may recommend that you use a third party adviser ("TPA") based on your needs and suitability. We will receive compensation from the TPA for recommending that you use their services. These compensation arrangements present a conflict of interest because we have a financial incentive to recommend the services of the third party adviser. We mitigate this conflict by assuring that any recommended TPM will act in your best interest. You are not obligated, contractually or otherwise, to use the services of any TPA we recommend.

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

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

### **Participation or Interest in Client Transactions**

Neither our firm nor any of our Associated Persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

### **Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities.

## **Item 12 Brokerage Practices**

We recommend that clients establish brokerage accounts with one or more broker-dealers including but not limited to Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab Institutional"), a registered broker-dealer, member SIPC/NYSE, to maintain custody of the client's assets and to effect trades for their accounts. There will be transaction charges involved when purchasing or selling securities. We do not share in any portion of the brokerage fees/transaction charges imposed by Schwab Institutional. Additionally the commission/transaction fees charged by Schwab Institutional may be higher or lower than those charged by other broker-dealer/custodians.

Schwab Institutional provides us with access to its institutional trading and operations services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers at no charge to them so long as a total of at least \$10 million of our clients account assets are maintained at Schwab Institutional. Schwab Institutional services may include research, brokerage, custody, access to mutual funds and other investments that are otherwise available only to institutional investors or would require significantly higher minimum initial investments.

For our client accounts maintained in custody at Schwab, Schwab Institutional generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab Institutional or that settle into Schwab accounts.

Schwab Advisor Services also makes available to us other products and services that benefit our firm



but not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client's accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of our fees from our clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

We believe that Schwab Institutional provides the best services at reasonable commission rates. The reasonableness of commissions is based on several factors, including the broker's ability to provide professional services, competitive commission rates, volume discounts, execution price negotiations, the broker's reputation, experience and financial stability of the broker or dealer, and the quality of service rendered by the broker or dealer in other transactions.

Best execution is not measured solely by reference to commission rates. Paying a broker a higher commission rate than another broker might charge is permissible if the difference in cost is reasonably justified by the overall quality of the brokerage services offered.

Associated Persons of our firm, in their separate capacities as Registered Representatives and/or insurance agents, will sell securities products and will receive additional compensation on the sale of such products.

While our firm and our Associated Persons, as part of their fiduciary duty, endeavor to put your interest first, you should be aware that receipt of additional compensation itself creates a potential conflict of interest.

### **Institutional Intelligent Portfolios® Platform**

Client accounts enrolled in the Program are maintained at, and receive the brokerage services of, Charles Schwab & Co., Inc. ("CS&Co"), a broker-dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC. While clients are required to use CS&Co as custodian/broker to enroll in the Program, the client decides whether to do so and opens its account with CS&Co by entering into a brokerage account agreement directly with CS&Co. We do not open the account for the client. If the client does not wish to place his or her assets with CS&Co, then we cannot manage the client's account through the Program. CS&Co may aggregate purchase and sale orders for ETFs across accounts enrolled in the Program, including both accounts for our clients and accounts for clients of other independent investment advisory firms using the Platform.

Schwab Advisor Services™ (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. Through Schwab Advisor Services, CS&Co provides us and our clients, both those enrolled in the Program and our clients not enrolled in the Program, with access to its institutional brokerage services — trading, custody, reporting, and related services — many of which are not typically available to CS&Co retail customers. CS&Co 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. CS&Co's support services described below are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. The availability to us of CS&Co's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients. Here is a more detailed description of CS&Co's support services:

CS&Co'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. CS&Co's services described in this paragraph generally benefit the client and the client's account.

CS&Co also makes available to us other products and services that benefit us but may not directly benefit the client or its account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at CS&Co. In addition to investment research, CS&Co 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; and
- assist with back-office functions, recordkeeping, and client reporting.

CS&Co also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.

CS&Co may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. CS&Co may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. CS&Co may also provide us with other benefits such as occasional business entertainment of our personnel.

Wealth Advisory Group utilizes the services offered by CS&Co to enhance and improve the services offered to our clients.

The availability of services from CS&Co benefits us because we do not have to produce or purchase them. We don't have to pay for these services, and they are not contingent upon us committing any specific amount of business to CS&Co in trading commissions or assets in custody. With respect to the Program, as described above under *Item 4 Advisory Business*, we do not pay SPT fees for the Platform so long as we maintain \$100 Million in client assets in accounts at CS&Co that are *not* enrolled in the Program. In light of our arrangements with Schwab, we have an incentive to recommend that our clients maintain their accounts with CS&Co based on our interest in receiving Schwab's services that benefit our business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of transactions. This is a potential conflict of interest. We believe, however, that our selection of CS&Co as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality, and price of CS&Co's services and not Schwab's services that benefit only us. We have adopted policies and procedures designed to ensure that our use of Schwab's services is appropriate for each of our clients.

### **Directed Brokerage**

In limited circumstances and at our sole discretion, you may instruct us to use one or more particular

brokers for the transactions in their accounts. If you want to direct us to use a particular broker should understand that this may prevent us from effectively negotiating brokerage compensation on your behalf and may also prevent us from obtaining the most favorable net price and execution. Moreover, if you require that we direct brokerage you may incur additional costs for performance reporting. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

We also recommend the brokerage and custodial services of BCG Securities, Inc, ("BCG") a registered broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. We believe that BCG provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by BCG, including the value of research provided, the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of research services and additional brokerage products and services BCG provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

Persons providing investment advice on behalf of our firm who are registered representatives of BCG will recommend BCG to you for brokerage services. These individuals are subject to applicable rules that restrict them from conducting securities transactions away from BCG unless BCG provides the representative with written authorization to do so. Therefore, these individuals are generally limited to conducting securities transactions through BCG. It may be the case that BCG charges higher transactions costs and/or custodial fees than another broker charges for the same types of services. If transactions are executed through BCG, these individuals (in their separate capacities as registered representatives of BCG) may earn commission-based compensation as result of placing the recommended securities transactions through BCG. This practice presents a conflict of interest because these registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. We mitigate this incentive by adopting review processes that assure any recommendation of a brokerage product or service is in the Client's best interest. You may utilize the broker-dealer of your choice and have no obligation to purchase or sell securities through such broker as, we recommend. However, if you do not use BCG, we may not be able to accept your account. Please see the *Fees and Compensation* section in this brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

### **Aggregated Trades**

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

treatment.

## Item 13 Review of Accounts

The Wealth Advisory Group, Inc. Engagement Agreements, Financial Planning, or Investment Advisory Agreements with you will specify the reports, if any, that will be provided to you, including the type of report and the frequency with which the reports will be presented to you. Reports, including investment tracking reports, asset review or analysis reports, or net worth or portfolio valuation reports will be periodically reviewed by the adviser representative assigned to your account.

You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

## Item 14 Client Referrals and Other Compensation

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us. These products and services, how they benefit us, and the related conflicts of interest are described above under *Item 12 Brokerage Practices*. The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

As disclosed under the *Fees and Compensation* section in this brochure, persons providing investment advice on behalf of our firm are licensed insurance agents, and are registered representatives with BCG, a registered broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the *Fees and Compensation* section.

## Item 15 Custody

Your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure.

Under government regulations, we are deemed to have custody of a client's assets if the client authorizes us to instruct CS&Co to deduct our advisory fees directly from the client's account. This is the case for accounts in the Program. CS&Co maintains actual custody of clients' assets. Clients receive account statements directly from CS&Co at least quarterly. They will be sent to the email or postal mailing address the client provides to CS&Co. Clients should carefully review those statements promptly when received. We also urge clients to compare CS&Co's account statements to the periodic portfolio reports clients receive from us.

### **Wire Transfer and/or Check-Writing Authority and/or Standing Letter of Authorization**

Our firm, or persons associated with our firm, may effect wire transfers from client accounts to one or

more third parties designated, in writing, by the client without obtaining written client consent for each separate, individual transaction, or we may have signatory and check writing authority for client accounts, as long as the client has provided us with written authorization to do so. Such written authorization is known as a Standing Letter of Authorization. An adviser with authority to conduct such third party wire transfers or to sign checks on a client's behalf has access to the client's assets, and therefore has custody of the client's assets in any related accounts.

However, we do not have to obtain a surprise annual audit, as we otherwise would be required to by reason of having custody, as long as we meet the following criteria:

1. You provide a written, signed instruction to the qualified custodian that includes the third party's name and address or account number at a custodian;
2. You authorize us in writing to direct transfers to the third party either on a specified schedule or from time to time;
3. Your qualified custodian verifies your authorization (e.g., signature review) and provides a transfer of funds notice to you promptly after each transfer;
4. You can terminate or change the instruction;
5. We have no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party;
6. We maintain records showing that the third party is not a related party to us nor located at the same address as us; and
7. Your qualified custodian sends you, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

We hereby confirm that we meet the above criteria.

## **Item 16 Investment Discretion**

Before we can buy or sell securities on your behalf, you must first sign our Investment Management agreement, a power of attorney, and/or trading authorization forms.

You will typically grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose reasonable conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the *Advisory Business* section in this brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

## **Item 17 Voting Client Securities**

We will not vote proxies on behalf of your advisory accounts unless our Agreement specifies otherwise. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the

event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

## **Item 18 Financial Information**

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

## **Item 19 Requirements for State Registered Advisers**

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

## **Item 20 Additional Information**

### **Your Privacy**

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any non-public personal information about you to any non-affiliated third parties, except as permitted by law. In the course of servicing your account, we share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to non-public personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your non-public personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

### **Trade Errors**

On infrequent occasions, an error may be made in your account. For example, a security may be erroneously purchased for the account instead of sold. In these situations, we generally seek to rectify the error by placing your account in a similar position as it would have been had there been no error. Depending on the circumstances, various corrective steps may be taken, including among others canceling the trade or adjusting an allocation.

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you

are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.