Compliance Manual

August 2023

Contents

1. INTRODUCTION

Purpose

Redhawk Wealth Advisors, Inc. (the **"Firm**") is an SEC Registered Investment Advisor ("**RIA**") and has adopted the following policies and procedures for compliance as an RIA under the Investment Advisers Act of 1940 ("**Advisers Act**"). Employees and Investment Advisor Representatives ("**IAR"** or collectively **"IARs**") of the Firm are expected to be familiar with and follow the Firm's policies.

Guidelines Only

The information and procedures provided within this manual represent guidelines to be followed by employees of the Firm, IARs, and employees of IARs ("**Supervised Person"** or collectively **"Supervised Persons**") and are not inclusive of all laws, rules and regulations that govern the activities of the Firm. Supervised Persons should conduct their activities in a manner that not only achieves technical compliance with this Compliance Manual, but also abides by its spirit and principles as a fiduciary.

The Chief Compliance Officer ("**CCO**") oversees the Firm's Compliance Committee, that is governed by a defined charter, and meets on a regular basis with the Compliance Committee to review and address compliance and/or supervisory issues of the Firm (collectively as "**Compliance**"). The CCO utilizes the services of other staff members of the Firm on an as needed basis for compliance purposes and to help the CCO in the on-going management of the Firm's compliance program ("**Designee**").

Questions

Any questions concerning the policies and procedures contained within this Compliance Manual or regarding any regulations or compliance matters should be directed to Compliance in writing and sent to compliance@redhawkwa.com.

Any reference needing review or approval from Compliance referenced in this document should be sent to compliance@redhawkwa.com.

Any reference needing review or approval from the operations team ("**Operations**") referenced in this document should be sent to operations@redhawkwa.com.

Any reference needing review or approval from the Firm's investment committee ("**IC**") referenced in this document should be sent to compliance@redhawkwa.com.

The CCO and Designee are identified below.

- Chief Compliance Officer: Rick Keast
- Chief Compliance Officer's Designee: Sarah Weigel

Acknowledgement

Supervised Persons are required to acknowledge that they have read and that they understand and agree to comply with the Firm's compliance policies and procedures.

Limitations on Use

The Firm is the sole owner of all rights to this manual, and it must be either returned by the Supervised Person or electronically destroyed immediately upon termination of employment. The information contained herein is confidential and proprietary and should not be disclosed to any third-party or otherwise shared or disseminated in any way without the prior written approval of the Firm.

2. COMPLIANCE REVIEW

Objective of the Compliance Program

It is the policy of the Firm to remain compliant with all rules and regulations set forth by the Securities Exchange Commission ("**SEC**") and any other organization having governing authority over the Firm and its operations. As a result, the Firm has implemented the policies and procedures contained in this Compliance Manual and its Exhibits.

The Compliance Manual is designed to assist Supervised Persons in maintaining compliance with the securities laws under which the Firm operates, namely the Advisers Act as amended. The rules make it unlawful for any Supervised Person to provide advice to any client unless they have complied with the Advisers Act by:

1. Creating or adopting written compliance policies and procedures to address, at a minimum, the following areas:
   a. **Portfolio Management Processes:** Portfolio management processes, including allocation of investment opportunities among clients and consistency of portfolios with clients' investment objectives, disclosures by the Supervised Person, and applicable regulatory restrictions.
   b. **Trading Practices:** Trading practices that satisfies Best Execution obligation, uses client brokerage to obtain research and other services, and allocates aggregated trades among clients.
   c. **Proprietary Trading:** Proprietary trading of personal trading activities of Supervised Persons.
   d. **Disclosures:** The accuracy of disclosures made to clients and regulators, including account statements, and advertisements.
   e. **Safeguarding Client Assets:** Safeguarding of client assets from conversion or inappropriate use.
   f. **Accurate Records:** The accurate creation of required records and their maintenance in a manner that secures them from unauthorized alteration or use and protects them from untimely destruction.
   g. **Marketing:** Marketing advisory services, including the use of promoters.
   h. **Valuation Processes:** Processes to value client holdings and assess fees based on those valuations.
   i. **Privacy Safeguards:** Safeguards for the privacy protection of client records and information.
   j. **Business Continuity** Business continuity plans.
2. Creating a process to review written policies and procedures annually.
3. Designating a CCO.

Designation of Chief Compliance Officer

Rick Keast is designated as the Firm's CCO and is responsible for on-going compliance matters of the Firm. The CCO oversees the Firm's Compliance Committee, that is governed by a defined charter, and meets on a regular basis with the Compliance Committee to review

and address compliance and/or supervisory issues of the Firm. The CCO utilizes the services of other staff members of the Firm on an as needed basis for compliance purposes and to help the CCO in the on-going management of the Firm's compliance program. Such individuals report directly to the CCO. Ultimate responsibility for ensuring that its employees and Supervised Persons comply with the provisions of this manual and the federal and state securities laws resides with the CCO.

Designation of Responsibility

The CCO has full responsibility and authority to develop and enforce appropriate compliance policies and procedures and is responsible for all compliance functions. The CCO oversees the preparation and updating of the written policies and procedures contained in this Compliance Manual. The CCO ensures that a copy of these policies and procedures are maintained for a minimum of five (5) years from the date of the most recent change. The CCO or its Designee conducts annual audits and assessments of the business being conducted by the Firm and its Supervised Persons and updates its policies and procedures accordingly.

Duties of the CCO

Specific responsibilities and duties of the CCO include, but are not limited to, the following:

1. **Annual Review:** Reviewing the Firm's compliance policies and procedures at least annually (including any compliance matters that arose during the previous year) to determine the adequacy and effectiveness of the policies and procedures, and if necessary, updating the policies and procedures.
2. **Interim Reviews:** Conducting interim reviews in response to significant compliance events, changes in business arrangements, and regulatory developments.
3. **Compliance Training:** Conducting compliance training for new Supervised Persons.
4. **Testing and Monitoring Policies:** Drafting procedures to document the monitoring and testing of compliance through internal audits.
5. **Internal Assessment:** Implementing any policies needed to ensure that training and internal assessment procedures are updated to reflect changes in applicable laws, regulations, and administrative positions.
6. **Reporting of Breach:** Following up and resolving any reported breach of the Firm's policies and procedures.

Who is covered by the Firm's Compliance Program?

A Supervised Person is any associated person of the Firm that provides advice to clients or prospective clients. They are also any person with the capacity to affect a client's accounts at a custodian in any fashion. Under the Firm's current operational structure all associated persons of the Firm are considered Supervised Persons. A copy of this program outline and the policies derived under it is provided to each supervised Person. Each Supervised Person is required to acknowledge the receipt of this Compliance Manual and that they have read and fully understand the policies and procedures on an annual basis.

Areas of Coverage of the Compliance Program

On an annual basis, the CCO conducts a review of the business of the Firm, the types of clients it has, the types of investments made on behalf of its clients, and any other activities the Firm engages on a regular basis.

Annual Compliance Reviews. In addition, the CCO conducts an annual review of the Firm's policies and procedures to determine that they are adequate, current, and effective in view of the Firm's businesses, practices, advisory services, and current regulatory requirements. The Firm's policy includes amending or updating the policies and procedures to reflect any changes in the Firm's activities, personnel, or regulatory developments, among other things, either as part of the Firm's annual review, or more frequently, as is appropriate, and to maintain relevant records of the annual reviews. The purpose of this review is to consider any changes in the Firm's activities, any compliance matters that have occurred in the past year, and any new regulatory requirements or developments, among other things. Appropriate revisions of a Firm's policies or procedures is made to help ensure that the policies and procedures are adequate and effective.

Procedures. Compliance adopts procedures to implement the Firm's policy and reviews to monitor and ensure the Firm's policy is observed, implemented properly, and amended or updated, as appropriate and which include the following.

1. **Annual Review:** On an annual basis, Compliance undertakes a complete analysis of all Firm's written compliance policies and procedures.
2. **Subjects of Review:** The review includes a review of each policy to determine the following:
    a. Adequacy, effectiveness, and accuracy,
    b. Appropriateness for the Firm's current activities.
    c. Current regulatory requirements.
    d. Any prior policy issues, violations, or sanctions.
    e. Any changes that are required or appropriate.
3. **Coordination of Review:** Compliance coordinates the review of each policy with the appropriate person, department manager, or officer to ensure that each of the Firm's policies and procedures is adequate and appropriate for the business activity covered, e.g., a review of the trading policies and procedures with the person responsible for the Firm's trading activities.
4. **Revision of Policy:** Compliance revises any of the Firm's policies and/or procedures as necessary or appropriate and obtains the approval of the person, department manager, or officer responsible for an activity as part of the review.
5. **Prior Violations or Issues:** Compliance's annual reviews includes an overview of any prior violations or issues under any of the current policies or procedures. This helps the Firm to avoid similar violations or issues in the future.
6. **Maintain Copies:** Compliance maintains hardcopy or electronic records of the policies and procedures as in effect at any time.

7. **Annual Compliance Review File:** Compliance maintains an Annual Compliance Review file for each year, which includes any revisions and materials supporting such changes and approvals, of any of the Firm's policies and/or procedures.
8. **Ad Hoc Reviews:** Compliance conducts more frequent reviews of the Firm's policies or procedures, or any specific policy or procedure, in the event of any change in personnel, business activities, regulatory requirements or developments, or other circumstances requiring a revision or update.
9. **Risk Assessment:** Compliance conducts a risk assessment of the Firm's operation and update policies and procedures as warranted.
10. **Retention of Records:** Compliance maintains relevant records of such additional reviews and changes.

Regulatory Inspections

The Firm is examined by the Office of Compliance Inspections and Examinations ("**OCIE**") of the SEC. OCIE conducts exams out of Washington D.C. and each of the SEC's 11 regional offices. On the first day of the examination, the Firm shall be prepared for representatives from the SEC/OCIE to ask about or for:

1. A general overview of the Firm.
2. The type of Firm clients.
3. Services provided by the Firm.
4. Investment strategies employed and products offered by the Firm.
5. An overview of the marketing strategies and sales practices employed by the Firm.
6. A general description of the Firm's compliance program.
7. An explanation of how the Firm values clients' assets and how the Firm charges its advisory fees.

When the SEC, state securities commission or other regulatory agency contacts or meets a Supervised Person of the Firm, the following procedures are followed:

1. The Supervised Person of the Firm that was contacted by the SEC is required to immediately inform the CCO about the matter.
2. The CCO arranges for the Firm to make available all documents requested by the examiner, provided such examiner has the legal right to examine such documents.
3. The CCO reviews prior to the arrival of the inspection staff:
    a. If a surprise visit, the CCO asks the SEC official(s) for: (i) proper identification, (ii) their authority to conduct the examination, and (iii) the purpose of the visit.
    b. The CCO and any other Firm personnel chosen to assist the regulatory inspection team is required to be pleasant and cooperative.
    c. Information or copies of documents are provided to the official only if the release of such information or documents has been cleared by the CCO.
    d. The CCO ensures that only those documents specifically requested by the regulatory inspection team are released to the regulatory inspection team.
    e. A representative of the Firm always accompanies the regulatory inspection team when the team is in the Firm's office(s), except in a room or rooms designated by the CCO as places where the team can perform their inspection.

f. Without prior clearance from the CCO, no employee can have substantive conversations with any member of the regulatory inspection team.
g. Upon completion of the examination, the CCO asks a member of the SEC's inspection team the date when the examination will be completed. (Under the Dodd-Frank Act, the SEC has 180 days from the date of its document request to complete its examination of a registered investment advisor).
h. The recipient of any letter or other correspondence from the inspecting regulatory authority must promptly forward such correspondence to the CCO.
i. The CCO, in coordination with the legal counsel of the Firm or third-party compliance consultant, reviews the correspondence from the inspecting regulatory authority and responds, if so required, in the appropriate manner prior to any deadline imposed by the inspecting authority.
j. If OCIE identifies deficiencies or weaknesses, the Firm takes steps to address and eliminate such deficiencies and weaknesses and memorialize the actions taken in a memorandum. If serious deficiencies are found, OCIE refers the problems to the SEC's Division of Enforcement, or to a self-regulatory organization, state regulatory agency, or other regulator for possible action.

3. REGISTRATION AND LICENSING

State Notice Filing Requirements

The Firm has been granted registration as an investment advisor ("**RIA**") with the SEC and is required to notice file in each individual state in which it is required to do so under the state statutes. Unless otherwise permitted by regulation, the Firm does not solicit or render investment advice for any client domiciled in a state where the Firm is not properly registered.

Registration of Investment Advisor Representatives

IARs refer to the individual agents associated with the Firm who render investment advice on behalf of the Firm. In general, states require either of the following of IARs: (1) Sitting for and passing the FINRA brokerage exam Series 7 and the Investment Advisor Examination Series 66, or the Investment Advisor Exam Series 65; or (2) a professional designation (CFA, CFP, or ChFC, PFS, etc.).

In addition, state registration requirements for IARs vary by state and can include: 1) Form U-4 for the IAR; 2) fingerprints, which are the responsibility of the IAR (unless current copy on file with the FINRA); 3) proof of examinations, and 4) filing fees to be submitted directly to the state (via the Firm's FINRA Gateway Account). The Firm ensures that each of its IARs are adequately registered prior to allowing IAR business to be conducted by its IARs, on behalf of the Firm, in the relevant jurisdiction. State registration of IARs will be made electronically via the FINRA Gateway system.

No IAR can provide investment advice to any client until they have received notice from Compliance that they have been granted, as necessary, an investment advisor registration license/approval from the relevant state(s).

Registration Amendments: An IAR must immediately notify Compliance in writing if any information required by their Form U-4 becomes outdated. Depending upon what information has been updated, an amendment to the Form U4 can be required. If such an amendment is required, such filing is submitted with the appropriate jurisdiction via the IARD. Compliance contacts the IARs regarding updating their U4 on an annual basis.

Compliance ensures that, within thirty (30) calendar days of termination of any IAR from the Firm, a Form U-5 is filed with FINRA. Compliance also provides the terminated IAR with a copy of such Form U-5 within the same time frame. Any subsequent amendments to Form U-5 is also filed within thirty (30) days of Compliance learning of the need for such amendments. Initial filings and amendments of Form U5 are submitted electronically.

Supervisory Responsibility—State Registration

Compliance is responsible to be aware of the requirements of the states in which the Firm operates and to ensure that the Firm and its IARs are properly registered, licensed, and qualified to conduct business pursuant to all applicable laws of those states.

If the state requires fingerprinting, it is the IAR's responsibility to locate a proper organization that will take their fingerprints. The IAR is also responsible to ensure that the fingerprints are sent to the appropriate department of the state for review.

Third-Party - Compliance Consultant

The Firm retains a third-party consulting firm to assist with compliance related requirements and any issues that arise. The consulting firm also assists the Firm with submitting all appropriate filings on the Firm's behalf. Compliance is responsible for ensuring such filing requirements are met and obtains confirmation from the consulting firm that all required filings are completed.

Annual Renewal/Annual Updating Amendment

The Firm must file (1) an annual renewal prior to year-end through FINRA Gateway, and (2) annual updating amendment via Firm Gateway within ninety (90) days after its fiscal year-end. If material changes are reported, the Firm must deliver, within 120 days of the of the end of the Firm's fiscal year, to each client an updated Form ADV Part 2A and Form CRS that either includes the summary of material changes or is accompanied by a summary of material changes that includes an offer to provide a copy of the most updated Form Part 2A and Form CRS. The Firm will maintain a record of this action.

Filing Fees

The state(s) to which the Firm is registered and has registered IARs charge fees, which are deducted from the Flex-Funding account established with FINRA. The CCO will be responsible for maintaining required balances with FINRA Firm Gateway to facilitate the payment of registration fees for the Firm as well as annual renewal fees when they are due.

Hiring and Training of Investment Advisor Representatives

The Firm is responsible and has the duty to ascertain by investigation the good character, business reputation, qualifications, and experience of any person prior to making such a certification in the application of such person for association with the Firm. The Firm has a documented due diligence process when reviewing potential new IARs. The New Advisor Committee approves each due diligence phase before the Firm contemplates having the IAR join the Firm. Where an applicant for registration has previously been registered with a broker/dealer or other RIA, the Firm reviews the FINRA broker check website for a complete list of industry associations and any disciplinary history.

Ensure Proper Registration and License

To qualify as an IAR, it is necessary for the individual to:

1. Have passed all applicable state investment advisor representative examinations, unless the examination(s) has/have been waived; and
2. Unless exempt, be registered as an IAR of the Firm in all states where the individual conducts business activities. Passing an examination alone does not equate to licensure.

IARs of the Firm are prohibited from soliciting potential business from a prospective client or render any advice unless registered in the client's or prospective client's state of residence, unless exempt from registration. Questions regarding registration requirements should be directed to Compliance.

Representative Disqualification

The Firm does not permit a person who was not approved during the due diligence process to become associated with the Firm.

Records for all "Associated Persons"

The Firm maintains employment files for all associated persons of the Firm. "**Associated Persons**" are any partner, officer, director, or branch manager of such IAR (or any person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with such IAR, or any employee of such IAR, that has passed the investment advisor representative examinations. Any person associated with an IAR whose functions are solely clerical or ministerial shall not be included in the meaning of such term.

The Firm maintains the employment file by requiring all Associated Persons to complete a Form U4 and promptly update it, as applicable. Compliance maintains these files and makes sure that a complete and signed Form U4 is in each Associated Person's file.

Unregistered Supervised Persons

Compliance monitors the activities of unregistered Supervised Persons. Unregistered Supervised Persons are prohibited from conducting any investment advisory business without proper licensure. Unregistered Supervised Persons are authorized to only participate in the following:

1. Clerical or administrative matters concerning client accounts.
2. General discussion of the services offered.
3. Refer clients to an IAR of the Firm for more specific information concerning account(s).
4. Provide prospective clients with approved marketing brochures or materials.
5. Perform back-office functions.

Review and Amendments to Form ADV and Form CRS

The CCO reviews the Firm's Form ADV on an ongoing basis to ensure that all information is current and accurate. The Firm's Form ADV and Form CRS are amended within 30 days when changes have been made to the Firm's policies and procedures or upon discovery of an inaccuracy in the following Items: 1, 2, 3, 4, 5, 8, 11, Schedule A and Schedule B of Part 1 of Form ADV and Form CRS.

Disciplinary Disclosure

All material facts relating to legal or disciplinary events are disclosed in writing to existing clients promptly after the legal or disciplinary event occurs.

Required Disclosures

The Firm discloses any facts or circumstances which reasonably impact the Firm's or its affiliates' ability to meet their contractual commitments to clients. Examples of information that must be disclosed include:

1. The likelihood of bankruptcy or insolvency.
2. An event that would occupy the Firm's time so that its ability to manage client assets would be impaired.
3. An event that is material to an evaluation of the Firm's or its affiliates' integrity or their ability to meet contractual commitments to clients.

Privacy Notice Disclosures

At the inception of the client relationship, Supervised Persons are required to provide a copy of the Firm's privacy notice, as set forth in the Privacy Policy section of this manual. The Firm does not share non-public personal information with non-affiliated third parties. If the Firm has not changed its Privacy Policy from the most recent Privacy Policy that were disclosed to clients, the Firm will not provide the same Privacy Policy to clients on an annual basis. The Firm only sends an annual Privacy Policy, notifying clients of the change, when the Privacy Policy has been changed during the year.

Proxy Voting Disclosures

At the inception of the client relationship, Supervised Persons are required to provide information disclosing that the Firm does not vote proxies. This disclosure is in Part 2A of the Form ADV and the advisory agreement.

FORM 13-H

If the Firm meets the definition of a large trader, it must register with the SEC by filing and periodically updating Form 13H through the SEC's EDGAR system. The term "**Large Trader**" is defined as any person that: i) directly or indirectly, including through other persons controlled by such person, exercises investment discretion over one or more accounts and effects transactions for the purchase or sale of any National Market System ("**NMS**") security for or on behalf of such accounts, by or through one or more registered broker-dealers, in an aggregate amount equal to or greater than the identifying activity level; or ii) voluntarily registers as a large trader. NMS securities are generally U.S. exchange-listed securities, including equities and options. Currently, identifying activity level means aggregate transactions in NMS securities that are equal to or greater than: 1) during a calendar day, either two million shares or shares with a fair market value of $20 million; or 2) during a calendar month, either twenty million shares or shares with a fair market value of $200 million. With respect to options, their volume and value for identifying activity level purposes are based on the underlying securities referenced (e.g., 500 XYZ call options would count as aggregate transactions of 50,000 shares in XYZ).

If the Firm meets the Large Trader definition, it must file an initial Form 13H within 10 days after effecting aggregate transactions equal to or greater than the identifying activity level.

Additionally, all Large Traders must submit an annual filing of Form 13H within 45 days after the end of each full calendar year. If any of the information contained in a Form 13H filing becomes inaccurate for any reason, a Large Trader must file an amendment no later than the end of the calendar quarter in which the information became stale. Additionally, if the Firm meets the Large Trader definition, it must disclose to the registered broker-dealers effecting transactions on its behalf its large trader identification number ("**LTID**") and each account to which it applies.

FORM 13-D, 13F, 13G

Compliance provides reports required by Section 13(d), 13(f), and 13(g) of the Securities Exchange Act of 1934 prepared and filed on a current basis. Form 13D reports are for any person who acquires directly or indirectly beneficial ownership of more than 5% of any equity security with either the intent or effect of causing a change in control. Compliance files Form 13G if the Firm acquires more than 5% of any equity security without the purpose of changing or influencing control of the issuer. Compliance files Form 13(f) because the Firm manages more than $100 million in securities of companies admitted to trading on a national securities exchange or quoted on the automated quotation system of a registered securities association, as provided in Section 13(f) of Securities Exchange Act of 1934.

Conducting Business in Foreign Countries

The Firm is not registered as an RIA in any foreign country. Conducting securities and/or advisory business abroad with citizens of that foreign country is generally prohibited. Supervised Persons traveling abroad who wish to continue conducting securities and/or advisory business with US-based clients should contact Compliance for further guidance. Because foreign securities laws vary and are often complex, limitations must be placed on activities while a Supervised Person is traveling and/or staying abroad, to avoid triggering a registration and licensing requirement in a foreign country.

4. REGULATION BEST INTEREST ("REG BI")

General Policy

Regulation Best Interest ("**Reg BI**") applies only to recommendations to retail clients. Compliance with Reg BI requires meeting four obligations: *disclosure, care, conflict of interest, and compliance*. Form CRS (**Client Relationship Summary**) is intended to be a simple, easy-to-read summary regarding the nature of a retail client's relationship with a financial professional, including: (i) the types of client relationships and services being offered; (ii) the fees, costs, conflicts of interest, and required standard of conduct associated with those relationships and services; (iii) whether the Firm and its financial professionals currently have reportable legal or disciplinary history; and (iv) how to obtain additional information about the Firm.

Form CRS for investment advisors will be required as Part 3 of Form ADV and will be in addition to the disclosures already required in Parts 1 and 2 of Form ADV (including the narrative brochure). Delivery of Form CRS will be required at the beginning of the client relationship and within 30 days after the initial filing for existing clients and will be subject to SEC filing, updating, and related recordkeeping requirements. The SEC may use the information provided in Form CRS to manage its regulatory and examination programs. Form CRS will be made publicly available by the SEC and on a Firm 's website if it has one.

Responsibility

The CCO has the responsibility for the implementation of Reg BI and maintaining the consistency of the disclosure language in the Form CRS.

Procedures

1. Regulation BI applies only to recommendations to retail clients*.
2. Form CRS must be provided to clients when an account is opened (including additional accounts for existing clients). Form CRS is posted on the Firm's website and updates must be provided to clients within 60 days of material updates.

** Retail client is defined as a "natural person, or the legal representative of such natural person, who: (i) receives a recommendation of any securities transaction or investment strategy involving securities from a broker, dealer, or a natural person who is an associated person of a broker or dealer; and (ii) uses the recommendation primarily for personal, family, or household purposes." We note that the definition of "retail client" does not exclude high-net worth natural persons and natural persons that are accredited investors.*

Compliance

The Firm conducts ongoing and annual reviews and training to achieve compliance with Regulation BI. The Firm may use a risk-based approach to documenting compliance with Reg BI. It is the responsibility of all Supervised Persons to be familiar with these requirements and act in the client's best interest at all times. Questions should be referred to Compliance.

The Form is provided or made available to clients as follows:

1. The Form is posted to the Firm's website and is available in hard copy upon request at no charge.
2. Form CRS must be provided when:
    - A new account is opened for a new client.
    - A new account is opened for an existing client.
    - A rollover is recommended from a retirement account into a new or existing account or investment.
    - A retail investor requests a copy (provide within 30 days).
3. Updates will be made and filed in the IARD system within 30 days of material changes. Updated summaries will be provided to clients within 60 days after material updates with changes highlighted. Updates may be provided electronically.
4. If the relationship summary is delivered electronically, it must be presented prominently in the electronic medium, for example, as a direct link or in the body of an email or message and must be easily accessible for retail investors. If the relationship summary is delivered in paper format as part of a package of documents, the relationship summary must be the first among any documents that are delivered at that time.
5. Dual registrants are required to deliver a relationship summary to retail investor clients of both the investment advisory and brokerage businesses.

Compliance Oversight

The CCO oversees the Firm's filing of Part 3 of Form ADV.

The CCO or designee oversees the distribution of Part 3 to all clients that meet the definition of "retail investor". The CCO or designee use a spreadsheet to track the distribution of Part 2 and Part 3.

Training

Supervised Persons will receive training on "best interest" requirements initially and annually specifically communicating Firm culture, specific requirements of the Firm's code of conduct and its conflicts management as highlighted on Form CRS. Additionally, the Firm's Rollover Recommendation Guide is available to all Supervised Persons with policies, procedures, and frequently asked questions, along with the RolloverAnalyzer tool to disclose all required rollovers.

Disciplinary History – Review and Reporting on Form CRS

For continuous oversight and an effort to comply with an updated Form CRS, the CCO or designee will review the Firm's disciplinary history to determine proper disclosure of Item 5 of the Form CRS. At least semi-annually or as deemed necessary, the CCO will review the firm's disciplinary report on IARD. Documentation of review will be retained in Firm's compliance file and prompt update of the Form CRS will be made, if warranted.

Dual Registrants

Dual registrants and affiliates are required to provide a Form CRS for both the broker-dealer and advisory relationships. The forms may be combined. Broker-dealers have an obligation to file Form CRS with FINRA's CRD and advisors are required to file with IARD. If two separate relationship summaries are provided, reference and facilitating access to the other is required with equal prominence and at the same time, without regard to whether the retail investor qualifies for those retail services or accounts.

Recordkeeping

Records of compliance with Regulation BI are maintained in accordance with recordkeeping rules. Records of Form CRS will be retained for six years after the earlier of the date that the account was closed or the date on which the information was collected, provided, replaced, or updated.

5. CONFLICTS OF INTEREST

Background

Conflicts of interest may exist between various individuals and entities, including the Firm, Supervised Persons, and current or prospective clients. Any failure to identify or properly address a conflict can have severe negative repercussions for the Firm, Supervised Persons, and/or clients. In some cases, the improper handling of a conflict could result in litigation and/or disciplinary action.

Section 206(2) of the Advisers Act prohibits investment advisors from engaging in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client whereas Section 206(4) of the Advisers Act prohibits investment advisors from engaging in any act, practice, or course of business which is fraudulent, deceptive, or manipulative. Rule 206(4)-8(a) under the Advisers Act effectively extends this prohibition to apply to pooled investment vehicle investors or prospective investors. A failure to identify, disclose and/or manage a conflict of interest could constitute a violation of any of these provisions.

Risks

In developing these policies and procedures, the Firm considered the material risks associated with conflicts of interest. This analysis includes risks such as:

- Supervised Persons do not understand what could constitute an actual or apparent conflict of interest.
- Supervised Persons engage in conduct that could entail an actual or apparent conflict of interest without giving the Firm the opportunity to prevent such activity or take sufficient steps to manage and/or disclose the actual or apparent conflict of interest.
- The Firm engages in conduct that could entail an actual or apparent conflict of interest without taking sufficient steps to manage and/or disclose the actual or apparent conflict of interest.
- The interests of more than one client conflict with each other, and the Firm does not resolve this conflict or resolves it in a way that is not fair and reasonable to all affected parties, or that disproportionately disadvantages one or more parties.

Policies and Procedures

The Firm's policy is to disclose, mitigate, and/or eliminate all identified conflicts of interest in the best interests of its clients. If a conflict of interest arises between clients, the Firm's policy is to seek to resolve such conflict as fairly as possible in relation to all parties.

Understanding and Identifying Conflicts of Interest

The Firm's policies and procedures have been designed to identify and properly disclose, mitigate, and/or eliminate applicable conflicts of interest. Supervised Persons should refer

to applicable sections of this Manual when conducting the activities addressed therein. To the extent such activities entail an actual, potential, or apparent conflict of interest, the relevant Manual section will typically provide guidance or instructions as to how to proceed. If a Supervised Person has any questions about the contents of this Manual or any individual section thereof, they should contact the CCO to discuss further.

The Firm requires Supervised Persons to complete a *Compliance Questionnaire* upon joining the Company and at least annually thereafter (using the Firm's electronic system OR by submitting the completed questionnaire to the CCO or a designee). Many of these questions are intended to identify actual or potential conduct that could constitute an actual, potential, or apparent conflict of interest. If a Supervised Person has any questions about the questions included in the *Compliance Questionnaire*, they should contact the CCO to discuss further.

However, written policies and procedures cannot address, and a compliance questionnaire cannot anticipate every potential conflict. Because of this, Supervised Persons should be cognizant of all potential conflicts of interest regardless of whether the Firm has contemplated them or not in its existing policies and procedures and/or the *Compliance Questionnaire.* Upon identifying such a potential conflict of interest, Supervised Persons should bring it to the attention of the CCO as soon as possible so that the Firm can assess the potential conflict and take the necessary steps to properly address it.

While it is not possible to provide a precise or comprehensive definition of a conflict of interest, the Firm is providing the following guidance to help Supervised Persons recognize potential conflicts of interest:

One factor that is common to many conflicts of interest situations is the possibility that the Firm's or Supervised Person's actions or decisions will be affected because of actual or potential differences between or among the interests of the Firm, clients, or Supervised Person's own personal interests. If a Supervised Person suspect that any of these parties' interests may not be aligned and that this could affect the Supervised Person's decisions or actions, a potential conflict of interest may exist.

A situation may be found to involve a conflict of interest even if it does not result in any financial loss to the Firm, its clients or any gain to the Firm, certain clients, or Supervised Person, and irrespective of the motivations of the Firm or Supervised Persons involved. Such factors should not prevent a Supervised Person from notifying the CCO of a potential conflict of interests.

Addressing Conflicts of Interest

As stated above, the Firm's policies and procedures have been designed to identify and properly disclose, mitigate, and/or eliminate applicable conflicts of interest. The following procedures apply to potential conflicts of interest that may not currently be anticipated by such existing policies and procedures.

The CCO is responsible for determining how to address a newly identified potential conflict of interest. Supervised Persons should not seek to address a potential conflict of interest without the CCO's involvement unless it is not possible to contact the CCO on a timely basis. In such situations, Supervised Persons should use good judgment in identifying and responding appropriately to actual or apparent conflicts and notify the CCO of the potential conflict and their conduct in response as soon as possible thereafter.

The following principles govern the Firm's approach to addressing conflicts of interest.

- To the extent possible, potential conflicts of interest should be resolved in such a way to prevent the potential conflict of interest from becoming an actual or apparent conflict of interest.
- To the extent possible, conflicts of interest that involve the Firm Supervised Persons on one hand, and clients on the other hand, will generally be disclosed and resolved in a way that favors the interests of Clients over the interests of the Firm or Supervised Persons.
- In some instances, conflicts of interest may arise between clients. The Firm will seek to resolve these conflicts in a way that is as fair and reasonable for all affected parties, even if the ultimate resolution could nevertheless disadvantage or appear to disadvantage one or more of the parties to some extent. If possible, the Firm will seek to obtain informed consent to its proposed resolution from the affected parties or their representatives. In all cases, the Firm will disclose both the conflict and its ultimate resolution to (at least) the affected parties.

It may sometimes be beneficial for the Firm to be able to demonstrate that it carefully considered conflicts of interest. The CCO will use the Risk Matrix and Annual Review to document the Firm's assessment of, and response to, such conflicts.

Sales Contests and Sales Quotas

The Firm prohibits sales contests, sales quotas, bonuses, and non-cash compensation that are based on the sales of specific securities or specific types of securities within a limited period of time.

6. BOOKS AND RECORDS

Responsibility

The Firm creates and preserves records relating to its activities, to transactions for client accounts, to personal securities transactions of its personnel, and to a variety of other matters. In addition to these requirements, the Firm's books and records adhere to the provisions of the Privacy Policy and Written Information Security Policy sections of this manual below.

Compliance, on an annual basis, reviews the Firm's records and destroys any that have become obsolete. A record becomes obsolete when they are older than the required retention requirements (as further set forth below). Supervised Persons are prohibited from falsifying, tampering, destroying these records. Doing any of the aforementioned, could subject the Supervised Person to criminal penalties, regulatory sanctions, and/or termination of employment.

Any questions about these matters should be directed to Compliance.

Retention Requirements

The Firm is required to keep and maintain certain books and records for the periods of time described in the Advisers Act of 1940, as amended.

Specific Record Keeping Requirements

The Firm maintains its books and records as described below:

1. **Cash Journal:** A journal or journals, including cash receipts and disbursements records, and any other records of original entry forming the basis of entries in any ledger.
2. **Ledgers:** General and auxiliary ledgers reflecting assets, liabilities, reserve, capital, income, and expense accounts.
3. **Buy/Sell Orders:** A record of each order given by the Firm for the purchase or sale of a security. Trade records are retained electronically and show the terms and conditions of the order (buy or sell) and shall:
    a. Show any instruction, modification, or cancellation.
    b. Identify the person connected with the Firm who recommended the transaction to the client.
    c. Identify the person who placed the order.
    d. Show the account for which the transaction was entered.
    e. Show the date of entry.
    f. Identify the bank, broker, or dealer by or through whom such order was executed.
    g. Identify orders entered pursuant to the exercise of the Firm's discretionary authority.
4. **Banking Records:** Check books, bank statements, canceled checks, balance sheets, and cash reconciliations.

5. **Bills and Statements:** All bills, invoices, or statements, whether paid or unpaid, relating to the business of the Firm.
6. **Financial Statements:** Trial balances, financial statements, and internal audit working papers.
7. **Communications from Clients:** Written communications received from clients, either in hard copy or electronic format.
8. **Communications to Clients:** Written communications sent to clients, either in hard copy or electronic format.
9. **Clients and Accounts:** A list of clients and accounts over which the Firm has discretion.
10. **Discretionary Authorizations:** Executed discretionary power authorization forms.
11. **Ads:** Advertisements, including copies of the Firm's website.
12. **Holdings/Posting Page:** A record of every transaction in a security in which the Firm holds a direct or indirect ownership interest.
13. **Disclosure Documents:** Form ADV Part 2A, Form CRS, 2B, and every amendment.
14. **Annual Disclosures:** Copy of Annual Offer of Disclosure Document. Include a list of clients/investors who were sent the offer of the Disclosure Document, and a list of those who requested copies of the Disclosure Document.
15. **Contracts:** Written agreements entered by the Firm and maintained for a period of five (5) years or more after termination of relationship.
16. **Client Complaints:** Client complaint file that is maintained even if empty.
17. **Policies and Procedures:** Copies of the Firm's policies and procedures and any amendments thereto.
18. **Code of Ethics Policy:** Copies of the Firm's Code of Ethics currently in effect or that was in effect any time within the last five (5) years, including (a) records of any violations of the Code of Ethics and any actions taken as a result of the violations; (b) records of all written acknowledgements of receipt of the Code of Ethics for each person who is currently or has been within the last five (5) years a Supervised Person of the Firm; c) annual records of all written acknowledgements of compliance with the Code of Ethics for each person who is currently or has been within the last five (5) years a Supervised Person of the Firm; and (d) a list of all Supervised Persons together with records of all Supervised Persons during the last five (5) years.
19. **Personal Securities Transactions:** Records of all Personal Securities Transactions for Supervised Persons as defined in the Firm's Code of Ethics.

Corporate Records

The Firm maintains accurate and current organizational documents. The CCO is responsible for implementing and monitoring the Firm's organizational documents policy, practices, and recordkeeping. The CCO, on an annual basis, reviews the organizational documents to ensure the Firm's policy is implemented properly, and updated, as appropriate.

The CCO maintains the organizational documents in a secure fireproof filing cabinet, located in their office. All organizational documents reflect current directors, officers, members, or partners, as appropriate. The CCO maintains the organizational documents for a period of

three (3) years or more after termination of the Firm's existence. The organizational documents are maintained with reasonable access, the address of such location shall be communicated to the proper regulatory authority upon the required filing of Form ADV-W (the form used to withdraw registration as an RIA with the SEC) and any change in the location of such records are promptly communicated to the proper regulatory authority.

Organizational documents include the following:

1. Organization Agreements.
2. Articles of Incorporation.
3. Charters.
4. Minute books.
5. Stock certificate books/ledgers.
6. Organization resolutions.
7. Any changes or amendment of the organization documents.

E-Mail Retention

Compliance maintains a record of all e-mails that pertain to advice being offered, recommendations being made, transactions executed, and orders received. Compliance arranges and indexes such communication like any other electronically stored record and in accordance with its Written Information Security Policy (see below). This is done in such a manner that permits easy location, access, and retrieval. The Firm outsources its email archiving to Smarsh.

If requested by any regulatory authority, Compliance will provide a legible, true, and complete copy of e-mails in the medium and format in which it is stored.

All such correspondence is kept for a period of at least five (5) years. Compliance reviews e-mail correspondence on a weekly basis and is required to provide such reviews to the CCO, as required. Compliance reviews this process at least annually pursuant to SEC rule requirements.

The Use of Electronic Media to Maintain and Preserve Records

1. **Permitted Use**. The Firm maintains all records electronically and the records are backed up daily.
2. **Requirements.** The Firm adheres to the following for storing records electronically:
   a. Maintains a duplicate backup copy of electronically stored books and records at an off-site location.
   b. Organizes the records to permit immediate location and retrieval.
   c. Is ready to promptly provide records to an examiner.
   d. Verifies the quality and accuracy of the storage media recording process.
   e. Maintains the capacity to readily download records.
   f. Provides a means to access, view, and print records.
3. **Access and Regulatory Requests.** The Firm is prepared, upon request by any regulatory authority, to promptly provide (i) legible, true, and complete copies of these records in

the medium and format in which they are stored, as well as printouts of such records; and (ii) a means to access, view, and print the records.

4. **Security.** All Supervised Persons with access to client records are prohibited from leaving their computers on when unattended. Such Supervised Persons must either shut down their computers or put their computer in sleep mode before leaving their computer. Compliance takes the necessary steps to assure that whenever a Supervised Person leaves the Firm any password or code used to gain access to that computer system, any third-party application, or e-mail is extinguished or changed.

Supervised Person Private Office Records

The Supervised Person's private offices are prohibited from keeping the following:

1. Books and records required to be maintained by the Firm.
2. Any record or document that is necessary to form the basis for or demonstrate the calculation of performance or rate of return of any or all managed accounts of a Supervised Person while at a prior firm.

Supervised Persons are required to:

1. Provide Operations an electronic copy of the client records no later than one (1) week from the creation or receipt of the record.
2. Provide the email policies and procedures and encryption capabilities if using a Firm approved DBA email.
3. Send business-related email communication using their redhawkwa.com email or Firm approved DBA email address through the Firm's email system, which is captured and stored by the firm.
4. Include the word "Confidential" in the subject line when sending a business email with confidential information. The Firm's email system encrypts any email that has the word "Confidential" in the subject line and is being sent by a redhawkwa.com email or Firm approved DBA email address.
5. Make available, upon request, any material notes in relation to a client.
6. Use the Firm's most current approved version of Form ADV, Investment Policy Statement ("**IPS**") or a risk tolerance questionnaire approved by the Firm, advisory agreement(s), rollover rational and disclosure (if applicable), and financial consulting and planning agreement (if applicable) when sending these documents to clients. Supervised Persons are prohibited from creating local copies of these documents, as they can change at any time. Supervised Persons are required to use the current version from the Firm's web site, or third-party web site (if applicable) with each use. Additionally, Supervised Persons are prohibited from creating customized or revising versions of these documents for their use, unless an alternative version is authorized in writing by Compliance.
7. Document all deliveries of Form ADV to clients or prospective clients and is required to record when and to whom Form ADV was delivered to clients or prospective clients.
8. Submit a record of any checks received onto the office check log upon receipt. Receipt of checks made payable to clients or client checks payable to the client's custodian are subject to the Firm's custody policies and procedures (See Custody section).
9. Distribute only Firm approved marketing materials (See Advertising section).

Supervised Persons are aware that regulators have the authority to inspect the books and records of their offices at any time. Supervised Persons are required to notify the CCO immediately if anyone at an office is contacted by a regulator. Supervised Person's office keeps duplicate copies of records and return all original documents to the client for servicing purposes.

Supervised Person Office Inspections

1. Compliance conducts off-site examinations of these offices every year. The CCO or Designee conducts on-site inspections of these offices every three (3) years with exception of new Supervised Persons which are inspected within their first calendar year. Office inspections include internal review activity, testing, and verification of policies and procedures, in the areas of:
    a. Safeguarding client funds, securities, and records.
    b. Maintaining required books and records.
    c. Quarterly reporting records.
    d. Annual reporting records.
    e. Electronic communications.
    f. Data protection.
    g. Advertising and marketing.
    h. Internal records, including client complaints.
    i. Personal and client trading activity.
    j. Validating client account information and disclosure deliveries.
2. Each office inspection is documented in a written report and kept on file for a minimum of five (5) years. The written report addresses any findings or violations relating to the above policy areas and any other material violations.
3. The Firm adheres to the follow following procedures when documenting the office inspection reports:
    a. A copy of the office inspection report is given to the Supervised Person.
    b. Compliance maintains these reports and the Supervised Person is required to take corrective measures or direct corrective measures to be taken where required based on the reports.
    c. The dates of the audit/review and the names of the individuals conducting the review is included with each report.
    d. The Supervised Person is required to make all corrective and remedial actions.
    e. The Supervised Person is required to provide written confirmation to Compliance that all corrective and remedial actions have been completed and document the corrective action.
    f. The CCO determines whether a Supervised Person's subsequent review date be moved up, whether to undertake a surprise inspection or any other proactive compliance measures deemed appropriate based on the report.
    g. Compliance maintains notes relating to the above and indications of all steps taken to confirm that required measures were taken.

7. CLIENT REPORTING

Introduction

The valuation of portfolio holdings impacts client portfolio reporting, fee calculation, and performance calculation processes. Supervised Persons are required to accurately report client account values and performance.

Policies

1. The Firm provides clients portfolio reports that reflect accurately the value of accounts managed. If the Firm is unable to obtain a readily available market value for a security, the Firm discloses to the client the valuation method used for reporting and fee billing. If the Firm is unable to obtain a current value for a security, the Firm discloses to the client the frequency of the valuation of the security.
2. The Firm purchases securities with readily available market prices for clients, and the Firm uses the securities prices provided by the client's custodian to value client accounts.
3. In certain circumstances, such as annuities held in client accounts, pricing is obtained from the annuity provider.

Procedures and Responsible Party

1. The Firm utilizes Orion (a designated third-party) to provide quarterly performance reports to clients. The CCO conducts periodic reviews of services performed for accuracy and consistency.
2. The following tasks are performed to produce the quarterly performance reports for the client:
   a. Orion downloads all client transactions, holdings, and account values from custodians on a nightly basis.
   b. The Firm reconciles accounts daily and resolves any discrepancies.
   c. Orion calculates the composite performance returns monthly, based on the Firm's criteria.
   d. Orion calculates the advisory fees monthly, based on the Firm's criteria.
   e. The Firm generates performance reports for clients on a quarterly basis.
   f. The Firm reviews all quarterly performance reports prior to distribution to the client and promptly corrects any discrepancies.

Recordkeeping

The Firm maintains an electronic copy of the quarterly performance reports provided to clients.

8. ADVISORY FEE BILLING PRACTICES

Policies

1. The Firm charges advisory fees based on the fees stated in the advisory agreement.
2. The Firm discloses the standard fee schedule to clients and prospective clients in its ADV Part 2A and Form CRS and records client's specific fees, including any agreed-upon fee concessions, in the advisory agreement.
3. The Firm calculates the advisory fees in arrears as a percentage of assets under management monthly, based upon the average daily balance during the previous month.
4. The Firm reserves the right to negotiate advisory fees with clients and can charge lower fees than the maximum fee described in the Firm's brochure.
5. The Firm does not share any advisory fees with any person as stated in its ADV Part 2A.
6. The Firm has not entered an arrangement for a share of the Firm's advisory fees.
7. The Firm notifies clients of the advisory fees on the quarterly performance reports or by invoice if the client is paying the Firm directly.
7. The Firm debits client's accounts directly for the advisory fees only for those clients that have signed the advisory agreement.
8. The Firm debits advisory fees from the client accounts once the daily reconciliation is completed without any discrepancies and security prices have been reviewed.
9. The Firm does not debit advisory fees for accounts that went to zero during the month.

Procedures and Responsible Party

1. Orion calculates the advisory fees, based on the Firm's criteria, and completes the reconciliation and valuation process as described above.
2. Operations reviews a sampling of client accounts to ensure the advisory fees are calculated accurately prior to debiting the advisory fees.
3. Third-party investment managers that custody client accounts calculate the advisory fees and debits client accounts. Operations reviews a sampling of advisory fees for accuracy.
4. The Firm adheres to the following procedures and:
    a. Confirms that Orion has reconciled all client accounts.
    b. Reviews a sampling of fee calculations performed by Orion to confirm accuracy prior to an invoice being sent to a client or the client's account being debited.
    c. Maintains all necessary records documenting the fees billed to clients.
    d. Ensures that billing reviews are done for all new accounts, and all accounts with unique or unusual circumstances, and on a sampling basis for all other accounts.
    e. Provides approval to Orion of the fee calculation before Orion send the fee files to the Qualified Custodians to debit the client accounts.
    f. Promptly resolves any discrepancies.
    g. Reviews advisory fees received against advisory fees billed.
    h. Maintains necessary records documenting the fees billed to client, and records of all reviews performed.
5. Supervised Persons are responsible for the accurate billing of clients that have signed a financial planning agreement. Supervised Persons are required to adhere to the following:

a. Confirm the financial planning fee amount is consistent with the terms of the agreement.
b. Provide the name and email address of the client to Operations so they can directly invoice the client and the client can pay for the service with their credit card using the Firm's third-party secure payment application. The Firm and the Supervised Person do not have access to the client's credit card information.
c. Keep complete and accurate records of invoices and payments.
d. Operations reconciles invoices and payments and communicates any discrepancies to the Supervised Person.

Recordkeeping

Operations maintains records documenting all fees billed to client, all fees received, invoices sent to clients, refunds calculated, and any other applicable documentation.

Double Dipping Policy Restriction

If a Supervised Person has a current, or previous relationship with a broker-dealer, the Firm prevents "**Double Dipping**." Double Dipping occurs when a financial professional, such as a registered representative, places commissioned products into a fee-based account and then makes money from both the commission and the fee.

Supervised Persons are prohibited from earning a commission and advisory fee on the same assets within a comparable period. To prevent this, Operations:

1. Reviews the holdings of client accounts on quarterly basis and determines which clients hold a commission based mutual fund.
2. Notifies the custodian of the account and instructs the custodian to convert the commission based mutual fund to a non-commission based mutual fund (commonly known as institutional or "I" share class). This type of mutual fund share class conversion can typically be done by the custodian without affecting the cost basis of the account or charging any type of fee to the client.
3. Reviews the client's account to ensure that the transfer has taken place.

9. CUSTODY

Introduction

There are rules that set forth extensive requirements regarding possession or custody of client funds or securities. In addition to the provisions of these rules, many states impose special restrictions or requirements regarding custody of client assets. The Firm is responsible for monitoring these requirements.

Responsibility

The Firm does not maintain possession or custody of client funds or securities.

Definition of Qualified Custodians

"**Qualified Custodians**" include the types of financial institutions that clients and Supervised Persons customarily turn to for custodian services. These also include banks and savings institutions, registered broker-dealers, and registered futures commission merchants, among others. The Qualified Custodian is responsible for the safekeeping of the client's funds and securities.

Deduction of Advisory Fees from Client Accounts

Advisory fees are debited directly from the client accounts. Payment of the advisory fees are made by the Qualified Custodian. In all such cases, the client provides written authorization (such as an advisory agreement or letter of instruction) permitting the fees to be paid directly from their account. The Firm does not have access to client's funds for payment of fees without the client's consent in writing. The Qualified Custodian delivers a monthly or quarterly account statement directly to the client, and never through the Firm.

Inadvertent Receipt of Funds or Securities

The Firm prohibits and does not accept receiving client's funds for any reason. If the Firm inadvertently receives client funds or securities, Operations immediately takes the following steps to correct this action and not assume custody:

1. Operations makes a record of the receipt of client funds and/or securities. A notation of the receipt of the funds/securities received including the name of person who received the funds or securities, client name, date received, amount of the funds or name of the security, number of shares or face value of such security, coupon, and maturity date (if applicable) as well as the date the funds/securities were returned to the sender and how they were returned.
2. Operations photocopies the check or securities received and places the photocopy in the client's file.
3. Operations either forwards the client funds or securities to the appropriate custodian or returns the funds/securities to the sender with a letter of instruction on how and where the sender should forward funds/securities in the future. Operations sends such funds or securities by U.S. Mail, registered, return receipt requested or by courier service within three business days of receipt of the funds/securities.

4. Operations keeps a copy of the cover letter and the return receipt/courier notice in the client's file.

Receipt of Third-Party Funds

If the Firm receives a check from a client payable to a third-party, Operations makes a photocopy of the check, issues a receipt to the client, and then forwards the check directly to the third-party. A copy of the check and the receipt are kept in the client's file.

Notice of Qualified Custodian

When Operations opens an account with a qualified custodian on behalf of the client, the Qualified Custodian notifies the client in writing of the Qualified Custodian's name, address, and manner in which the client funds or securities are maintained promptly when the account is opened and following any changes to this information.

Account Statements

The Firm arranges for the client to receive monthly or quarterly account statements from the Qualified Custodian ("**Account Statement**") containing at least the information required by the applicable SEC and State rules directly to the client. The Firm uses Orion to create the client's quarterly performance reports that includes account values, holdings, and account performance ("**Supplemental Reports**"). The Supplemental Reports are stored on the Orion system and are accessed by the Supervised Person and client. The Supervised Person is responsible to forward the Supplemental Report electronically to the client.

Responsibility

The CCO is responsible for having a reasonable belief that the Qualified Custodian delivers Account Statements directly to the clients either monthly or quarterly. Operations is responsible for ensuring that the Firm transmits accurate Supplemental Reports to clients quarterly.

Procedures

Where the Firm has agreed to prepare Supplemental Reports, the Firm prepares each Supplemental Report as agreed to with the client.

Supplemental Report Accuracy Review

Operations is responsible for reviewing Supplemental Reports for accuracy.

Address Changes

When a client requests a change of address, the Qualified Custodian sends out a letter or email verifying the change of address to the client at both the old and new address. Supervised Persons are responsible for ensuring that Operations and the Qualified Custodian have the current address on file for its clients.

Books and Records

Operations stores each client's Supplemental Report on the Orion system.

Use of an Independent Representative

Supervised Persons are required to have their client submit a request in writing if they do not wish to receive Account Statements. Supervised Persons are required to have the client to designate an independent representative in writing to receive the statements. Supervised Persons are required to forward documentation of such request to Operations. All such requests are stored in the client's file.

Supervised Person as Trustee & Client Beneficiary

The Firm prohibits any Supervised Person to serve as a trustee or beneficiary except in situations where there is an immediate family relationship with the grantor or beneficiary. "immediate family" refers to parents, grandparents, mother-in-law or father-in-law, spouse or domestic partner, brother or sister, brother-in-law or sister-in-law, son-in-law or daughter-in-law, children, grandchildren, cousin, aunt or uncle, or niece or nephew, and any other person who resides in the same household as the supervised person and the supervised person financially supports, directly or indirectly, to a material extent. The term includes step and adoptive relationships.

Standing Letters of Authorization

The Firm prohibits clients from using third-party Standing Letters of Authorization ("**SLOA**" or collectively "**SLOAs**"). The Firm allows SLOAs for like-titled accounts.

10. MONITORING OF INDEPENDENT INVESTMENT MANAGERS

Policy

The Firm's Investment Committee ("**IC**") is governed by a charter and monitors other registered investment advisors who, at the recommendation or direction of the Firm: (i) act as independent third-party investment managers for the Firm's clients or (ii) sponsor investment management programs that the Firm's clients can utilize ("**Independent Manager**" or collectively referred to as "**Independent Managers**") for compliance with the Rules.

Responsibility

The IC is responsible for conducting the due diligence and approving the initial and continued use of Independent Managers by the Firm. Once approved by the IC, the IC is responsible for monitoring the services of the Independent Manager.

Procedures

The IC conducts due diligence on an Independent Manager before approving an Independent Manager for use by clients of the Firm. The IC maintains a due diligence file on the Independent Manager. The due diligence file contains the Independent Manager's disclosure documents, performance returns, and any other information that the IC deems necessary.

On an annual basis, the IC monitors the services of the Independent Manager to ensure they are a suitable choice for the Firm's clients based on criteria the IC deems relevant. The criteria include, at a minimum, a review of the Independent Manager's disclosure documents, performance returns, personnel changes, and any other material information reasonably available which addresses the Independent Manager's ability to operate its business or provide quality services to the Firm's clients.

Books and Records

IC maintains documents evidencing the due diligence performed for the selection and monitoring of Independent Managers.

11. ANTI-MONEY LAUNDERING ("AML")

General Policy

The Firm does not engage in or facilitate any transaction with any person(s) or entity(ies) listed on the web site maintained by the Office of Foreign Assets Control ("**OFAC**") (www.treas.gov/ofac) relating thereto ("**Prohibited Person**"). However, since the Firm does not handle or maintain custody of clients' funds or securities, money laundering is only a minor concern. The Firm solely relies on the account review done through the Qualified Custodian to provide compliance with AML provisions. If the Firm learns that any Prohibited Person is, or is attempting to become, involved in any transaction with respect to the services which the Firm provides, Operations immediately reports such transaction to the Qualified Custodian and OFAC.

12. PROXY VOTING/CLASS ACTION LAWSUITS

Proxy Voting

The Firm does not vote proxies on behalf of clients and the Firm does not answer any proxy questions from clients. The Firm prohibits a Supervised Person to vote proxies on behalf of clients. Clients receive proxy material directly from the custodian holding their account.

Class Action Lawsuits

The Firm does not take any action or render any advice as to materials relating to any class action lawsuit involving a security held in a client's account.

13. MARKETING & ADVERTISING

Background

Rule 206(4)-1 under the Advisers Act prohibits certain types of advertisements, including any advertisement that contains any untrue statement of material fact, or that is otherwise false or misleading. Additionally, the Advisers Act's broad anti-fraud provisions apply to all written correspondence; even items that are excluded from the definition of an advertisement must not contain any false or misleading statements. Effective May 5th, 2021, the Securities and Exchange Commission implemented reforms under the Investment Advisers Act to modernize rules that govern investment advisor advertisements and payments to solicitors. The amendments create a single rule that replaces the current advertising and cash solicitation rules.

As with all advertisements as defined below must be submitted to Compliance for review and approval prior to use.

Definition of Advertising

The definition of an advertisement includes two prongs:

First Prong: *Any direct or indirect communication* a Supervised Person makes to more than one person, or to one or more persons if the communication includes hypothetical performance, that offers the Supervised Person 's investment advisory services with regard to securities to prospective clients or investors in a private fund advised by the Supervised Person or offers new investment advisory services with regard to securities to current clients or investors in a private fund advised by the IAR, but does not include:

- extemporaneous, live, oral communications;
- information contained in a statutory or regulatory notice, filing, or other required communication, provided that such information is reasonably designed to satisfy the requirements of such notice, filing, or other required communication; or
- a communication that includes hypothetical performance that is provided:
    - in response to an unsolicited request for such information from a prospective or current client or investor in a private fund advised by the IAR; or
    - to a prospective or current investor in a private fund advised by the IAR in a one-on-one communication; and

Second Prong: *Any endorsement or testimonial for which an IAR provides compensation, directly or indirectly*, but does not include any information contained in a statutory or regulatory notice, filing, or other required communication, provided that such information is

reasonably designed to satisfy the requirements of such notice, filing, or other required communication.

A "testimonial" is defined in new Rule 206(4)-1(e)(17) as a statement by a current client about the client or investor's experience with the Supervised Person. This term also includes a statement that solicits a current or prospective client or investor for or refers a current or prospective client or investor to, the Supervised Person or a private fund it advises.

An "endorsement" is similar, but it is made by a person other than a current client or investor, and may include a general approval, support or recommendation of the Supervised Person.

General Prohibitions

Rule 206(4)-1(a) subjects all Supervised Persons advertisements to certain general prohibitions. These include bans on:

- making an untrue statement of a material fact, or omitting a material fact necessary to make the statement made, in light of the circumstances under which it was made, not misleading;
- making a material statement of fact that the Supervised Person does not have a reasonable basis for believing it will be able to substantiate upon demand by the Commission;
- including information that would reasonably be likely to cause an untrue or misleading implication or inference to be drawn concerning a material fact relating to the Supervised Person;
- discussing any potential benefits without providing fair and balanced treatment of any associated material risks or limitations;
- referencing specific investment advice provided by the Supervised Person that is not presented in a fair and balanced manner;
- including or excluding performance results, or presenting performance time periods, in a manner that is not fair and balanced; and
- including information that is otherwise materially misleading.

One-On-One Communications

One-on-one communications to clients or prospective clients are generally not considered advertisements under the Marketing Rule. Such communications are nonetheless subject to the general anti-fraud provisions of the Advisers Act, including that they are accurate and not misleading. Additionally, one-on-one communications that include hypothetical performance are considered advertisements subject to the requirements of the Marketing Rule, unless they fall within the exceptions summarized above.

Materials delivered in a series of individual communications are not considered one-on-one communications under the Marketing Rule. For example, a standardized tear sheet or pitchbook is considered an advertisement even if it is delivered to prospective clients in individual meetings or by individual emails. Similarly, if customized materials include duplicate inserts, those duplicated materials will be considered advertisements subject to the requirements of the Marketing Rule.

Indirect Communications Offering Advisory Services

In some cases, a communication made by a third party may be considered an *advertisement* by a Supervised Person if the communication is deemed an indirect communication by the Supervised Person under Rule 206(4)-1(e)(1)(i). For example, statements offering advisory services provided by a Supervised Person for dissemination by an intermediary are indirect communications by the Supervised Person that fall within the definition of *advertisement.* Whether or not a communication is made by the Supervised Person depends on the facts and circumstances. Generally, if the IAR participated in the creation of the statement, or otherwise authorized its dissemination, it will be considered an *advertisement.* Additionally, if a Supervised Person explicitly or implicitly endorses or shares third-party content, such content will be considered a communication by the Supervised Person. On the other hand, if a third party independently makes a communication or changes the content of a communication without the IAR's consent, that would not be an indirect communication by the IAR.

Advertisement Procedures

The Firm has adopted the following procedures to adhere to Rule 206(4)-1:

- All marketing material must comply with the seven general prohibitions of Rule 206(4)-1 listed above. Note: these are principles-based and intentionally broad.
- Prior to use of any marketing materials, the CCO and/or designee will review and approve all advertisements and promotional materials used by the Firm.
- The CCO and/or designee will document the review and approval of all such communications together with any comments or amendments to any such communication because of such review.
- Alternatively, e-mails documenting the substance of such reviews may also be maintained.
- Only Approved marketing materials are used with clients and/or prospects.
- Modifications to any approved marketing materials must be approved by CCO prior to use. Written approval and review are required by the CCO.
- The CCO is responsible for conducting periodic reviews to ensure that only approved materials are distributed to clients and/or prospects.
- The CCO will be responsible for periodic testing designed to ensure that the Firm make and keep records of the following:

- Advertisements used with current clients and/or prospects (includes recordings or copies of any written or recorded materials used in connection with an oral advertisement)
- Required disclosures delivered to investors (applicable to testimonials, endorsements, and third-party ratings)

- Form ADV Item 5.L. is reviewed and updated at least annually to ensure responses are current and accurate regarding the Firm's use in advertisements of performance results, hypothetical performance, references to specific investment advice, testimonials, endorsements, or third-party ratings.
- At a minimum each marketing piece must disclose, "Investment advisory services offered through Redhawk Wealth Advisors, Inc., a U.S. Securities & Exchange Commission registered investment advisor." Additional disclosure may be required depending on facts and circumstances. Note: Rule 206(4)-explicitly requires clear and prominent disclosure for testimonials, endorsements, third-party ratings and predecessor performance.

Books and Records

The Firm must make and keep records of all "advertisements" they disseminate, subject to alternative methods of compliance for oral advertisements, including oral testimonials and oral endorsements. The Firm must retain advertisements sent to one or more persons. Records may be stored using email archives (including in cloud storage or with a third-party vendor), provided that the Firm can promptly produce records in accordance with the recordkeeping rule and SEC guidance. Copies of reviewed documents will be maintained for five years following their last use, the first two in an easily accessible place. We shall maintain all advertisements that we directly or indirectly disseminate.

Testimonials and Endorsements

Policy

The Firm does allow for use of testimonials and endorsements in marketing and advertising when the following disclosure and Rule conditions are followed as discussed below. All testimonials used in advertising must be received in writing and maintained in a Testimonial file (can be physical or electronic), and they must be approved by Compliance prior to use (as with any marketing material).

"Advertisement" includes any endorsement or testimonial for which a Supervised Person provides compensation, directly or indirectly. A testimonial includes any statement, written or oral, by a current client about the client's experience with the Firm or its Supervised Persons.

Testimonial - any statement by a current client advised by the Supervised Person:

- About the client or investor's experience with the Supervised Person.
- That directly or indirectly solicits any current or prospective client to be a client of the Supervised Person; or
- That refers any current or prospective client or investor to be a client of the Supervised Person.

Endorsement includes any statement, written or oral, by a person other than a current client that:

- Indicates approval, support, or recommendation of the Supervised Person or describes that person's experience with the Supervised Person.
- Directly or indirectly solicits any current or prospective client or investor to be a client of, or an investor in a private fund advised by, the Supervised Person; or
- Refers any current or prospective client or investor to be a client of, or an investor in a private fund advised by, the Supervised Person.
- *Note: the SEC has merged SEC Rule 206(4)-3, the solicitor's rule, into 206(4)-1, the advertising rule. They have also dropped the use of the term "solicitor" and incorporate the acts as providing an "endorsement."*

Testimonials and endorsements also include solicitation and referral activities, including statements that directly or indirectly solicit any investor to be the Firm's client. This also includes referrals of any investor to be the Firm's client from lead-generation Firms and advisor referral networks. Lists of clients or investors may be presented if the basis for inclusion and exclusion is independent of performance and is fully disclosed in the advertisement, which also presents a warning to the effect that inclusion of the list does not necessarily mean that the listed clients are satisfied with the Supervised Person's services. ***Merely permitting the use of the "like", "share", or "endorse" feature on a third-party website or social media platform is not considered a testimonial or endorsement.***

Examples of activities likely to be deemed an endorsement or testimonial include the following:

- Websites of lead-generating firms or advisor referral networks (endorsement);
- A blogger's website review of a Supervised Person's services (endorsement or testimonial);
- A lawyer or other service provider that refers an investor to a Supervised Person, even infrequently (endorsement or testimonial); and,
- Solicitor arrangements previously made under Advisers Act Rule 206(4)-3, the "Cash Payments for Client Solicitations Rule").
- Examples of activities that are likely **NOT** deemed to be an endorsement or testimonial include the following:

- A third-party marketing service or news publication that prepares content for the Supervised Person or disseminates content (such as a Supervised Person newsletter); or,
- A company that provides a list containing the names and contact information of prospective investors.

Lead Generation Firms

Lead generation firms are operated by 'non-investors' where a Supervised Person compensates an operator to solicit investors for, or refer investors to, the Supervised Person. These types of 'operators' make third-party advisory services (such as model portfolio providers) accessible to investors and stated that the operators do not promote or recommend services or products accessible on the platform. In both examples, the operator's website likely meets the final marketing rule's definition of endorsement. An operator may tout the Supervised Person included in its network, and/or guarantee that the Supervised Person meet the network's eligibility criteria. In addition, because operators typically offer to "match" an investor with one or more advisors compensating it to participate in the service, operators typically engage in solicitation or referral activities. If a Supervised Person has engaged a Lead Generation Firm, the Firm must provide the client disclosure of this relationship through either the ADV, Agreement or separate acknowledgment form.

Disclosures

To utilize testimonials or endorsements in advertising, the Supervised Person must at the time the testimonial or endorsement is disseminated, provide clear and prominent disclosure that:

- Indicates the testimonial was given by a current client or the endorsement was given by someone other than a current client;
- Indicates that compensation was provided for the testimonial or endorsement, this includes cash or non-cash compensation, if applicable; and
- Includes a brief statement regarding any conflicts of interest on the part of the person giving the testimonial or endorsement resulting from that person's relationship with the Supervised Person.

A person receiving cash or non-cash compensation for providing a testimonial or endorsement is called a "Promoter". The disclosure should state that the Promoter, due to the compensation received, has an incentive to recommend the Supervised Person, resulting in a material conflict of interest, and any other material conflicts of interest arising from the Promoter's relationship with the Supervised Person. These disclosures must be provided at the time the testimonial or endorsement is disseminated.

Material terms include:

- Whether the Supervised Person will be paid a specific cash amount or a percentage of total advisory fees over a period of time, the value of any non-cash compensation if that value is readily ascertainable.
- Any condition to the payment, i.e., a requirement that the client continue or renew the advisory relationship, and
- Whether compensation is payable upon dissemination, deferred, contingent, or trailing.

Clear and prominent means that the above disclosure must be included within the body of the material for written communications and may be presented in written format or orally in connection with an oral testimonial or endorsement. The disclosure language is required to be shown in the same font size (no less than 8 font) as the rest of the draft. Hyperlinked disclosure will not suffice.

Compensated Testimonials and Endorsements

A Supervised Person may provide cash or non-cash compensation to a person providing a testimonial or endorsement (a "**Promoter**"), provided the following conditions are met:

1. **Reasonable Basis**. The Supervised Person must have a reasonable basis for believing that the testimonial or endorsement complies with the requirements of the SEC's Marketing Rule.
2. **Written Agreement.** The Supervised Person must maintain a written agreement with any person giving a testimonial or endorsement for compensation. The written agreement must describe the scope of the agreed-upon activities and the terms of compensation for those activities.
3. **Disqualification.** The Supervised Person may not compensate an individual who would otherwise be deemed an ineligible person with a disqualifying action or event under federal securities laws. Disqualifying actions and events include but are not limited to an SEC opinion or order barring, suspending, or prohibiting the person from acting in any capacity under the federal securities laws and certain convictions, orders, and legal proceedings described in Section 203(e) of the Advisers Act.

If the person providing the testimonial or endorsement is being compensated (whether cash or non-cash) at a value of more than $1,000 within a 12-month period, this is subject to additional requirements and disclosures. Any Promoters being compensated at a value of more than $1,000 per year require Compliance Department review and approval prior to being used.

Other Exemptions

If a testimonial or endorsement is furnished by an officer, director, partner, or employee of the Supervised Person; a person who controls, is controlled by or is under common control with the Supervised Person; or an officer, director, partner, or employee of such a control affiliate, the Supervised Person does not have to comply with the disclosure requirements of Rule 206(4)-1(b)(1) so long as two conditions are satisfied.

First, the affiliation between the Supervised Person and the Promoter must be disclosed or readily apparent to the client or investor at the time the testimonial or endorsement is disseminated.

Second, the Supervised Person must document the Promoter's status at the time the testimonial or endorsement is disseminated.

Furthermore, subject to the same two conditions, the Supervised Person need not have a written agreement with an affiliated Promoter. Notwithstanding these exemptions, the Supervised Person oversight and disqualification provisions continue to apply to compensated promotional activities by affiliated personnel.

Registration Requirements

Notwithstanding the above, some state rules and regulations require persons receiving compensation for client referrals to be an RIA or IAR. The Firm will ensure that any person (individual or entity) acting as a solicitor is properly registered, if applicable by State statues prior to receiving compensation for client referrals, if required.

Third-Party Attribution

In addition to "advertisements" directed by the Firm, the Firm shall also be responsible for "advertisements" directed by a third-party if the Firm (or a related person) participates in the communication. Whether information posted or published by third parties is attributable to a Supervised Person requires an analysis of the **facts and circumstances** to determine (i) whether the Supervised Person has explicitly or implicitly endorsed or approved the information after its publication (adoption) or (ii) the extent to which the Supervised Person has involved itself in the preparation of the information (entanglement).

At a minimum, the following facts and circumstances should be considered by the Firm when assessing whether it has participated in a third-party "advertisement":

- Was the Firm involved in creating or disseminating the advertisement (entanglement)?
- Did the Firm authorize the communication?
- Did the Firm provide the material to third-party for dissemination?
- Did the Firm endorse the material after publication (adoption)?
- Are the materials collaborative (ex. fund of funds, 3rd party models)?

- Did the Firm selectively delete, alter, or endorse comments on a third parties' content on the Firm's social media platform(s)?

Endorsements (Previously Referred to as Solicitors)

An "endorsement" is like a testimonial, but it is made by a person other than a current client or investor, and may include a general approval, support or recommendation of the Supervised Person.

Disclosures

Like testimonials addressed above, endorsements must satisfy the following conditions:

Prominent Disclosures. The Supervised Person must disclose, or reasonably believe that the person giving the endorsement discloses, *clearly and prominently*, the following at the time the endorsement is disseminated:

- The endorsement was given by a person other than a current client or private fund investor, as applicable;
- That cash or non-cash compensation was provided for endorsement, if applicable; and
- A brief statement of any material conflicts of interest on the part of the person giving the endorsement resulting from the Supervised Person's relationship with such person.

Oversight and Compliance. All endorsements are subject to an oversight and compliance provision under the Marketing Rule. Specifically, the Marketing Rule requires the Supervised Person to have:

- A *reasonable basis* for believing that any endorsement complies with the requirements of the rule, and
- A *written agreement* with any person giving a compensated endorsement that describes the scope of the agreed-upon activities and the terms of the compensation for those activities when the Supervised Person is providing compensation for testimonials and endorsements that exceeds $1,000 over a 12-month period (written agreement requirement).

Disqualification for Persons Who Have Engaged in Misconduct

The Firm is prohibited from compensating a person, directly or indirectly, for an endorsement if the Firm knows, or in the exercise of reasonable care should know, that the person giving the endorsement is an ineligible person at the time the endorsement is disseminated (disqualification provision). The disqualification provision does not apply to uncompensated testimonials or endorsements.

An "ineligible person" is a person who is subject to an SEC opinion or order barring, suspending, or prohibiting the person from acting in any capacity under the federal securities laws or to any one of many enumerated "disqualifying events." The definition extends to employees, officers, directors, general partners, and elected managers of an ineligible person. The Marketing Rule includes a ten-year lookback period across all "disqualifying events," which aligns with disciplinary disclosure reporting on Form ADV, Part 1.

Exemptions

The Marketing Rule provides the following exemptions from certain requirements otherwise applicable to endorsements:

De Minimis Compensation. An endorsement disseminated for no compensation or *de minimis* compensation (US$1,000 or less during the preceding 12 months) is not subject to the disqualification provision for ineligible persons or the written agreement requirement. However, these communications remain subject to the rule's disclosure and general Supervised Person oversight requirements.

Affiliated Personnel. An endorsement by an employee or other affiliate of a Supervised Person is not subject to the disclosure requirements, or written agreement requirement, but remains subject to the disqualification and general Supervised Personal oversight requirements. The affiliation between the Supervised Person and such person must be *readily apparent* to or disclosed to the client or investor at the time the endorsement is disseminated, and the Supervised Person must document such person's status.

Testimonials and Endorsements Advertising Procedures

Prior to discussions with a potential Promoter, the CCO will be responsible for exercising reasonable care and conduct reasonable due diligence to confirm that the engaged Promoter is not subject to any applicable disqualification events.

- Promoters must be pre-approved by CCO prior to engaging in a Promoter Agreement with the Firm.
- The CCO is responsible for the review of all Agreements with Promoters including terms of what compensation arrangements are finalized.
- CCO will approve all compensation arrangements to ensure they are in line with policies at the Firm.
- The CCO will be responsible for preparing the disclosure statement specific to each Promoter Agreement and train Promotors to deliver this statement during engagement of the client.
- The CCO will review and approve of use of all testimonials and endorsements included in its advertising materials prior to use with clients. Proper Disclosures per the policy above are required prior to use.
- The CCO or designee will review at least on an annual basis all Promotor agreements for compensation to determine if the de minimis amount of Promoters

providing testimonials, endorsements and/or referrals needs to be reviewed and revised.

- The CCO will provide testing designed to ensure that the Firm creates and keep records relating to its determination that the Firm has a reasonable basis for believing that a testimonial or endorsement complies with Rule 206(4)-1.
- To meet the *clear and prominent disclosure* requirement, any person giving an oral testimonial/endorsement that is COMPENSATED should read the following scripted disclosure prior to speaking with or about the Firm. "Before we begin, I must disclose that I am (not) a client of XYZ. I am being compensated by XYZ which represents a conflict of interest."

Books and Records

Below is a sample of the books and records to be maintained:

1. Oral advertisements such as radio show recordings and podcasts.
2. Any communication or document related to the Firm's determination that it has a reasonable basis for believing that a testimonial or endorsement complies with the Marketing Rule due diligence requirement.
3. Any agreement with the Promotor that is paid for the endorsement or testimonial.

Third Party Ranking or Awards

A "third-party rating" is defined in the Marketing Rule to mean a rating or ranking of a Supervised Person provided by a person who is not a related person (as defined in the Form ADV Glossary of Terms), and such person provides such ratings or rankings in the ordinary course of its business. Paragraph (c) of the Marketing Rule subjects advertisements that include third-party ratings to certain conditions and disclosure requirements.

Policy

The Firm does allow for use of third-party ratings in an advertisement if the following conditions are met:

- Any questionnaire or survey used in the preparation of the third-party rating is structured to make it equally easy for a participant to provide favorable and unfavorable responses and is not designed or prepared to produce any predetermined result.
- Advertisements containing third-party rating clearly and prominently disclose the following:
    - Date on which the rating was given and the period of time upon which the rating was based;
    - Identity of the third party that created and tabulated the rating;
    - Criteria for the receipt of such accolade; and

- If applicable, that compensation has been provided directly or indirectly by the Supervised Person in connection with obtaining or using the third-party rating.

Including these disclosures in an advertisement that contains third-party ratings would not contain a rating that could otherwise be false or misleading under the Marketing Rule's general prohibitions, or under the general anti-fraud provisions of the federal securities laws.

Additionally, the Firm and Supervised Person must consider the following factors when determining whether any advertisement containing a third-party ranking is false or misleading, and thus, prohibited:

- Whether the advertisement discloses the criteria on which the rating was based;
- Whether the Supervised Person advertises any favorable rating without disclosing any facts that would call into question the validity of the rating or the appropriateness of advertising the rating (e.g., the Supervised Person knows that it has been the subject of numerous client complaints relating to the rating category or in areas not included in the survey);
- Whether the Supervised Person advertises any favorable rating without also disclosing any unfavorable rating ;
- Whether the advertisement states or implies that the Supervised Person was the top-rated advisor in a category when it was not rated first in that category;
- Whether, in disclosing a Supervised Person's rating or designation, the advertisement clearly and prominently discloses the category for which the rating was calculated, or designation determined, the number of advisors surveyed in that category, and the percentage of advisors that received that rating or designation;
- Whether the advertisement discloses that the rating may not be representative of any one client's experience because the rating reflects as average of all, or a sample of all, of the experiences of the Supervised Person's clients;
- Whether the advertisement discloses that the rating is not indicative of the Supervised Person's future performance; and
- Whether the advertisement discloses prominently who created and conducted the survey and that the Supervised Person paid a fee to participate in the survey.

Third-party ranking and/or awards need CCO approval prior to their use in any materials used by the Firm. The CCO will ensure proper disclosure is used along with the third-party ranking and/or award. Non-descriptive awards may not be used.

Third Party Ranking Procedures

- The CCO will review all proposed use of publication of any third-party ratings or survey results and conduct reasonable due inquiry regarding the methodology used by the third-

party to determine such rating. A copy of any questionnaire or survey used in the preparation of a third-party rating included or appearing in any advertisement will be maintained for books and records.

- The CCO will review all use of advertisements referencing third party rankings prior to use with prospects/clients.
- The CCO will provide testing to ensure that the Firm creates and keep records communications relating to its determination that the Firm has a reasonable basis for believing that a testimonial or endorsement complies with Rule 206(4)-1.

Books and Records

Below is a sample of the books and records to be maintained:

- Any communication or document that the rating complies with the Marketing Rule's due diligence requirement; and
- Copies of any questionnaire or survey used for determining a third-party rating used in Marketing.

Performance Advertising Policy

Policy

The Marketing Rule sets specific conditions on the presentation of performance but does not set forth separate requirements for performance advertising in materials intended for retail persons and nonretail persons, with the consequence that certain performance-related requirements primarily intended to protect unsophisticated retail investors must be included in performance advertisements directed to sophisticated institutions.

Performance Prohibitions

The Marketing Rule prohibits certain practices with respect to the presentation of performance returns in *advertisements* unless the *advertisement* complies with the specific requirements set out in the rule. Specifically, the Marketing Rule includes the following prohibitions:

Prescribed 1-, 5-, and 10-year time periods[1]. Prohibition on the use of any performance results, of any portfolio or any composite aggregation of *related portfolios* (as defined below), unless the *advertisement* includes performance results of the same *portfolio* or composite aggregation for one-, five-, and ten-year periods, each presented with equal prominence and ending on a date that is no less recent than the most recent calendar year-end; except that if the relevant *portfolio* did not exist for a particular prescribed period, then the life of the

[1] If a Supervised Person is unable to calculate its one-, five-, and ten-year performance data in accordance with Rule 206(4)-1(d)(2) immediately following a calendar year-end, it may use performance information that is at least as current as the interim performance information in an advertisement until the Supervised Person can comply with the calendar year-end requirement. The SEC believes that a reasonable period of time to calculate performance results based on the most recent calendar year-end generally would not exceed one month.

portfolio must be substituted for that period. Note that the requirement to show 1-, 5-, and 10- year returns does ***not*** apply when showing *private fund* performance.

Claims with respect to SEC approval. Prohibition against including any statement, express or implied, that the calculation or presentation of performance results in the *advertisement* has been approved or reviewed by the SEC.

Related performance. Prohibition on showing *related performance*, unless it includes all *related portfolios*; provided that *related performance* may exclude any *related portfolios* if: the advertised performance results are not materially higher than if all *related portfolios* had been included; and the exclusion of any *related portfolio* does not alter the presentation of any applicable prescribed time periods as described above. For this purpose: a *related portfolio* means a *portfolio* with substantially similar investment policies, objectives, and strategies as those of the services being offered in the *advertisement*; and *related performance* means the performance results of one or more *related portfolios*, either on a *portfolio*-by-*portfolio* basis or as a composite aggregation of all *portfolios* falling within stated criteria.

Extracted performance. Prohibition on showing *extracted performance*, unless the *advertisement* provides, or offers to provide promptly, the performance results of the total *portfolio* from which the performance was extracted. For this purpose, *extracted performance* means the performance results of a subset of investments extracted from a single *portfolio* (in contrast, performance results carved out of several different portfolios is treated as *hypothetical performance* and must comply with the requirements for use of *hypothetical performance* as summarized below).

Hypothetical performance. Prohibition on the use of *hypothetical performance* unless the IAR: (1) adopts and implements policies and procedures reasonably designed to ensure that the *hypothetical performance* is relevant to the likely financial situation and investment objectives of the intended audience of the *advertisement*; (2) provides sufficient information to enable the intended audience to understand the criteria used and assumptions made in calculating such *hypothetical performance*; and (3) provides (or, if the intended audience is an investor in a *private fund*, provides, or offers to provide promptly) sufficient information to enable the intended audience to understand the risks and limitations of using such hypothetical performance in making investment decisions.

Predecessor performance. Prohibition on the use of *predecessor performance* unless: (1) the person or persons who were primarily responsible for achieving the prior performance results manage accounts at the advertising Supervised Person; (2) the accounts managed at the predecessor investment advisor are sufficiently similar to the accounts managed at the advertising Supervised Person that the performance results would provide relevant information to clients or investors; (3) all accounts that were managed in a substantially similar manner are advertised unless the exclusion of any such account would not result in materially higher performance and the exclusion of any account does not alter the

presentation of any applicable prescribed time periods as described above; and (4) the advertisement clearly and prominently includes all relevant disclosures, including that the performance results were from accounts managed at another entity. For this purpose, *predecessor performance* means investment performance achieved by a group of investments consisting of an account or a *private fund* that was not advised at all times during the period shown by the Supervised Person advertising the performance.

Gross Performance. Prohibition on the use of gross performance, unless the advertisement also presents net performance: with at least equal prominence to, and in a format designed to facilitate comparison with, the gross performance; and calculated over the same time period, and using the same type of return and methodology, as the gross performance. For the purpose of the Marketing Rule:

- *Gross performance* means the performance results of a *portfolio* (or portions of a *portfolio* that are included in *extracted performance*, if applicable) before the deduction of all fees and expenses that a client or investor has paid or would have paid in connection with the Supervised Person's 's investment advisory services to the relevant *portfolio*.

- *Net performance* means the performance results of a *portfolio* (or portions of a portfolio that are included in *extracted performance*, if applicable) after the deduction of all fees and expenses that a client or investor has paid or would have paid in connection with the Supervised Person's 's investment advisory services to the *relevant portfolio*, including, if applicable, advisory fees, advisory fees paid to underlying investment vehicles, and payments by the Supervised Person for which the client or investor reimburses the Supervised Person. The Marketing Rule further clarifies that *net performance*: may reflect the exclusion of custodian fees paid to a bank or other third-party organization for safekeeping funds and securities; and/or if using a model fee, must reflect one of the following: the deduction of a model fee when doing so would result in performance figures that are no higher than if the actual fee had been deducted; or the deduction of a model fee that is equal to the highest fee charged to the intended audience to whom the advertisement is disseminated.

Global Investment Performance Standards

The SEC does not administer or sponsor the Global Investment Performance Standards ("GIPS"). Nonetheless, the SEC's examination staff generally take the position that any false claim of GIPS compliance is misleading and is therefore prohibited by Rule 206(4)-1.

Documentation of Advertised Performance Figures

A Supervised Person s must retain documentation that is necessary to show the basis for or demonstrate the calculation of the performance or rate of return of any or all managed accounts, portfolio or securities recommendations presented in any *advertisement*. Custodial

or brokerage account statements, and any associated calculation work papers, are the preferred method for a Supervised Person to substantiate communicated performance. Documentation must be retained for at least five years after a Supervised Person stops communicating the relevant performance. For example, if a Supervised Person stopped communicating performance from 1980 in 2005, statements and calculation work papers from 1980 should be retained through at least the end of 2010. With respect to *predecessor performance,* a Supervised Person must have access to the books and records that support the underlying performance.

Performance Advertising Procedures

- The CCO is responsible for review and approval of any advertisements containing performance information to ensure that they are presented in accordance with the relevant requirements, include all required related portfolios, and reflect prescribed time periods.
- The use of hypothetical performance in advertising materials is strictly prohibited unless reviewed and approved by the Firm prior to use.
- The CCO will determine if advertisement is relevant to the Firm and the investment objectives of the intended audience of the advertisement.
- The CCO will review, determine, and document if advertising of past performance of specific securities that were or may have been profitable to the Firm are fair and balanced, depending on the facts and circumstances.
- The CCO will review and determine the appropriate disclosure used for the advertisements containing performance.

Books and Records

Below is a sample of the books and records to be maintained:

- Communications relating to the performance or rate of return of any portfolios.
- Accounts, books, internal working papers, and other documents necessary to form the basis for or demonstrate the calculation of the performance or rate of return of any portfolios.
- Records supporting hypothetical performance to include copies of all information provided or offered pursuant to the hypothetical performance provisions of the Marketing Rule.
- Records of who the "intended audience" is pursuant to the hypothetical performance and model fee provisions of the Marketing Rule.
- Documentation of communications relating to predecessor performance.

Documentation sufficient to support the calculation of all performance results presented in advertising/marketing materials will also be maintained by the CCO for a period of five years

from the last date of distribution of such advertising/marketing material that contained the performance results.

Marketing Procedures for Social Media

- Supervised Persons must obtain prior approval from the CCO for static content on social media sites (such as profiles, articles, scripted blog posts). No prior approval is required for real-time interactive communications, but this content must be reported to the CCO, and will be monitored by the firm.

- The Firm maintains one or more firm-sponsored social media accounts. Only approved Supervised Persons may post to a firm-sponsored social media account, and all posts made by Supervised Persons, including those made by the CCO, must be done in compliance with these policies and procedures.

- The Firm generally prohibits the use of the Firm's name or any reference to its business activities on Supervised Persons' personal social networking accounts (e.g., Facebook). Exceptions may be made only when such accounts are used for business purposes (e.g., LinkedIn) and when the content conforms to Firm's policies and procedures.

- The Firm generally allows use by Supervised Persons of the Firm's name and other "business card" information on an exclusive list of social networking sites approved in writing by the CCO (e.g., Facebook and LinkedIn), as long as such use does not include client information or investment related data such as investment recommendations, specific investment services, or investment performance.

- The Firm utilizes Smarsh, which is a third-party vendor for social media archive and review. All social media accounts used for business must be registered with the Firm's vendor.

- Supervised Persons of the Firm are prohibited from participating in discussions in internet forums, blogs, or the firm's website, or posting to social media sites, without prior written approval from the CCO, regarding the following:
    - Firm's specific investment services;
    - Investment recommendations or advice; or
    - Investment performance.

- Customer rating from services such as Yelp and Google My Business. As long as the Firm does not adopt or become entangled (see definition of *third-party content*) this is not considered marketing material.

Public Appearances

- All public appearances must be pre-approved and must include any handouts.

- If the presentation is pre-planned such as a webinar or speech, the text or an outline must be submitted for pre-approval.

- If the presentation is not pre-planned, such as a media interview, any discussion of specific securities or account/composite/model performance is prohibited.

Marketing to Cities, Municipalities and States

Several cities, municipalities, and states have adopted regulations governing marketing activities associated with public pools of money. Registration requirements vary by locality, but may include limitations on gifts and entertainment, periodic reporting, and ethics training, among other things.

Marketing Definitions

Principles-Based -The Rule is principles-based, and judgements are shaped by regulatory guidance and enforcement precedence. Marketing fluff and hyperbole are not acceptable. Regulators take a strict interpretation of factual statements. If there is one exception, the statement is false. Due to this strict interpretation, most marketing utilizes hedging language. For example, instead of stating "We help our clients achieve their financial objectives," a more appropriate hedged statement would be "Our goal is to help clients achieve their financial objectives."

"Clear and Prominent Disclosure"

To be clear and prominent, the disclosures must be at least as prominent as the testimonial or endorsement. In other words, we believe that the "clear and prominent" standard requires that the disclosures be included within the testimonial or endorsement, or in the case of an oral testimonial or endorsement, provided at the same time. Hyperlinks generally do not meet the clear and prominent standard. Finally, depending on the medium and nature of the material, layered disclosures (as opposed to all at the end) may be appropriate. For example, an advertisement intended to be viewed on a mobile device, may meet the standard in a different way than one intended to be seen as a print advertisement (e.g., a person viewing a mobile device could be automatically redirected to the required disclosure before viewing the substance of an advertisement). Other means of providing layered disclosure would include QR codes or mouse-over windows.

"De minimis compensation"

Compensation paid to a person for providing a testimonial or endorsement of a total of $1,000 or less (or the equivalent value in non-cash compensation) during the preceding 12 months.

"Disqualifying Commission action"

A Commission opinion or order barring, suspending, or prohibiting the person from acting in any capacity under the Federal securities laws.

"Disqualifying event"

Any of the following events that occurred within 10 years prior to the person disseminating an endorsement or testimonial:

1. A conviction by a court of competent jurisdiction within the United States of any felony or misdemeanor involving conduct described in paragraph (2)(A) through (D) of section 203(e) of the Act;
2. A conviction by a court of competent jurisdiction within the United States of engaging in, any of the conduct specified in paragraphs (1), (5), or (6) of section 203(e) of the Act;
3. The entry of any final order by any entity described in paragraph (9) of section 203(e) of the Act, or by the U.S. Commodity Futures Trading Commission or a self-regulatory organization (as defined in the Form ADV Glossary of Terms)), of the type described in paragraph (9) of section 203(e) of the Act;
4. The entry of an order, judgment or decree described in paragraph (4) of section 203(e) of the Act, and still in effect, by any court of competent jurisdiction within the United States; and
5. A Commission order that a person cease and desist from committing or causing a violation or future violation of:
    - Any scienter-based anti-fraud provision of the Federal securities laws, including without limitation section 17(a)(1) of the Securities Act of 1933 (15 U.S.C. 77q(a)(1)), section 10(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78j(b)) and 17 CFR 240.10b-5, section 15(c)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(c)(1)), and section 206(1) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-6(1)), or any other rule or regulation thereunder; or

    - Section 5 of the Securities Act of 1933 (15 U.S.C. 77e);
6. (vi) A disqualifying event does not include an event described in paragraphs (4)(i) through of this section with respect to a person that is also subject to:
    - An order pursuant to section 9(c) of the Investment Company Act of 1940 (15 U.S.C. 80a-3) with respect to such event; or
    - A Commission opinion or order with respect to such event that is not a disqualifying Commission action, provided that for each applicable type of order or opinion described in paragraphs (4)(vi)(A) and (B) of this section:
        - The person is in compliance with the terms of the order or opinion, including, but not limited to, the payment of disgorgement, prejudgment interest, civil or administrative penalties, and fines; and
        - For a period of 10 years following the date of each order or opinion, the advertisement containing the testimonial or endorsement must

include a statement that the person providing the testimonial or endorsement is subject to a Commission order or opinion regarding one or more disciplinary action(s) and include the order or opinion or a link to the order or opinion on the Commission's website.

"Extracted performance"

The performance results of a subset of investments extracted from a portfolio.

"Gross performance"

The performance results of a portfolio (or portions of a portfolio that are included in extracted performance, if applicable) before the deduction of all fees and expenses that a client or investor has paid or would have paid in connection with the IAR's investment advisory services to the relevant portfolio.

"Hypothetical performance"

Performance results that were not actually achieved by any portfolio of the investment advisor. Hypothetical performance includes, but is not limited to:

1. Performance derived from model portfolios;
2. Performance that is back tested by the application of a strategy to data from prior time periods when the strategy was not actually used during those time periods; and
3. Targeted or projected performance returns with respect to any portfolio or to the investment advisory services regarding securities offered in the advertisement.
4. Hypothetical performance does not include:
    a. An interactive analysis tool where a client or investor, or prospective client, or investor, uses the tool to produce simulations and statistical analyses that present the likelihood of various investment outcomes if certain investments are made or certain investment strategies or styles are undertaken, thereby serving as an additional resource to investors in the evaluation of the potential risks and returns of investment choices; provided that the investment advisor:
        - Provides a description of the criteria and methodology used, including the investment analysis tool's limitations and key assumptions;
        - Explains that the results may vary with each use and over time;
        - If applicable, describes the universe of investments considered in the analysis, explains how the tool determines which investments to select, discloses if the tool favors certain investments and, if so, explains the reason for the selectivity, and states that other investments not considered may have characteristics similar or superior to those being a analyzed; and
        - Discloses that the tool generates outcomes that are hypothetical in nature; or
    b. Predecessor performance that is displayed in compliance with paragraph (7) of this section.

"Ineligible person"

A person who is subject to a disqualifying Commission action or is subject to any disqualifying event, and the following persons with respect to the ineligible person:

1. Any employee, officer, or director of the ineligible person and any other individuals with similar status or functions within the scope of association with the ineligible person;
2. If the ineligible person is a partnership, all general partners; and
3. If the ineligible person is a limited liability company managed by elected managers, all elected managers.

"Net performance"

The performance results of a portfolio (or portions of a portfolio that are included in extracted performance, if applicable) after the deduction of all fees and expenses that a client or investor has paid or would have paid in connection with the IAR's investment advisory services to the relevant portfolio, including, if applicable, advisory fees, advisory fees paid to underlying investment vehicles, and payments by the IAR for which the client or investor reimburses the IAR. For purposes of this rule, net performance:

1. May reflect the exclusion of custodian fees paid to a bank or other third-party organization for safekeeping funds and securities; and/or
2. If using a model fee, must reflect one of the following:
    a. The deduction of a model fee when doing so would result in performance figures that are no higher than if the actual fee had been deducted; or
    b. The deduction of a model fee that is equal to the highest fee charged to the intended audience to whom the advertisement is disseminated.

"Portfolio"

A group of investments managed by the Supervised Person. A portfolio may be an account or a private fund and includes, but is not limited to, a portfolio for the account of the Supervised Person or its advisory affiliate (as defined in the Form ADV Glossary of Terms).

"Predecessor performance"

Investment performance achieved by a group of investments consisting of an account or a private fund that was not advised at all times during the period shown by the Supervised Person advertising the performance.

"Private fund"

The same meaning as in section 2(a)(29) of the Investment Company Act of 1940.

"Related performance"

Performance results of one or more related portfolios, either on a portfolio-by-portfolio basis or as a composite aggregation of all portfolios falling within stated criteria.

"Related portfolio"

Portfolio with substantially similar investment policies, objectives, and strategies as those of the services being offered in the advertisement.

"Supervised person"

The same meaning as in section 2(a)(25) of the Investment Company Act of 1940.

"Third-Party Content"

Definition of advertisement includes "any direct or indirect communication" of an IAR. This means that a communication distributed by an agent or intermediary on behalf of a Supervised Person would generally be considered an "advertisement" of the Supervised Person. The Adopting Release defined the concepts of "adoption" and "entanglement" in the context of third-party content on company websites, the Adopting Release also notes that third party information may be an indirect "advertisement" if the Supervised Person has either endorsed or approved the information after publication or involved itself in the preparation of the information.

"Third-party rating"

A rating or ranking of a Supervised Person provided by a person who is not a related person (as defined in the Form ADV Glossary of Terms), and such person provides such ratings or rankings in the ordinary course of its business.

14. ELECTRONIC COMMUNICATIONS

Objective

The objective of the Firm's Electronic Communications policy is to ensure that all Supervised Persons, clients, consultants, vendors, or any persons doing business with the Firm use the Firm's electronic resources in a manner that serves the purpose of supporting the Firm's business and policies. It provides a safeguard to the Firm's confidential information, as well as the Firm's clients and Supervised Persons sensitive information. The policy also serves to limit the possibility of damage to and unauthorized access and use of the Firm's systems and data.

Supervisory Responsibility

The CCO is responsible for ensuring that the Firm's electronic communications systems are being utilized solely for authorized business purposes in conformance with applicable laws, rules, and regulations, including all policy and procedures set forth herein. As used in this policy, the term "**electronic communications**" includes, but is not necessarily limited to, business communications made through any of the following media:

1. Voice Communications that include voicemail, telephones, and mobile telephone devices and related protocols.
2. Mobile computing devices (iPads, tablets, etc.).
3. Electronic mail that includes e-mail, instant messaging, and text messaging.
4. Facsimile that includes e-fax services.
5. The internet and intranet, including the Web, file transfer protocols ("**FTP**"), remote host access, etc.
6. Video teleconferencing.
7. Peripheral devices (iPods, USB, and thumb drives, etc.).

Policies

The following summarizes the requirements of the Firm's electronic communications policy:

1. The Firm's electronic communications systems are to be used for business purposes only.
2. Without the prior consent of the CCO, electronic communications with clients, regulators or the public concerning Firm business are permitted only on Firm communications systems.
3. Electronic communications are not private and are monitored, reviewed, and recorded by the Firm using Smarsh.
4. No employee, other than specifically authorized personnel, is permitted to post anything on the Firm's Web site.
5. Without the pre-approval of the CCO, no employee may post any information concerning the Firm, its business, or clients to the Internet (or similar third-party system), containing references to the Firm, communications involving investment advice, references to investment-related issues or information or links to any of the aforementioned.

6. Any communication by the Firm's Supervised Persons is subject to the following requirements, regardless of Media used:
    a. Books and records maintenance requirement (See Books and Records).
    b. Implementation of security and protection policies (See Privacy Protection and Information Security Policies—Regulation S-P and Written Information Security Policy--WISP).
    c. Written supervisory policies.
    d. The Firm's Code of Ethics.

Electronic Delivery of Information

Supervised Person's ability and freedom to use the Firm's media is limited as follows:

1. No right to privacy when using the Firm's media and that any information stored, processed, or accessed on the Firm's systems is not private and subject to review by the Firm.
2. Prohibited from sending, displaying, or storing any material in any electronic format that violates any policy of the Firm.

Supervised Persons are required to have the word "Confidential" in the subject line when sending an email that contains personal or confidential information of a client. The email must be sent using the Firm's email address provided by the Firm or a Firm approved DBA email address.

Review

The CCO reviews the Firm's use of electronic communications on an annual basis to ensure the following:

1. **Notice.** That electronic notifications to clients are sent in a timely manner and are adequate to properly convey the message.
2. **Access.** That clients who are provided with information electronically are also given access to the same information as would be available to them in paper form.
3. **Security.** That precaution is taken to ensure the integrity, confidentiality, and security of information sent through electronic means and that such precautions have been tailored to the medium used.

Marketing & Advertising Sales Literature

Where an electronic medium is used to disseminate advertisements for the Firm's services or other information that is not subject to a delivery requirement, it is subject to the same requirements that apply to such communications made in paper form, and as established in the Firm's policy on Marketing & Advertising.

Policy Regarding Any Firm Electronic Communication

The Firm's electronic communication policies and procedures include the following:

1. The Firm's Electronic Communications Policy is communicated to all Supervised Persons and any changes in this policy are promptly communicated.

2. Electronic communications records are maintained and arranged for easy access and retrieval to provide true and complete copies with appropriate backup and separate storage for the required periods.
3. Electronic communications are maintained in electronic format and are readily accessible at any time by for a period of five (5) years.

Text Messaging Policy

Regulators have classified text messaging as a form of electronic communication requiring supervision and retention. Regulators have noted in the context of addressing the supervision and recordkeeping requirements for text messaging that a Firm's obligation to supervise electronic communications is based on the content and audience of the message, not the electronic form of the communication. Text messages are not exempt from the requirements despite the challenges associated with supervision and retention.

Given the position on text messaging, along with the logistical challenges of supervising and archiving text messages, the Firm's policy is to allow Supervised Persons to use text messaging to communicate business related information, subject to the policies within this Compliance Manual's Electronic Communications section, relating to its use. All texts will be archived.

- All communications via text message must go through the MyRepChat website or mobile app.
- All Supervised Persons must create a MyRepChat account.
- All text messages must be received and sent by the business phone number set up in the Supervised Person's MyRepChat account.
- The email address used for the Supervised Person's MyRepChat account must be the email that is monitored and archived.
- If a client texts a Supervised Person on their personal phone number, the Supervised Person must direct them to the new business number that can be used for texting. When responding, the Supervised Person must either call the client or send a message from their MyRepChat number. Supervised Persons cannot reply to the text message by texting from their personal mobile number.
- If a client is also a family member or friend, text messages about advisory business must be sent to and from the Supervised Person's business number.
- As with business emails, business texting numbers must be used for business purposes only. This is because personal texts (and emails) clog up the compliance review queue. The Firm also does not want to have personal information archived or for review.
- Supervised Persons cannot request client's text any sensitive, personal information, like social security numbers. These details should still be collected over a phone call or in person.

Standards for Internet and E-mail Communications

Supervised Persons are required to comply with all applicable international, federal, state, and local laws. Electronic communications through the Firm's systems are the property of the Firm and the Firm reserves the right to monitor, audit, record, or otherwise retain electronic communications at any time for appropriate business usage, standards and compliance with this policy, applicable laws, and regulations. Supervised Persons that violate these standards can result in written sanctions, monetary penalties, or loss of position. Any questions regarding these, or any policies or procedures should be directed to Compliance.

The following guidelines apply to all Supervised Persons:

1. Required to provide email policies and procedures that include encryption capabilities if using a Firm approved DBA email.
2. Required to use their redhawkwa.com or Firm approved DBA email address for all business-related electronic communications.
3. Required to have the word "Confidential" in the subject line when sending personal or confidential client information. The Firm's electronic communication system encrypts the email if the word "Confidential" is in the subject line and the redhawkwa.com or Firm approved DBA email address is used.
4. Required to contain the most recent and valid information available.
5. Required to delete immediately any communications received with inappropriate content.
6. Prohibited from disseminating proprietary information, unless approved by the Firm.
7. Prohibited from copying or transmitting software or other materials protected by copyright law.
8. Prohibited from sending client's personal and sensitive information to or from their personal email.
9. Required to safeguard access to computers, telephones, and other electronic communications systems. Required to keep passwords in a secure location (either physical or electronic) and change frequently.
10. Required to preserve electronic communications sent and received according to Firm and regulatory requirements.
11. Prohibited from communications with the public unless authorized by the Firm.

Email Policy

The Firm treats email and other electronic communications as written communications and that such communications must always be of a professional nature. The Firm's policy covers electronic communications for the Firm, to or from clients, and any personal email communications within the Firm. Supervised Persons are prohibited from using the Firm's email and any other electronic systems for personal use. Supervised Persons that are using a Firm approved DBA email, must provide the Firm access to their email server and email policies and procedures that include the encryption capabilities. (See also the Social Media and Blogging Policy).

Supervised Persons are required to understand and follow the Firm's email policy with respect to their individual email communications.

Social Media and Blogging Policy

The Firm allows Supervised Persons to maintain social media accounts consisting of LinkedIn, Twitter, and Facebook, subject to the following policies:

1. Input and maintain their existing social media accounts on Smarsh, which is the Firm's social media monitoring system.
2. Notify Compliance in writing of any new social media accounts or blogs they want to create.
3. On an annual basis, sign an attestation that all social media accounts used during the prior year have been previously reported to Compliance and if one or more are no longer in use, a statement to that effect.
4. Cease using social media in connection with the Firm or its clients when the Supervised Person is no longer associated with the Firm.
5. Ensure that any third-party employed to manage social media must comply with the Firm's policies and procedures.

Although not exclusively limited to the following suggestions, it is the Firm's policy that when using advisory social media, the Supervised Person should generally:

1. Be honest and consistent with prior professional comments the Supervised Person has provided to clients while providing investment advisory services or in presentations previously made on behalf of the Firm.
2. Not include Supervised Person's comments that are in retaliation to negative posts or comments received on the Supervised Person's site. If warranted, the Supervised Person should work through the CCO or designee to address any issues that are directly related to client issues identified in such posts.
3. Not include any favorable comment on the Supervised Person's social media posts or blogs from themselves through other social media accounts the Supervised Person may have.
4. Not include any favorable comment on the Supervised Person's social media posts or blogs from themselves through other social media accounts the Supervised Person may have.
5. Protect the client's privacy by prohibiting the use of a client's name, address, identification information, financial, account holdings or any other information specific to a client on the Supervised Person's social media site.
6. Prohibit the Supervised Person from using Facebook Chat for business related communication.
7. Require any Supervised Person who is also a registered representative to notify their broker dealer prior to making any LinkedIn or other social media profile change or other change that would be static content for pre-approval or content that would be considered sales literature prior to implementing the change on their social media site.

8. Prohibit Supervised Persons from providing legal or tax opinions or making specific investment recommendations on their social media site.
9. Prohibit the Supervised Person from making any negative references about the Firm on his or her social media site, or from making any misrepresentation as to his or her title, responsibilities, or function with the Firm.
10. Require the Supervised Person to refrain from using superlatives, exaggeration or anything that might suggest a guaranteed return or guaranteed successful results.
11. Require the Supervised Person to refrain from the use of industry jargon, consider his or her audience and prepare any posted materials so that his or her least sophisticated client can clearly understand them.
12. Prohibit the use of a chart, graph, formula, or other tool on the Supervised Person's social media site that is to be used in determining which securities to buy or sell or when to do so.
13. Not offer any report, service or analysis labeled as free on the Supervised Person's social media site or blog unless it is in fact free with no further obligation or commitment.
14. Not disclose any material non-public information in the Supervised Person's possession.
15. Not discuss or disclose the Firm's proprietary information, intellectual property interests or other trade secrets on their social media site.
16. Use appropriate disclosures as to the Supervised Person's business affiliations, relevant conflicts of interest and correctly attribute ownership of any comments, statements, or quotes to their originator.
17. Supervised Person posts as advertisements may not have any untrue statement of material fact or otherwise be false or misleading.

Licensing

Supervised Persons are prohibited from using the Firm's electronic communications systems to attempt to affect any transaction in securities, or to render investment advisory services for compensation in any state in which the Firm is not properly notice filed.

Books and Records

The Firm captures, stores, and monitors any social media content that is linked to the Smarsh system for a minimum of five (5) years.

Supervisory Policies

The Firm monitors the social media activity using the Smarsh system. Should inappropriate comments or materials be found on a Supervised Person's social media site, action taken by the Firm is dependent on the results of the investigation and can include:

1. Remedial training on the Firm's advertising and social media policies.
2. Prohibiting from any future use of the social media site.
3. Suspension or termination.

15. CODE OF ETHICS

General Principles

The Firm's Code of Ethics sets forth the standards of conduct expected from Supervised Persons and address personal trading, gifts, the use of inside information, and other situations where there is a possibility for conflicts of interest.

The Firm's Code of Ethics is designed for Supervised Persons to:

1. Protect the Firm's clients by deterring misconduct.
2. Understand the Firm's expectations and the laws governing their conduct.
3. Understand that they are in a position of trust and must always act with complete propriety.
4. Protect the reputation of the Firm.
5. Prevent unauthorized trading in client or their own accounts.
6. Guard against violation of the securities laws.
7. Establish procedures to follow so that the Firm can determine they are complying with the Firm's ethical principles.

Supervised Persons are required to adhere to the following specific fiduciary obligations when dealing with clients:

1. The duty to have a reasonable, independent basis for the investment advice provided.
2. The duty to ensure that investment advice meets the client's individual objectives, needs, and circumstances.
3. A duty to be loyal to clients.

Scope of the Code of Ethics

Honesty, integrity, and professionalism are hallmarks of the Firm. The Firm maintains the highest standards of ethics and conduct in all its business relationships. This Code of Ethics covers a wide range of business practices and procedures and applies to all Supervised Persons when conducting the business and affairs of the Firm.

The activities of Supervised Persons are required to adhere to the following general principles:

1. Honest and ethical conduct is maintained in all client transactions and such conduct is in a manner that is consistent with the Firm's Code of Ethics, thus avoiding or appropriately addressing any actual or potential conflict of interest or any abuse of their position of trust and responsibility.
2. Prohibited from taking inappropriate advantage of their positions with a client or the Firm.
3. Responsible to maintain the confidentiality of the information concerning the identity of securities holdings and financial circumstances of all clients.
4. Ensure independence in the investment decision-making process.
5. Failure to comply with this Code of Ethics can result in disciplinary action, including the termination of employment by the Firm.

Persons Covered by the Code of Ethics

All Supervised Persons are required to comply with the Firm's Code of Ethics. Any questions as to whether an individual is required to comply with the Firm's Code of Ethics should be directed to Compliance.

Securities Covered by the Code of Ethics

"**Reportable Security"** or collectively **"Reportable Securities**" typically means any stock, bond, future, investment contract, or any other instrument that is considered a security under the Advisers Act. A Reportable Security is very broad and includes investments not ordinarily thought of as securities, including, but not limited to:

1. Options on securities, indexes, and currencies.
2. Limited partnership interests.
3. Foreign unit trusts and foreign mutual funds.
4. Private investment funds, hedge funds, and investment clubs.

Reportable Securities that are excluded from the reporting requirements of Rule 204A-1 include the following:

1. Direct obligations of the U.S. government.
2. Banker's acceptances, bank certificates of deposit, commercial paper, and high-quality short-term debt obligations, including repurchase agreements.
3. Shares issued by money market funds.
4. Shares of open-end mutual funds that are registered under the Investment Company Act.
5. Shares issued by unit investment trusts that are invested exclusively in one or more open-end funds, none of which are funds advised or sub-advised by the Firm.

Standards of Business Conduct

Pursuant to Rule 204A-1, the Firm requires a standard of business conduct for its Supervised Persons. This section sets forth those standards.

Compliance with Laws and Regulations

All Supervised Persons are required to comply with applicable federal and state securities laws. When a purchase or sale of a security by a client, Supervised Persons are prohibited from:

1. Defrauding such client in any manner.
2. Misleading such client, including making a statement that omits material facts.
3. Engaging in any act which operates or would operate as fraud or deceit upon such client.
4. Engaging in any manipulative practice with respect to such client.

Conflicts of Interest

Supervised Persons are required to act in a fiduciary capacity and have an affirmative duty of care, loyalty, honesty, and good faith to act in the best interests of its clients. With this duty, Supervised Persons are to avoid conflicts of interest or are required to fully disclose all

material facts concerning any conflict that does arise with respect to any client. A "**conflict of interest**" occurs when a Supervised Person's private interests is inconsistent with the interests of the client and/or the Firm. Additionally, Supervised Persons are required to avoid situations that have even the appearance of conflict or impropriety.

Conflicts among Client Interests.
Conflicts of interest arise when the Supervised Person has reason to favor the interests of one client over another client (e.g., larger accounts over smaller accounts, accounts compensated by performance fees over accounts not so compensated, accounts in which the Supervised Person has made material personal investments, or accounts of close friends or relatives of Supervised Persons). The Firm prohibits Supervised Persons from inappropriate favoritism of one client over another client that would constitute a breach of fiduciary duty.

Competing with Client Trades.
The Firm prohibits Supervised Persons from using knowledge about pending or currently considered securities transactions for clients to profit personally, directly, or indirectly, because of such transactions, including purchasing or selling such securities.

Insider Trading
Supervised Persons are prohibited from trading, either personally or on behalf of others, while in possession of material, nonpublic information. Additionally, Supervised Persons are prohibited from communicating material nonpublic information to others in violation of the law.

1. ***Penalties.*** Should a Supervised Person violate the Firm's insider trading policies and procedures, potential penalties can include, but are not limited to, civil injunctions, permanent bars from employment in the securities industry, civil penalties up to three times the profits made, or losses avoided, criminal fines, and jail sentences.
2. ***Material Nonpublic Information.*** The SEC's position is that the term "**material nonpublic information**" relates not only to issuers, but also to the Firm's securities recommendations and client securities holdings and transactions.

Personal Securities Transactions
The Firm requires all Supervised Persons to strictly comply with the Firm's policies and procedures regarding personal securities transactions outside of the Firm. The following procedures are designed to assist the Firm in detecting and preventing abusive sales practices.

Policy
It is the express policy of the Firm that Supervised Persons may not purchase or sell any security prior to a transaction(s) being implemented for an advisory account during the same day unless such transactions are at a price equal to or inferior to the price obtained by advisory clients, and therefore, preventing such Supervised Person from benefiting from transactions placed on behalf of advisory accounts. This includes orders in securities that are derivatives (e.g., options, warrants) of the security being purchased or sold by the client.

The Firm may utilize batched orders to carry out this policy. The Firm will monitor trades through quarterly Trade Blotter reviews to ensure front running is not occurring.

When reviewing these items, consider the following:

- If a Supervised person decides to buy or sell a security in their own personal or a related account, they must first determine if they would recommend to any of their clients that they should purchase or sell the same security. If the answer is yes, the Supervised person should contact their clients first prior to transacting in their own account.
- If the Supervised Person contacted a client with a recommendation, did the Supervised Person allow the client a reasonable time to respond?
- Whether there were extenuating circumstances (e.g., personal emergency or severe rapid market movements) that warranted execution of the Supervised Person's 's personal trade prior to waiting for a reasonable period of time for the client to respond.
- If the Supervised Person IAR has full discretionary authority, did the Supervised Person consider whether or not any of the accounts over which the Supervised Person has been granted discretion contain the equity they are planning to trade and whether or not it is appropriate to take action in the client's account?

PROCEDURE

If the client's trade is made after the Supervised Person 's personal trade and the Supervised Person received a better price, the Supervised Person must contact the CCO and report the situation and consider appropriate actions to correct the trades.

Front Running- Prohibition. Defined as a Supervised Person, employee, or related account order being placed before client orders. This includes orders in securities that are derivatives (e.g., options, warrants) of the security being purchased or sold by the client.

Limited or Private Offerings – Pre-Clearance. Supervised Persons are prohibited from directly or indirectly acquiring beneficial ownership of any security in a limited or private offering, without the specific, advance written approval of the CCO, which the CCO may deny for any reason.

Initial Public Offerings – Prohibition. Supervised Persons are prohibited from directly or indirectly acquiring beneficial ownership[2] of any security in an initial public offering.

[2] The term "beneficial ownership" as used in this Code of Ethics is to be interpreted by reference to Rule 16a-1 under the U.S. Securities Exchange Act of 1934, as amended. Under the Rule, a person is generally deemed to have beneficial ownership of securities if the person, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares a direct or indirect pecuniary interest in the securities. The term "pecuniary interest" means the opportunity, directly or indirectly, to profit or share in any profit derived from a transaction in the subject securities.

In determining whether to grant permission for such limited or private placement, the CCO shall consider, among other things, whether such offering should be reserved for a client and whether such transaction is being offered to the person because of his or her position with the Firm.

Any Supervised Person who has received such permission shall be required to disclose such an investment when participating in any subsequent consideration of such security for purchase or sale by client of the Firm, and that the decision to purchase or sell such security shall be made by persons with no personal, direct, or indirect, interest in the security.

If you have any question as to whether a possible investment is an initial public offering or a limited or private placement, please consult with the CCO.

24 -hour Blackout Period

Supervised Persons may not purchase or sell any Reportable Security within 24 hours immediately before or after a day on which any client account managed by the Firm purchases or sells that Reportable Security (or any closely related security, such as an option or a related convertible or exchangeable security), *unless the Supervised Person had no actual knowledge that the reportable security (or any closely related security) was being considered for purchase or sale for any client account.* If any such transaction occurs, the Firm will normally require any profits from the transaction to be disgorged for donation by the Firm to charity. Note that the total blackout period is two (2) business days (one [1] business day before and one [1] business day after). Supervised Persons may trade alongside clients, as long as such transactions are at a price equal to or inferior to the price obtained by clients.

Restricted List. Compliance maintains a list of restricted securities and Supervised Persons are prohibited from purchasing or selling those securities while they are on the restricted list without prior written approval of Compliance. The restricted securities list includes securities that have an average trading volume below 500,000.

Prohibition on Participation in Investment Clubs. Supervised Persons are prohibited from participating in or making investments with or through any investment club or similar association or entity except with the specific, advance written approval of Compliance. If a Supervised Person has any doubt or uncertainty as to whether an

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Notwithstanding the fact that a Supervised Person has not purchased a security for his/her own account or the account of an immediate family member, if at any time a Supervised Person becomes aware that he/she has become a beneficial owner of a security in an initial public, limited or private offering (e.g., a purchase made by an immediate family member, which is any relative by blood or marriage living in the Supervised Person's household), the Supervised Person shall promptly report such interest to the CCO who shall determine the appropriate action, if any.

association or entity is an investment club, they should contact Compliance before becoming involved with the association or entity.

Supervised Persons are prohibited from directly or indirectly advising or causing any immediate family member (i.e., any relative by blood or marriage living in the Supervised Person's household) to engage in conduct the Supervised Person is prohibited from engaging in under the Firm's Code of Ethics.

If a Supervised Person determines within 24 hours immediately before or after they have purchased or sold for their own account a Reportable Security that was not, to the Supervised Person's knowledge, then under consideration for purchase by any client account, the Supervised Person is required to put the clients' interests first and promptly make the investment recommendation or decision in the clients' interest, rather than delaying the recommendation or decision for clients until after the 24 hours following the day of the transaction for the Supervised Person's own account to avoid a possible conflict with the blackout provisions of this Code of Ethics.

Gifts and Entertainment

Supervised Persons are prohibited from accepting gifts, favors, entertainment, special accommodations, or other things of material value that influences their decision-making or make them feel obligated to do business with a person or company. Supervised Persons are prohibited from offering gifts, favors, entertainment, or other things of value that would be viewed as overly generous or aimed at influencing decision-making or making a client feel obligated to do business with the Firm or the Supervised Person.

1. ***Gifts.*** Supervised Persons are prohibited from receiving any gift, service, or other thing of more than de Minimis value from any person or entity that does business with or on behalf of the Firm. Supervised Persons are prohibited from giving or offering any gift of more than de Minimis value to existing clients, prospective clients, or any entity that does business with or on behalf of the Firm without pre-approval by Compliance. Gifts other than cash given in connection with special occasions (e.g., promotions, deaths, births, retirements, weddings), of reasonable value are permissible. Supervised Persons are required to maintain a gift log and to submit the log to Compliance on a quarterly basis.
2. ***Cash.*** Supervised Persons are prohibited from accepting cash gifts or cash equivalents to or from a client, prospective client, or any entity that does business with or on behalf of the Firm. This includes cash equivalents such as gift certificates, bonds, securities, or other items that can be readily converted to cash.
3. ***Entertainment.*** Supervised Persons are prohibited from providing or accepting extravagant or excessive entertainment to or from a client, prospective client, or any person or entity that does or seeks to do business with or on behalf of the Firm. Supervised Persons are prohibited from providing or accepting a business entertainment event, such as dinner, a sporting event, golf outings, etc. provided that such activities involve no more than customary amenities.

Confidentiality

Supervised Persons are required to exercise care in maintaining the confidentiality of any confidential information, except where disclosure is authorized or legally mandated. Confidential information includes non-public information, the identity of security holdings, and financial circumstances of clients.

1. ***Firm Duties*.** The Firm keeps all information about clients and former clients in strict confidence. This includes the client's identity (unless the client consents), the client's financial circumstances, the client's security holdings, and advice furnished to the client by the Firm or its vendors.
2. ***Supervised Persons' Duties***. Supervised Persons are prohibited from disclosing to persons outside the Firm any material nonpublic information about any client, the securities investments made by the Firm on behalf of the client, information about contemplated securities transactions, or information regarding the Firm's trading strategies, except as required to perform a securities transaction on behalf of a client or for other legitimate business purposes.
3. ***Internal Walls*.** Supervised Persons are prohibited from disclosing nonpublic information concerning clients or securities transactions to any other person within the Firm, except as required for legitimate business purposes.
4. ***Physical Security***. Supervised Persons are required to lock files containing material nonpublic information when not being used or accessed and access to computer files containing such information is restricted to certain permitted persons with unique passwords.
5. ***Regulation S-P*.** Supervised Persons are required to comply with the Firm's privacy policy. Regulation S-P covers only a subset of the Firm's confidentiality standards and applies only to natural persons and only to personal information. The Firm's fiduciary duty to keep client information confidential extends to all the Firm's clients and information, including, but not limited to corporations, limited liability organizations, trusts and estates.

Service of Board of Directors

Supervised Persons must receive written approval from Compliance before serving on a Board of a publicly traded company. Supervised Persons serving as a Director on a Board of a publicly traded company are prohibited from participating in the process of making investment decisions on behalf of clients which involve the subject company, or in any other respect if making such a decision would create the illusion of, or an actual conflict of interest.

Other Outside Business Activities ("OBA")

Supervised Persons are required to report and receive approval from Compliance for all outside business activities ("**OBA**") upon employment and are required to receive approval from Compliance for any new OBA before engaging in the activity. Supervised Persons may not be an employee, independent contractor, sole proprietor, officer, director, or partner of another person, or be compensated, or have the reasonable expectation of compensation, from any other person because of any business activity outside the scope of the relationship with the Firm, unless Supervised Person has provided prior written notice to the Firm. The

OBA must be approved in writing by Compliance before Supervised Person can participate with an OBA in any manner.

Compliance will evaluate the OBA and decide if the activity should be allowed or not allowed. The Firm may impose specific conditions or limitations on the activity as well. The Firm will provide Supervised Persons a written response acknowledging the request and approving, limiting, or denying involvement with the activity. Although the Firm does not have any specific supervisory requirements over OBAs, the Firm does have the responsibility to appropriately and reasonably monitor those activities based on the level of risk associated with the activity.

All OBAs must be disclosed on Supervised Person's U4. The Firm will audit all OBA's as part of its annual exam. If Supervised Persons fail to disclose an OBA, it may result in disciplinary actions and/or termination.

OBAs include many non-securities business activities which are conducted outside the scope of a Supervised Person's relationship with the Firm. These activities can include fixed insurance sales, life insurance, tax preparation, accounting support, bookkeeping, or legal advice. An activity does not need to result in compensation to qualify as an OBA. OBAs can include non-compensated leadership positions Supervised Person holds such as being a president, treasurer, trustee, managing member of an LLC, or other position of a non-profit board of trustees. OBAs include, but are not limited to, acting as an employee of an unaffiliated company, owner (full or partial) of an unrelated business, finder for an unaffiliated investment, independent contractor, or consultant to an outside party, receiving referral fees from a third party, and receiving direct or indirect compensation from another person or company.

The Firm will always err on the side of disclosure for an OBA. This applies whether a Supervised Person is considering a role, for example, on Supervised Person's home association's board; the board of a public or private company, the board of an athletic association, for profit or not-for-profit entity, charitable organization; or even a club or community. The Firm needs to consider objectively whether there is a real, perceived, or potential conflict, before approval is granted. This is regardless of whether the position is unpaid or paid, a one-time event, or ongoing.

1. ***Executorships.*** Supervised Persons can accept executorships for certain business considerations and family relationships, and it is necessary for the Supervised Person to have written authorization from Compliance to act as an executor. All such existing or prospective relationships should be reported in writing to Compliance**.**
2. ***Custodianships and Powers of Attorney****.* Supervised Persons can accept custodianships and powers of Attorney for minors or other members of the immediate family. These are considered as automatically authorized and do not require approval from Compliance. Supervised Persons must receive approval of

Compliance for all other custodianships and entrustment with a Power of Attorney to execute securities transactions on behalf of another.

3. ***Insurance Agents****.* Supervised Persons can act as agents appointed with various life, long-term care, or other insurance companies. Supervised persons can receive commissions, trails, or other compensation from the respective product sponsors and/or because of effecting insurance transactions for clients. Clients have the right to purchase insurance products away from the Firm. At all times, the Firm and Supervised Persons are to act in the client's best interest and act as a fiduciary in carrying out services provided to the client.
4. ***Disclosure.*** Supervised Persons are required to disclose in writing, any personal interest that might present a conflict of interest or harm the reputation of the Firm.
5. ***Trustees****.* Supervised Persons are prohibited from acting as a trustee except in situations where there is a clear prior and personal relationship. All such existing or prospective relationships should be approved by Compliance.

On an ongoing basis, Supervised Persons must provide Compliance prompt notification when a previously approved OBA undergoes a change, such as more time committed to or anticipated to be required by the activity; greater percentage of total income derived from the activity; increase or decrease in ownership interest; change in the role, status, or title regarding the activity.

The Firm, upon receipt of a written notice from Supervised Persons, will consider whether the proposed activity will:

1. Interfere with or otherwise compromise Supervised Person's responsibilities to the Firm and/or to clients.
2. Be viewed by clients or the public as part of the Firm's business based upon, among other factors, the nature of the proposed activity and the way it will be offered.

Marketing and Promotional Activities

Supervised Persons are required to ensure that all oral and written statements, including those made to clients, prospective clients, their representatives, or the media, must be professional, accurate, balanced, and not misleading in any way.

Open Investment Platform ("OIP") Compliance Procedures

General Policy

Supervised Persons that are approved for the OIP by Compliance can buy and sell securities on behalf of clients ("**OIP Supervised Person"** or collectively **"OIP Supervised Persons**"). OIP Supervised Persons are required to provide the following:

1. An investment philosophy document that describes how they are going to manage the investments for their clients. At a minimum, the investment philosophy includes the following:
    a. The objective of the portfolio.
    b. Types of securities that are allowed.

c. How Best Execution is achieved.
d. Any tactical or active management processes or policies. These must include how the investments are selected, monitored, and replaced.

2. A personal Investment Policy Statement ("**IPS**") or similar risk tolerance document that is approved by the Firm. The IPS, or similar risk tolerance document that is approved by the Firm, is required to be signed by the client and OIP Supervised Person and must include the client's risk tolerance, retirement goals, time horizon, and a comparison of their current portfolio versus the proposed portfolio.
3. Submit an explanation in writing when changes are made to the investments and an explanation of the changes.
4. Submit documentation of periodic reviews with the client.

Compliance Procedures

Personal Securities Transaction Procedures and Reporting

General Policy/ Pre-clearance

The Firm allows Supervised Persons to buy or sell securities for their personal accounts, subject to the pre-clearance requirements and the prohibitions listed above. Supervised Persons are required to send duplicate statements of their personal accounts to Compliance. Supervised Persons are required pre-clearance for all securities on the Firm's restricted list which contains securities with an average trading volume below 500,000. Supervised Persons are required to notify Compliance about the purchase or sale of all Reportable Securities, except the following:

1. Purchases or sales over which they have no direct or indirect influence or control.
2. Purchases or sales pursuant to an automatic investment plan.
3. Purchases effected upon exercise of rights issued by an issuer pro rata to all holders of a class of its securities, to the extent such rights were acquired from such issuers, and sales of such rights so acquired.
4. Acquisition of securities through stock dividends, dividend reinvestments, stock splits, reverse stock splits, mergers, consolidations, spin-offs, and other similar corporate reorganizations or distributions generally applicable to all holders of the same class of securities.
5. Open-end investment company shares.
6. Certain closed-end index funds.
7. Unit investment trusts.
8. Futures and options on currencies or on a broad-based security index.
9. Assignment of options or exercise of an option at expiration.
10. Trading alongside clients and receiving the same price as clients.

Any violation, of the aforementioned, can require the Supervised Person to obtain preclearance on all Reportable Securities going forward.

Pre-Clearance Procedures.
The pre-clearance requirements and associated procedures are designed to identify any prohibition or limitation applicable to a proposed investment. Supervised Persons are required to adhere to the following pre-clearance procedures:

1. Submit to Compliance detailed information about the proposed transaction and any additional information.
2. Submit all information before the proposed transaction.
3. Receive an authorization or denial of the transaction by Compliance.
4. Store documentation of the transaction, the approval/denial of and rationale supporting the decision shall be maintained for at least five (5) years after the end of the fiscal year in which the approval/denial was issued.

Compliance can deny or revoke a pre-clearance request for any reason. In no event is pre-clearance granted for any transaction if the Firm has a buy or sell order pending for that same security or a closely related security (such as an option relating to that security, or a related convertible or exchangeable security). Furthermore, in no event is pre-clearance granted for any transaction if the purchase or sale of such security is inconsistent with the purposes of this Code of Ethics and Advisers Act. If approved by Compliance, pre-clearance is valid only for the day on which it is granted and the following one (1) business day.

Reporting Requirements
Supervised Persons are required to submit to Compliance a report of all holdings in Reportable Securities which the Supervised Person has a direct or indirect beneficial ownership as defined by Rule 204A-1, within 10 days of becoming a Supervised Person and thereafter on an annual basis.

For the purposes of personal securities reporting requirements, a Supervised Person's holdings include the holdings of a Supervised Person's immediate family (including any relative by blood or marriage living in the Supervised Person's household), and holdings in any account in which the Supervised Person has direct or indirect beneficial ownership, such as a trust.

The holdings report must include:

1. The title and exchange ticker symbol or CUSIP number, type of security, number of shares, and principal amount (if applicable) of each reportable security in which the Supervised Person has any direct or indirect beneficial ownership.
2. The name of any broker-dealer or bank with which the Supervised Person maintains an account in which any securities are held for the Supervised Person's direct or indirect benefit.
3. The date the report was submitted.
4. The specific account numbers or identifiers in the holdings report.

Monthly Transaction Reports
Supervised Persons are required to submit to Compliance duplicate statements that include all transactions no later than 30 days after the end of each month. Supervised Persons are required to submit to Compliance duplicate statements for all immediate family members (including any relative by blood or marriage living in their household). Supervised Persons are required to submit duplicate statements to Compliance for any account in which they have a direct or indirect beneficial ownership, such as a trust.

The duplicate statements must include the:

1. Date of the transaction, the title and as applicable the exchange ticker symbol or CUSIP number, interest rate and maturity date, the number of shares, and principal amount of each reportable security involved.
2. Type of the transaction (e.g., purchase or sale).
3. Price of the security at which the transaction was affected.
4. Name of the broker-dealer or bank with or through which the transaction was affected.
5. Date of the statement.

Confidentiality of Reports.
All duplicate statements provided by Supervised Persons concerning their personal transactions and holdings are maintained in confidence, except to the extent necessary to implement and enforce the provisions of the Code of Ethics or to comply with requests for information from government agencies.

Reporting Exemptions.
Supervised Persons are not required to submit duplicate statements: (a) with respect to securities held in accounts over which they have no direct or indirect influence or control; (b) with respect to transactions effected pursuant to an automatic investment plan, including dividend reinvestment plans.

Duplicate Brokerage Confirmations and Statements
Supervised Persons are required to disclose the financial institutions where their assets are held. Supervised Persons are required to direct their financial institutions to provide Compliance duplicate copies of statements that include transactions of all personal securities. Supervised Persons are required to submit duplicate statements in lieu of submitting holdings and transaction reports, provided that all required information is contained in those duplicate statements.

Monitoring of Personal Securities Transactions
Compliance reviews Supervised Persons' personal securities transactions and holdings reports monthly. The Firm follows these procedures:

1. Compliance reviews and monitors personal securities transactions and trading patterns of Supervised Persons.

2. If Compliance becomes aware of potential violations, a written report explaining the potential violations and the supporting documents is provided to the CCO.

Compliance is required to follow these steps when reviewing personal securities holdings and transactions reports:

1. Assess whether the Supervised Person has followed required internal procedures, such as pre-clearance.
2. Compare personal trading to any restricted lists.
3. Assess whether the Supervised Person is trading for their own account in the same securities the Firm is trading for clients.

Certification of Compliance

1. **Initial Certification.** Supervised Persons are required to certify in writing that they have: (a) received, read, and understand the amendments to the Code of Ethics; (b) read and understand all provisions of the Code of Ethics; and (c) agreed to comply with the terms of the Code of Ethics.
2. **Acknowledgement of Amendments.** Supervised Persons are required to submit written acknowledgement that they have received, read, and understand amendments to the Code of Ethics as provided by the Firm.
3. **Annual Certification.** Supervised Persons are required to certify that they have read, understand, and complied with the Code of Ethics. In addition, Supervised Persons are required to annually certify that they have submitted the reports required by the Firm and have not engaged in any prohibited conduct. If a Supervised Person is unable to make such representation, they are required to report any violations to Compliance.

Recordkeeping

The Firm maintains the following records in a readily accessible place:

1. A copy of each Code of Ethics that has been in effect at any time during the past five (5) years.
2. A record of any violation of the Code of Ethics and any action taken because of such violation for five (5) years from the end of the fiscal year in which the violation occurred.
3. A record of all written acknowledgements of receipt of the Code of Ethics and amendments for each person who is currently, or within the past five (5) years was, a Supervised Person.
4. Holdings and transaction reports made pursuant to the Code of Ethics, including duplicate statements.
5. A list of the names of person who are currently, or within the past five (5) years were, Supervised Persons
6. A record of any decision, and supporting reasons for approving, the acquisition of securities by a Supervised Person in private or limited offerings for at least five (5) years after the end of the fiscal year in which approval was granted.

Form ADV Disclosure

The Firm includes in Form ADV, Part 2A and Form CRS, a summary of the Firm's Code of Ethics and states that the Firm provides a copy of the Code of Ethics to any client or prospective client upon request.

Administration and Enforcement of the Code of Ethics

Training and Education

The Supervised Person is responsible for reading, understanding, and abiding by the Firm's Code of Ethics.

1. **Annual Review.** Compliance reviews the adequacy of the Code of Ethics and the effectiveness of its implementation on an annual basis.
2. **Report to Senior Management.** Compliance reports to senior management the annual review of the Code of Ethics and brings material violations to their attention.
3. **Reporting Violations.** Supervised Persons are required to report violations of the Firm's Code of Ethics promptly to Compliance.
4. **Confidentiality**. All reports of violations are treated confidentially to the extent permitted by laws and investigated promptly and appropriately.
5. **Alternate Designee.** The alternate person to whom a Supervised Person can report violations in case the CCO or Designee is involved in the violation. The alternate person is the CEO of the Firm.
6. **Types of Reporting.** Examples of the types of reporting required under this Code of Ethics include: non-compliance with applicable laws, rules, and regulations; fraud or illegal acts involving any aspect of the Firm's business; material misstatements in regulatory filings, internal books and records, client's records or reports; activity that is harmful to clients; and deviations from required controls and procedures that safeguard clients and the Firm.
7. **Apparent Violations.** Supervised Persons are required to report apparent or suspected violations in addition to actual or known violations of the Code of Ethics.
8. **Retaliation.** Retaliation against a Supervised Person who reports a violation is prohibited and constitutes a further violation of the Code of Ethics.

Whistleblower Program

Effective August 12, 2011, The Dodd-Frank Wall Street Reform and Consumer Protection Act (aka the Whistleblower Program) provided the SEC the authority to pay financial rewards to whistleblowers who provide new and timely information about any securities law violation. To be eligible, the whistleblower's information must lead to a successful SEC enforcement action with more than $1,000,000 in monetary sanctions. While the rules incent rather than require prospective whistleblowers to use internal company compliance program, the regulations clarify that the SEC, when considering the amount of an award, considers to what extent (if any) the whistleblower participated in the internal compliance processes of the Firm.

Supervised Persons are required to act in good faith in reporting a complaint or concern and must have reasonable grounds for believing a breach has been made regarding accounting or audit matters, of this Compliance Manual, or of the Firm's Code of Ethics. Supervised Persons who report a malicious allegation known to be false is considered a serious offense and are subject to disciplinary action that can include termination of employment.

Any misconduct by a Supervised Person shall be reported to the CCO. If the misconduct being reported is regarding the CCO, reports shall be made to the CEO. The Firm protects the Supervised Person's identity and will not cause or threaten retaliation of any sort in connection with these reports.

Sanctions

Supervised Persons that violate the Code of Ethics are subject to disciplinary actions that the Firm deems appropriate, including but not limited to, a warning, fines, disgorgement, suspension, demotion, or termination of employment. In addition to sanctions, violations can result in referral to governmental or self-regulatory authorities when appropriate.

Further Information Regarding the Code of Ethics

Should a Supervised Person require additional information about the Code of Ethics or have any other ethics-related questions, they should contact Compliance.

Prohibited Activities

Borrowing from and Lending to Clients

Supervised Persons are generally not permitted to borrow from or lend to their own clients. This restriction does NOT apply when a Supervised Person enters into a loan arrangement with a client who is:

- An immediate family member (defined as parents, grandparents, in-laws, spouse, siblings, children, grandchildren, cousins, aunts or uncles, nieces or nephews, and any other person whom the Supervised Person supports, directly or indirectly, to a material extent;
- A financial institution in the business of providing credit, financing, or loans AND where the terms of the lending arrangement are those that would also be available to the general public doing business with those institutions;
- Another Supervised Person of the Firm;
- Someone (or an entity) who has a personal relationship with the Supervised Person and the lending arrangement arises from the personal relationship rather than a Supervised Person/client relationship; or,
- Someone (or an entity) that has a business relationship outside the Supervised Person/client relationship.

Any proposed loan with the Supervised Person's client (other than a loan with a family member in item number 1 or financial institution in item number 2 above) requires the prior review and approval by Compliance.

Client Signatures
Supervised Persons are prohibited from committing forgery. Supervised Persons are not permitted to sign documents on behalf of clients, even when doing so is meant to accommodate a client's request. Doing so may result in disciplinary action and/or termination from the Firm. Client signatures must be original by the client on all documents. If a signature's authenticity comes into question, Compliance will contact the Supervised Person asking for an explanation and can reach out to the client to validate the request and signature.

The Firm requires original or electronic client signatures and dates for all paperwork. For this reason, under no circumstances should clients sign blank forms. The Firm prohibits Supervised Persons and their staff from obtaining and maintaining signed, blank forms from clients. Doing so may result in disciplinary action and/or termination from the Firm.

Client-signed documents must be returned with all pages intact. The firm is unable to accept signed or initialed pages unless accompanied by the full documentation that evidences that the client was provided with all information and agreements. This policy covers all signed documents, both wet signature and e-signature, and all forms of document transmission (e.g., mail, fax, email, etc.).

Signature stamps are generally prohibited for use by customers and Supervised Persons; however, the Firm will allow the use of a signature stamp if it is medically necessary. If a customer or a Supervised Person has a medical condition that requires them to use a signature stamp, Compliance may approve the use of a signature stamp if supporting documentation is provided.

Correspondence and Marketing in a Non-English Language
The Firm prohibits correspondence and marketing in any language other than English. Correspondence and marketing, including text, images, audio/video presentations, and recordings must be in English, unless prior written approval has been received from Compliance. Supervised Persons must confirm that all clients fully understand English language documents prior to signing.

Impersonating a Client
Supervised Persons and their office staff are prohibited from impersonating a client, including representing themselves as a client to a product company, clearing firm, custodian or any other entity in order to request information or process securities business.

16. PORTFOLIO MANAGEMENT

Portfolio Management and Trading Process

The Firm provides discretionary and non-discretionary portfolio management on a continuous basis. Portfolio management services are not rendered prior to the client entering into a written advisory agreement for services, which is maintained in the client's file. Only designated persons of the Firm and OIP Supervised Persons shall exercise discretionary authority over client accounts.

Subject to a grant of discretionary authority, the Firm and OIP Supervised Persons, invest and reinvest the securities, cash, or other property held in the client's account in accordance with the client's personal IPS, or similar risk tolerance document approved by the Firm, as identified by the client during initial interviews and information gathering sessions. The Firm and OIP Supervised Persons are granted discretion pursuant to authorization provided in the executed agreement for advisory services, which is maintained in the client's file.

When a transaction takes place, the Firm or OIP Supervised Persons creates the order and routes it to the trader, who then executes the trade.

Fiduciary Duties Owed to Clients

The Firm and Supervised Persons are required to provide a fiduciary duty to each of its clients. This duty is akin to the "prudent man rule" applicable to a trustee, exercising that degree of care with respect to the client's affairs that a "prudent man" would observe with respect to their own. This duty is particularly evident where the client has given discretionary authority over their account. Consistent with this fiduciary duty, the Firm and Supervised Person is required to communicate any conflicts of interest to the client.

The Firm and Supervised Persons are required to adhere to the following:

1. Avoid all conflicts of interest and potential conflicts of interest.
2. If unavoidable, fully disclose the material facts of every conflict of interest.
3. Exercise the utmost and undivided loyalty to the client in congruence to the Firm's Code of Ethics.
4. Monitor client's circumstances and investments over the course of the relationship.
5. On an annual basis, conduct a formal review with the client and submit the client review to Compliance.
6. Act prudently with the care, skill, and judgment of a fiduciary.
7. Recommend suitable investments that are based on the client's profile that are in their best interest.
8. Obtain Best Execution on client trades.
9. Never engage in front running (*i.e.,* engaging in a trade of a security in the Supervised Person's account in advance of a client's trade in the same security in a manner that is a disadvantage to the client).
10. Treat each client fairly and trade their accounts in an equitable manner.
11. Communicate clearly, accurately, and promptly.

12. Provide accurate information about the total fees and expenses paid by the client.
13. Receive only reasonable gifts, entertainment, and other benefits from service providers, including broker-dealers executing client trades.
14. Maintain a high level of competence regarding investment management knowledge and skills.
15. Ensure that clients are offered or have access to all necessary investment products, funds, and other investment management services that can be tailored to the needs of the client.

Defined Custodian

Client accounts are held in custody by a qualified custodian (the "**Qualified Custodian**") and securities are purchased or sold through the Qualified Custodian's trading platform. Supervised Persons must utilize a Qualified Custodian approved by the Firm in order to participate in asset management services offered by the Firm.

Research Processes

The Firm's research is conducted internally utilizing information obtained from a wide variety of sources. Industry research is used to supplement the Firm's own research efforts and examples of research that are used include Morningstar, TD Ameritrade, Stockopedia, The E-Valuator, Riskalyze, John Hancock, JP Morgan, Goldman Sachs, and Standard & Poors.

Valuation of Securities

The Firm uses information provided by the client's Qualified Custodian as its main pricing source for purposes of valuing client portfolios, both for fee billing and investment performance calculation purposes.

In the rare instance where the Firm believes that the Qualified Custodian is not pricing a security fairly or where a security has halted trading, members of the Firm determine a fair value for that security. The fair value of an account is defined as the amount at which an investment could be exchanged in a current arm's length transaction between willing parties in which the parties each act knowledgeably and prudently. The valuation must be determined using the objective, observable, unadjusted quoted market price for an identical investment in an active market on the measurement date, if available. In the absence of an objective, observable, unadjusted quoted market price for an identical investment in an active market on the measurement date, the valuation must represent the Firm's best estimate of the market value. Fair value must also include accrued income.

Client Review Procedures

Supervised Persons are required to conduct a formal review with each client at least annually using the Firm's process and client review documents. Upon completion of the review, Supervised Persons must email the completed review form to Compliance.

Account Statements

The Qualified Custodian holding the client's funds and securities send the client a confirmation of every securities transaction and a brokerage statement monthly. Additional information relating to the Firm's portfolio management and trading procedures are detailed in the executed advisory agreement located in the specific client file, and in the Form ADV Part 2A and Form CRS.

Compliance with Investment Policies/Profiles, Guidelines and Legal Requirements

The Firm manages each of its client accounts in accordance with the investment policies, restrictions, guidelines, and legal requirements (collectively, "**Investment Restrictions**") applicable to that account.

Sources of Investment Restrictions

There can be several different sources of Investment Restrictions for an account. The principal sources of Investment Restrictions for client accounts typically include the advisory agreement or other instrument under which the account was established, and/or other directions or guidelines established by the client and communicated to the Firm.

In addition, there are various other possible sources of Investment Restrictions for each account, including the Firm's own internal policies (which can further restrict how an account can be managed) and applicable law, which can include, but is not limited to the following:

1. The Advisers Act and interpretations thereunder.
2. The Employee Retirement Income Security Act of 1974 ("**ERISA**"), and related regulations and interpretations of the U.S. Department of Labor (applicable to almost all pension funds, other than governmental and church funds).
3. Other state statutes, regulations, and agency interpretations governing investments of various kinds of governmental assets and pension funds for public employees (these laws differ from state to state and for different categories of accounts even within a single state).
4. State laws, federal laws, and foreign laws, regulating the amount of stock in certain kinds of companies that can be held by accounts owned or managed by a single company (or group of related companies).
5. Insider trading laws.

In addition to laws that limit investments that can be made for a client account, there are other laws that prohibit or limit transactions between a client account and the Firm or its affiliates, and laws that prohibit or limit transactions between certain kinds of client accounts (e.g., ERISA/pension fund clients) and affiliates or other related parties of the client. Many of these laws are the subject of specific policies and procedures covered elsewhere in this Compliance Manual. If a Supervised Person has a question as to whether a particular investment or transaction is legally permissible for an account, they should consult with Compliance before taking any action.

Responsibility for Compliance with Investment Restrictions

Supervised Persons are primarily responsible for compliance with the Investment Restrictions applicable to each account and for the day-to-day management of the account.

Supervised Persons are required to maintain a file for each client account that includes:

1. The advisory agreement.
2. The Qualified Custodian's forms and agreements.
3. A copy of the IPS or similar risk tolerance document approved by the Firm.
4. A copy of any additional instructions, directions, or guidelines established by the client.
5. Copies of governing and offering documents for a pooled vehicle.
6. Copies of any correspondence with the client that can explain the Investment Restrictions for that account.

Supervised Persons are required to understand the Investment Restrictions and investor profile that apply to each account under their management, and to ensure that any transaction made by the Firm on behalf of each such account satisfies both: (1) the Investment Restrictions and/or investor profile applicable to that account and (2) basic standards of suitability and prudence. Supervised Persons are required to continuously review the holdings of their client accounts.

Supervised Persons are required to submit the Investment Restrictions to Compliance and Compliance is responsible for ensuring the information is accurate and complete and signs the document as evidence of their review and approval. The review includes whether the portfolio selected is suitable for the client based on the investor profile unless a written override or special instruction has been signed by the client. Any incomplete documentation is rejected, and no transactions are allowed for such client until complete information is received. This review and acceptance of new clients is done prior to the completion of any initial transaction.

Mutual Fund Share Classes

The Firm only offers institutional share classes (or like share classes) for mutual funds. However, circumstances can be present in which other share classes are in a client's accounts because the client held the shares prior to transferring to the Firm.

Crypto-Asset Policy

The Firm prohibits Supervised Persons from providing advisory advice regarding investments in crypto-currency (e.g. Bitcoin), initial coin offerings ("**ICOs**"), distributed ledger technology, blockchain and/or any related products and pooled investment vehicles ("**Crypto-Assets**"). As such, advisors cannot maintain investments in any existing accounts discovered after opening.

Supervised Persons may, at their own risk, under their own discretion, and as they deem appropriate and reasonable, purchase actual cryptocurrencies for their own accounts. Note:

The Firm doesn't facilitate the purchase and sale of cryptocurrencies. These transactions would be required to be done at other firms in accordance with the Firm's Outside Investment Accounts Policy. Advisor must notify Compliance and get approval by Compliance.

If a Supervised Person becomes aware of any existing clients involved in the cryptocurrency and/or block chain trade, they should immediately report this information to the CCO.

Marijuana Policy

The Firm prohibits Supervised Persons from conducting business with any person or entity involved with marijuana production, distribution, or other ancillary operations. Supervised Persons are prohibited from establishing new accounts for any of these entities or persons, or maintain any existing accounts discovered after opening. If a Supervised Person is aware of any existing clients involved in the marijuana trade, they should immediately report this information to Compliance.

Source of Funds

Source of funds and long-term risk considerations are a concern for all types of accounts. While requirements do not specifically refer to age or life stage for risk, all the following factors should be considered when making recommendations to investors:

- Source of funds.
- Source of income.
- Current and future prospects for employment.
- Income needed to meet fixed or anticipated expenses.
- Savings for retirement and how they are invested.
- Liquidity needs.
- Financial and investment goals.
- Primary expenses including whether the customer still has a mortgage.

Recommending or using any form of credit related to liquified home equity from a client's primary residence, secondary residence, or any investment property for the purpose of investing at the Firm is prohibited. This restriction applies to both a Supervised Person soliciting this type of business as well as a client requesting such a transaction. Recommending, selling, or facilitating the sale of a reverse mortgage is also prohibited. Likewise, cash out refinances or reverse mortgages for investment purposes cannot be recommended.

Once a Supervised Person becomes aware that funds have been sourced from home credit, the Supervised Person is required to refrain from investing it with the Firm. The prohibited forms of investing include any security, variable insurance, approved outside product such as a fixed insurance, investment advisory products, or any products and services offered or sold as a Supervised Person.

Supervised Persons are permitted to provide clients with educational information regarding reverse mortgages, including how they work as well as the advantages and disadvantages and may also direct clients to the National Council on aging to obtain further information.

All inquiries regarding this policy at the Firm shall be directed to the CCO.

Prohibited Activities Policy

The following is a non-exhaustive list of activities in which Supervised Persons are prohibited from engaging.

- Recommending or engaging in acts designed to conceal or disguise a client's identity, the source of investment funds, or to avoid regulatory recordkeeping. Directly or indirectly sharing in the profits or losses of a client's account.
- Directly or indirectly sharing fees with an unregistered person, or a person registered with another RIA, without the prior written approval from the CCO.
- Agreeing to repurchase a security from a client.
- Accepting a check from a client made payable to any person or entity other than the Firm or Custodian.
- Forwarding, or agreeing to forward, original confirmations or account statements to an address other than the address provided on the client's investment advisory agreement.
- Accepting cash or money orders from a client.
- Establishing escrow or collateral accounts without the prior written approval.
- Taking proxy authority or voting proxies that are solicited for securities held in any advisory or brokerage account.
- Recommending or using any form of credit related liquefied home equity from a client's primary residence, secondary residence, or any investment property for the purpose of investing in any security, variable insurance, approved outside products such as fixed insurance, investment advisory products, or any products and services offered or sold in the capacity of a Supervised Person. An accommodation for a Supervised Person to be able to discuss with a client obtaining liquefied equity on the client's property is subject to Compliance approval and may be considered under limited circumstances. For purposes of clarification, the use of excess mortgage proceeds for investment from the sale of a home (i.e., downsizing) would be permissible in the event it was not a strategy recommended to a client and the client did not obtain new mortgage related funds for the purchase of their residence.
- Providing tax advice to clients. Clients should be advised to consult with their own tax advisor.

- Providing legal advice to clients. Prohibited legal advice includes, but is not limited to, advice on wills, joint ownership of property, transfers or distribution of property after death or how to take title on an account.
- Providing Verification of Deposit (VOD) letters to third parties or creating a VOD letter with the intention of it being distributed to a third party. A Verification of Deposit, or VOD, is a document requested by a third party, usually a lender, and signed by the financial institution to verify a client's financial holdings. The verification of deposit must come from the Custodian as the holder of assets.

17. ALTERNATIVE INVESTMENTS

Alternative Investments Overview

Alternative investments represent asset classes outside the realm of traditional stocks, bonds, and cash equivalents and include, among other things, the following:

1. Financial futures/equity futures and options.
2. Leveraged and inverse ETFs.
3. Structured CDs.
4. Hedge funds.
5. Private placements.
6. Non-traded REITS.
7. Direct lending programs.

The Firm requires that all alternative investments engaged by Supervised Persons must be approved in writing by the IC prior to use with clients. Supervised Persons interested in utilizing the services of an alternative investment that is not currently approved, must be submitted to the IC for review.

Due Diligence of Alternative Investments

The IC performs due diligence on the alternative investment to ensure and understand the structure of the investment, the management of the firm offering the investment, and the risks. This review includes, but is not limited to:

1. Liquidity of the investment.
2. Audited financial statements.
3. Offering documents.
4. Background of management.
5. Evaluation of the validity and integrity of the business model and how it fits into its business sector.
6. Determination of the creditworthiness.
7. The assets held by or to be acquired.
8. Review of information available from financial and other publications.
9. Independent verification of management's representations (contact with clients, lenders, vendors, employees, etc.).
10. Review news articles and industry publications regarding the issuer, its market, and competition.
11. Review of internal documents such as operating plans, product literature, corporate records, financial statements, contracts, lists of distributors, and clients.
12. Physical inspection of the facilities.
13. Contact with experts and outside directors.
14. Interview of key personnel or clients.
15. Review of the intended use of proceeds of the investment.

The IC maintains a central file of the information collected during the due diligence. The documents are maintained in accordance with the Firm's books and records procedures and

are reviewed and updated periodically. The IC is responsible for documenting the approval of any investment prior to use with any clients.

Training of IARs

The Firm provides education and training to Supervised Persons about the alternative investments approved for use with clients. Supervised Persons are required to fully understand the investment, its general features, and material risks. Such education and training are documented by Compliance.

Client Review for Use of Alternative Investments

The Firm has implemented specific client guidelines regarding the recommendation of alternative investments with clients. The Firm has determined minimums regarding client's net worth and income that must be met to make any recommendations for use of an alternative investment. No more than a total of 10% of investible assets can be deployed across all the alternative investments. All required information gathered from the client is stored in the client's file. Supervised Persons are required to ensure that the alternative investment is in the best interest of the client.

Supervised Persons are required to consider the following before recommending an alternative investment to a client:

1. Liquidity of the alternative investment.
2. Creditworthiness of the issuer and underlying collateral.
3. Principal and/or income is not guaranteed.
4. Tax consequences or benefits.
5. Costs and fees associated with selling and purchasing.

Supervised Persons are required to have the client or prospective client complete an IPS, or similar risk tolerance documents approved by the Firm, outlining their desire for such investments, amount of money to be invested in such opportunities, and a risk profile showing ability to shoulder risk of such investments. Supervised Persons are required to have the client complete and sign an acknowledgment form that is designed to identify and have the client acknowledge the material risks associated with the investment (e.g., speculative, illiquid, etc.). Supervised Persons are required to forward the completed acknowledgement to Compliance for review.

Disclosure of Risks

Supervised Persons are required to maintain documentation of discussions with clients about the use of alternative investments.

Alternative Investment Concentrations

Supervised Persons are prohibited from placing more than 10% of a client's investible assets across all alternative investments.

Account Type Considerations

Supervised Persons are required to determine if the alternative investment can be held in the account. Some account types do not allow certain types of alternative investments to be purchased or held in the account (based on trust document language, guardianship agreements, retirement plan documents, etc.). Additionally, some account types require financial information to be considered differently to determine the amount of an alternative investment that can be purchased. IARs are required to consider the following:

1. **Trust Accounts:**
   a. Review the trust documents to determine if these types of investments can be held in the account.
   b. Irrevocable trusts must use the trust's financial information only. If the trust is established using a tax identification number, the percentage guideline limit for age <70 is used along with the liquid net worth and investment objective.
   c. If the trust is established under a social security number, as opposed to a Tax ID, then the oldest living grantor should be considered for the guideline limits. Personal grantor trusts report annual income, liquid net worth, and net worth, based on the personal financials of the grantor(s).
   d. Assets from a trust established using a tax identification number cannot be commingled with assets of the trustee's personal assets.
2. **UTMA/UGMA/Guardianship/Custodial Accounts:**
   a. The financial information of the adult(s) of the minor(s).
   b. The percentage of the client's liquid net worth is based on the account owner's assets.
   c. For guardianship accounts, review the court documents (if applicable), to determine if these types of investments can be held in the account.
3. **Profit Sharing Plans, 401(k)'s, Corporate, and Non-Profit accounts:**
   a. Review the corporate charter documents (if applicable) or any other documents to determine if these types of investments can be held in the account.
   b. Use the entity's financial information.
   c. The percentage must be based on the account's investment objective and financials.
   d. Single participant profit sharing plans and single participant 401(k) plans should be included in the assets for the individual client/household for whom the account is for the benefit. Review of plan documents should be completed to determine if the plan is a single or multiple participant plan.
4. **Individual Accounts and IRA Accounts:**
   In most cases it is appropriate to use the spouse's information if the client lives in a community property state. However, if the client has a prenuptial agreement, then they are not able to. If the account owner decides to use their spouse's financial information, they must also include that spouse's alternative investment holdings for purposes of calculating allocation percentages.
5. **Joint Accounts:**
   a. Consider the oldest account holder listed on the account to determine age suitability.
   b. Joint accounts must include current and pending alternative investment holdings of all owners whether the additionally disclosed holding is held jointly or individually.

Prospectus/Offering Memorandum Requirement

Supervised Persons are required to deliver to the client a copy of the prospectus or offering memorandum for any alternative investment product recommended or sold at the time of the recommendation or sale. Supervised Persons are required to fully understand the contents of the fund prospectus/offering memorandum prior to recommending a purchase to clients.

Alternative Investment Exceptions Requests

As a general matter, the Firm does not grant exceptions to firm guidelines and only under a very limited set of facts and circumstances is an exception granted. All exception requests must be presented to Compliance in writing. The information provided to Compliance must include client financial information, beneficiaries, additional insurance policies, health of client, and a compelling reason why client should be allowed to exceed the policy limits. Each request is viewed on a case-by-case basis and can require additional documentation.

Use of Disclosures on Materials

Supervised Persons are required to make a full and fair disclosure of all material facts pertaining to alternative investments they solicit or sell. Supervised Persons are also required to verify, at the time of purchase, that the client meets all suitability requirements specifically provided in the prospectus or offering memorandum for such security (e.g., minimum annual income and net worth, state regulations, etc.).

Alternative Investment Liquidations and Redemptions

Alternative investment products are meant to be held to maturity through a liquidity event as detailed in the prospectus or offering memorandum. Supervised Persons are prohibited from assisting directly in the sale or redemption of an alternative investment unless the client is selling or redeeming back to the general partner (issuer) or if they are accepting a tender offer.

Supervised Persons are required to fully inform the client that:

1. Alternative investment units usually sell at a very deep discount to their initial purchase price and can be assessed early redemption fees or contingent deferred sales charges ("**CDSC**").
2. The client is responsible for paying all fees charged by the market maker, issuer, or general partner in relation to the transfer.
3. The transfer process can take longer than eight weeks to be completed.
4. Redemptions are not always possible, and the client should be prepared that they are not able to liquidate shares.
5. Investing the proceeds of a liquidated alternative investment into a new alternative investment for the purpose of achieving greater distribution should not be recommended, as the distribution rate is not guaranteed and can be reduced or eliminated at the discretion of the sponsor.

Periodically, a client wishes to liquidate some or all their alternative investment holdings. Though there are firms providing secondary markets with services designed to help individuals liquidate certain illiquid alternative investments, Supervised Persons are prohibited from assisting clients in effecting transactions with such firms. Additionally, Supervised Persons are prohibited from engaging in cross trades for any alternative investment.

18. TRADING AND BROKERAGE POLICY/BEST EXECUTION

Introduction

The Firm recognizes its fiduciary obligation to obtain Best Execution of clients' transactions under the circumstances of the particular transaction. In all cases, the Qualified Custodian selected must be a registered entity with the SEC and a member of FINRA.

The Firm periodically evaluates its relationships with Qualified Custodians to determine Best Execution quality. "**Best Execution**" means that the Qualified Custodian can provide the best qualitative execution of client trade orders under the circumstances, taking into account the full range and quality of the services offered, including the cost of the trade, their financial responsibility, and execution capabilities.

Review of Trade Execution

The Firm monitors and evaluates the execution and performance capabilities of the utilized Qualified Custodian(s). Monitoring methods include reviews of trade tickets, confirmations and other documentation incidental to trades, and periodic meetings (either in person or via telephone) with various control persons of the Custodian to discuss overall execution.

Disclosure

The Firm discloses the brokerage practices in the Firm's Form ADV Part 2A and Form CRS, including a summary of factors the Firm considers when selecting a Qualified Custodian and determining the reasonableness of their commissions.

Conflicts of Interests

The Firm is sensitive to various conflicts of interest that can arise when selecting a Qualified Custodian to execute client trades, and where necessary, addresses such conflicts by disclosure.

Trade Processing Procedures

Order Placement

OIP Supervised Persons have discretion to trade securities on behalf of their clients' subject to the Firm's Code of Ethics, as described above. Supervised Persons that are not approved for the OIP are required to adhere to the following general trade in securities practices:

1. Supervised Person communicates the trade to Operations as follows:
   a. **Portfolio Change.** By completing the Firm's appropriate Portfolio Amendment Agreement and emailing it to Compliance.
   b. **Other Changes for Individual Securities.** By sending an email with the trade instructions.
2. Operations enters the trade into the Qualified Custodian's trading platform.
3. Operations organizes the trades and allocates the pro rata share to the applicable accounts. Settlement of all trades is handled by Qualified Custodian.
4. Operations maintains records of executed trades by the Qualified Custodian.

All trading discrepancies, errors, or mistakes shall be brought to the attention of the CCO. Operations maintains a file evidencing the trading discrepancy, error, or mistake, the review conducted by the CCO and any action taken by the CCO with respect thereto. Discrepancies are corrected in conformity with the Firm's Trading Error Procedures.

Aggregation and Allocation of Transactions

The following sets forth the Firm's policies and procedures with respect to the allocation of investment opportunities and trade orders among client accounts and related matters.

1. Operations aggregates transactions if it believes that aggregation is consistent with the duty to seek Best Execution for its clients and is consistent with the disclosures made to clients and terms defined in the client advisory agreement.
2. Operations also makes trades in individual accounts (that are not aggregated with others) so that it addresses that client's unique circumstances.

No client is favored over any other client, and each account that participates in an aggregated order participates at the average share price (per Qualified Custodian) for all transactions in that security on a given business day.

Allocation of Investment Opportunities

Operations aggregates client trades providing that the following conditions are met:

1. The Firm's policy for the aggregation of transactions is fully disclosed to existing clients in the advisory agreement.
2. The Firm does not aggregate transactions unless it believes that aggregation is consistent with its duty to seek the Best Execution (which includes the duty to seek best price) for the client and is consistent with the terms of its advisory agreement with the client for which trades are being aggregated.
3. No client is favored over any other client; each client that participates in an aggregated order participates at the average share price for all transactions in each security on a given business day, with transaction costs based on each client's participation in the transaction.
4. If the aggregated order is filled in its entirety, it is allocated among clients in an equitable manner.
5. If the order is partially filled, it is allocated to all accounts in the aggregated order. This means that all accounts will receive a partial allocation until all orders are filled.
6. Notwithstanding the foregoing, the order can be allocated on a basis different from that specified if all client accounts receive fair and equitable treatment and the reason for difference of allocation is explained in writing and is reviewed by the CCO. The Firm's books and records separately reflects, for each client account, the orders of which aggregated, the securities held by, and bought for that account.
7. The Firm receives no additional compensation or remuneration of any kind because of the proposed aggregation.
8. Individual advice and treatment are accorded to each client.

Whether and to what extent an account participates in an allocation is based on several considerations, including among others, the account's investment objective, policies and

restrictions, its availability of cash balances, tax considerations, and whether the account already has enough holdings of similar securities. Based on these and any other relevant considerations, and except as noted below, each account is generally given the opportunity to participate in potential investments, which fall within that account's investment objective and policy restrictions, on a pro-rata basis based on the relative asset size of the account.

Aggregated Executions

When orders are aggregated, each participating account receives the weighted average price for all transactions in a particular security effected to fill such orders on a given business day, and transaction costs are shared pro rata based upon each account's participation in the transaction. Operations is responsible for oversight and enforcement of this policy.

Compliance Monitoring and Reporting

Compliance monitors and periodically reviews trading issues including, commissions, trading problems or errors, compliance issues, and procedures.

Principal Transactions with Clients

Supervised Persons are prohibited from engaging in principal transactions with clients. Principal transactions are generally defined as transactions where a Supervised Person, acting as principal for its own account, buys from or sells a security to a client.

Economic Benefits from Securities Transactions

Supervised Persons are prohibited from accepting products or services (other than execution and services from a Qualified Custodians) from financial institutions or a third parties in connection with client securities transactions. Such products or services can be classified as a "**Soft Dollar Benefit**" or "**Other Economic Benefit**."

Soft Dollar Benefits – Definition

Supervised Persons are prohibited from entering any type of Soft Dollar Benefit. A Soft Dollar Benefit is when a Supervised Person enters a type of arrangement with one or more financial institutions whereby it receives some benefit in exchange for directing client transactions to the financial institution. These benefits can be paid for with what are commonly referred to as "soft dollars," and are referred to as "soft dollar benefits."

Other Economic Benefits

Supervised Persons are prohibited from entering any type of Other Economic Benefit. An Other Economic Benefit is when a Supervised Person receives from a financial institution, without cost, computer software and related systems support, which allows the Supervised Person to better monitor client accounts maintained at that financial institution ("other economic benefit"). The Supervised Person receives the software and related support without cost because it renders advisory services to clients that, in the aggregate, maintain a certain level of assets at that financial institution.

Example of Other Economic Benefits

The following illustrates additional Other Economic Benefits that a Supervised Person can receive:

1. Receipt of duplicate client confirmations and bundled duplicate statements.
2. Access to a trading desk that provides for specialized services.
3. Access to block trading for client trade orders.
4. Access to an electronic communication network for client order entry and account information.
5. Software or other tools in connection with the delivery of advisory services.
6. Travel, meals, entertainment, and admission to educational or due diligence programs.
7. Marketing support including sponsorship of client events.

19. TRADE ERROR PROCEDURES

Introduction

The following procedures provide guidance on how trading errors are handled and to whom issues regarding trading errors or potential trading errors should be directed to ensure that they are handled promptly and appropriately.

Definition of Trade Error

A trading error is a deviation from the applicable standard of care in the placement, execution, or settlement of a trade for a client account. In general, the following types of errors are considered trading errors for the purposes of these procedures if the error resulted from a breach in the duty of care that the Firm and OIP Supervised Persons ("**Trader**" or collectively "**Traders**") owes to the client under the circumstances:

1. The purchase or sale of the wrong security or wrong number of securities.
2. The purchase or sale of a security placed in the wrong client account.
3. The over allocation of a security.
4. The purchase or sale of a security in violation of client investment guidelines or other failure to follow specific client directives.
5. Purchase of securities not legally authorized for the client's account.

For purposes of these Procedures, the following types of errors are not deemed to be trading errors:

1. Good faith errors in judgment in making investment decisions for clients.
2. Errors caught and corrected before execution.
3. Ticket re-writes and similar mistakes that inaccurately describe properly executed trades.
4. Errors made by persons other than the Firm (e.g., broker-dealers, custodian).

Policy

An overriding principle in dealing with a trading error made by a Trader (or any other party to the trade other than the client) is that the client never pays for losses resulting from such errors. When the error and responsible party are identified, the Trader works with the Qualified Custodian to correct the trade error. If possible, the trade is broken immediately by the Qualified Custodian and the error is corrected the same day. The Trader works with the Qualified Custodian on making the client's account whole with no loss to the client's account. If there is a loss to the client's account, the Trader works with the Qualified Custodian to reimburse the client's account. Traders are prohibited from varying from these procedures and the Firm can institute written sanctions, monetary penalties or loss of position, or termination. Any questions regarding error correction, policy or procedures should be directed to the CCO.

Trade Error Notification Procedures

Traders are required to adhere to the following in the event a potential trading error is identified:

1. Alert the CCO immediately.
2. Determine whether a trading error has occurred and the responsible party.
3. Work with the CCO to determine the best course of action to correct the trading error.
4. Once the best course of action is determined, work with the Qualified Custodian to correct the error as soon as possible, that is in the best interest of the client, and in a manner consistent with the Policy outlined above.
5. In the event of a loss, work with the Qualified Custodian to reimburse the account from the Firm's fee or sundry account for the full amount of the loss, including transaction costs.
6. In the event of an erroneous profit, the profit is immediately donated to a charity that has been pre-determined by the Firm and is connected to the Firm's fee or sundry account.
7. The Trader documents the trading error and sends it to the CCO. The documentation is required to include: (1) the date of the trading error, (2) the account(s) involved, (3) the security involved (including CUSIP), (4) a brief description of the error, (5) the amount of the gain or loss, and (6) recommended changes to the policy to prevent the error from occurring in the future.
8. Payments made to clients because of trade error correction are recorded in the Firm's accounting records.
9. Only the Firm has the authority to reimburse clients.
10. The CCO determines if a pattern of errors exists that should otherwise be addressed. If the Trader has three (3) trade errors in a twelve (12) month period, the Trader must obtain prior authorization from the Firm's Compliance department for any future trades for a period of three (3) months.
11. The Firm maintains a record of all trade error reports for a period of five (5) years.

20. FINANCIAL PLANNING

Introduction

The Firm requires all financial planning activities conducted by Supervised Persons for compensation to be conducted through the Firm. By its general nature, financial planning is a broad term that can or cannot include advice on securities. The financial planning activities available to Supervised Persons include:

1. Retirement Income, Cash Flow, and Budgeting Planning.
2. Social Security Optimization Planning.
3. Investment Planning and Investment Policy Statement ("**IPS**") Design or risk tolerance questionnaire approved by the Firm.
4. Retirement Planning:
    a. Employer Sponsored Plans (401(k), 403(b), 457, etc.)
    b. SIMPLE or SEP
    c. Cash Balance
    d. Pension or Defined Benefit
    e. Employee Stock Option Plan ("**ESOP**")
    f. Captive Insurance
    g. Business Continuation Planning
5. Risk Management and Insurance Planning:
    a. Life
    b. Health
    c. Disability
    d. Long-Term Care
6. Income Tax Planning.
7. Estate Planning.
8. Charitable Giving and Philanthropic Planning.
9. Assistance to Loved Ones Planning.

Additional financial planning activities can be offered by Supervised Persons to clients or prospective clients based on their needs and desires. Any financial planning activity that is not identified above, must be approved in writing by Compliance.

Required Agreements

Supervised Persons are required to execute the Firm's Financial Planning Agreement with the client prior to providing the financial planning services.

Duties in Providing Financial Planning Services

Supervised Persons are required to conduct financial planning activities in a manner that are consistent as a fiduciary. In meeting such requirements, Supervised Persons are required to have a duty to:

1. Have a reasonable and independent basis for their investment advice.
2. Ensure that their investment advice is suitable to the client's objectives, needs and circumstances.

3. Be loyal to clients as it adheres to the Firm's compliance and Code of Ethics.

Supervised Persons are prohibited from:

1. Employing a device, scheme, or artifice to defraud a client or a prospective client.
2. Engaging in any practice, transaction, or course of business which defrauds or deceives a client or a prospective client.
3. Engaging in fraudulent, manipulative, or deceptive practices.

Recordkeeping

Supervised Persons are required to:

1. Email an electronic copy of the signed Financial Planning Agreement to Compliance.
2. Store a copy of the Financial Planning Agreement.
3. Store a copy of the actual financial plan or documents provided to clients pursuant to providing the financial planning services.
4. Provide Operations and Accounting with the client's name, email, and signed authorization for Accounting to electronically invoice the client.
5. Forward any checks or payments received by the client to the CCO, who will then forward the check to Accounting.

21. ERISA PLANS

Policy

The Firm acts as an investment manager for advisory clients (typically the plan sponsor of a qualified retirement plan) which are governed by ERISA ("**Covered Plan**" or collectively "**Covered Plans**"). Under certain circumstances, the Firm is treated as giving "investment advice" to a plan or a plan fiduciary for purposes of section 3(21) and 3(38) of ERISA. When giving "investment advice" with respect to a plan, the Firm is treated as a co-fiduciary or a fiduciary under ERISA. As an investment manager and a fiduciary with special responsibilities under ERISA, and as a matter of policy, the Firm acts solely in the interests of the plan participants and beneficiaries. The Firm is required to manage client assets consistent with the "Prudent Man Rule," maintaining any ERISA bonding or fiduciary liability insurance that is required and obtaining written investment guidelines and investment policy statements.

Only the Firm can serve as an ERISA 3(38) investment manager for the Covered Plan. A Supervised Person can serve as an ERISA 3(21) investment advisor for the Covered Plan.

QDIA Regulation

The Department of Labor ("**DOL**") adopted the Qualified Default Investment Alternative ("**QDIA**") Regulation (ERISA Section 404(c)(5)) to provide relief to a plan sponsor from certain fiduciary responsibilities for investments made on behalf of participants or beneficiaries who fail to direct the investment of assets in their individual accounts.

For the plan sponsor to obtain safe harbor relief from fiduciary liability for investment outcomes the assets must be invested in a QDIA as defined in the regulation. While investment products are not specifically identified, the regulation provides for four types of QDIAs:

1. A product with a mix of investments that take into consideration the individual's age or retirement date (e.g., a life cycle or target date fund).
2. An investment services product that allocates contributions among existing plan options to provide an asset mix that takes into consideration the individual's age or retirement date (i.e., a professionally managed account).
3. A product with a mix of investments that considers the characteristics of the group of employees rather than everyone (e.g., a balanced fund).
4. A capital preservation product for only the first 120 days of participation (an option for plan sponsors wishing to simplify administration if employees opt-out of participation before incurring an additional tax).

A QDIA must either be managed by (i) an investment manager, (ii) a plan trustee, (iii) a plan sponsor, or (iv) a committee primarily comprised of employees of the plan sponsor that is a named fiduciary, or it can be an investment company registered under the Investment Company Act of 1940. It is the policy of the Firm that investment advice given by the Firm with respect to Covered Plans concerning default investment options for participants or

beneficiaries ensures that plan fiduciaries wanting to offer a QDIA can do so consistent with the QDIA Regulation.

ERISA Disclosures - 408(b)(2)

Under ERISA section 408(b)(2), covers service providers that are required to provide to the responsible plan fiduciary advance disclosures concerning their services and compensation ("**Covered Service Provider**" or collectively "**Covered Service Providers**"). This regulation amends a prohibited transaction rule under ERISA and the Internal Revenue Code. That rule states that it is a prohibited transaction for a Covered Plan to enter into an arrangement with a Covered Service Provider unless the arrangement is reasonable, and the compensation being received by the Covered Service Provider is reasonable. The final regulation imposes specific disclosure requirements intended to enable the plan's responsible plan fiduciary to determine whether a Covered Service Provider arrangement is reasonable and identifies potential conflicts of interest.

Investment Advice and Rollover Recommendations

This section below sets forth the Firm's policies and procedures to address compliance with the Department of Labor's PTE 2020-02, *Improving Investment Advice for Workers & Retirees*. The prohibited transaction exemption under ERISA and the Internal Revenue Code ("Code") for investment advice fiduciaries with respect to employee benefit plans and individual retirement accounts (IRAs) requires Supervised Persons who recommend rollovers, must justify and explain the benefits, expenses and all conflicts of interest associated with the recommendation as well as attempt to benchmark advisor compensation. "Rollovers" include not only rollovers from plans to IRAs, but also from an IRA to another IRA, an IRA to a plan, a plan to another plan, and from one type of account to another (brokerage to advisory, and vice versa).

"Investment Advice and recommendations" *to client or potential client to rollover assets is considered fiduciary investment advice if the following 5-part test is satisfied:*

1. For a Fee, *renders advice as to the value of securities* or other property, or make recommendations as to the advisability of investing in, purchasing, or selling securities or other property,
2. *On a regular basis,*
3. *Pursuant to a mutual agreement*, arrangement, or understanding with the Plan, Plan fiduciary or IRA owner,
4. That the advice will serve as a *primary basis for investment decisions* with respect to Plan or IRA assets, and
5. The advice will be *individualized based on the needs* of the Plan or IRA.

If all five parts listed above are satisfied, the Supervised Person will be considered a "fiduciary" under ERISA and/or the Code.

Supervised Persons that provide investment advice and rollover recommendations are providing "investment advice and recommendations" regarding the individual's tax-advantaged account(s) prior to recommending the rollover.

Overview

By the conditions outlined above, if the Supervised Person provides "investment advice and recommendations" with respect to plan rollovers and IRAs. The DOL's position is that all types of guidance and recommendations pertaining to rollovers ***will be*** considered fiduciary advice. The DOL sees plan rollover recommendations and IRA transfers as the start of an ongoing advisory relationship, and so the advice to enact the rollover or transfer should be treated as the beginning of the fiduciary relationship. The DOL says the collection of compensation related to rollover advice and transfer recommendations is almost always going to be a prohibited transaction, triggering the need for an exemption. The prohibited transaction requires formal exemption, all because the Supervised Person is influencing the amount of compensation they will receive from a fiduciary client.

Fiduciaries are prohibited from:

- *Self-Dealing* (e.g., providing advice that can increase your compensation).
- *Dual Representation* (e.g., acting on behalf both buyer and seller in a transaction involving plan or IRA assets).
- *Receiving third-party payments* (e.g., receiving compensation from anyone other than the client i.e., commissions, 12b-1, trail and/or solicitor fees, etc. for providing investment advice or exercising discretion).

Therefore, if rollover advice is fiduciary in nature, and it will result in one of the above prohibitions, the recommendation is a prohibited transaction. As a result, the DOL has created a new prohibited transaction exemption.

Policy

The Firm requires Supervised Persons to adhere to standards designed to ensure that the investment recommendations reflect the best interest of retirement investors. Since the Firm is relying on the exemption, the Firm and Supervised Persons will follow the following conditions as outlined in PTE 2020-02:

- **ACKNOWLEDGE** their fiduciary status in writing (either through the Part 2A Brochure or the IRA Rollover worksheet/client attestation).
- **DISCLOSE** their services and material conflicts of interest through the ADV Part 2A.
- **ADHERE** to Impartial Conduct Standards requiring that:
    - Investigate and evaluate investments, provide advice, and exercise sound judgment in the same way that knowledgeable and impartial professionals would (i.e., *the recommendations must be "prudent"),*
    - Act with undivided loyalty to retirement investors when making recommendations (in other words, the Supervised person must never place its

own interests ahead of the interests of the retirement investor, or subordinate the retirement investor's interests to their own),
    - Charge no more than reasonable compensation and comply with federal securities laws regarding "best execution,"
    - Avoid making misleading statements about investment transactions and other relevant matters.
- **ADOPT POLICIES AND PROCEDURES** prudently designed to ensure compliance with the Impartial Conduct Standards and to mitigate conflicts of interest that could otherwise cause violations of those standards as adopted in this section and document (Firm's Compliance Manual).
- **DOCUMENT AND DISCLOSE** the specific reasons that any rollover recommendation is in the retirement investor's best interest using the Firm's rollover recommendation application.
- **CONDUCT** an annual retrospective compliance review by the CCO.

The Supervised Person must document and disclose in writing the specific reasons that a rollover recommendation is in the retirement investor's best interest. In doing so, the Supervised Person will consider the client's alternatives to a rollover, such as leaving the money in an employer's plan and taking advantage of the investment options available in that plan, including available options other than those reflected in the retirement investor's current plan holdings. The Supervised Person is expected to make diligent and prudent efforts to obtain information about the existing employee benefit plan and the participant's interests in it.

Impartial Conduct Standards

The Impartial Conduct Standards are consumer protection standards that ensure that Supervised Persons adhere to fiduciary norms and basic standards of fair dealing.

The standards specifically require Supervised Persons to:

- Give advice that is in the "best interest" of the retirement investor. This best interest standard has two chief components: prudence and loyalty.
- Under the prudence standard, the advice must meet a professional standard of care as specified in the text of the exemption;
- Under the loyalty standard, the Supervised Person may not place their own interests ahead of the interests of the retirement investor, or subordinate the retirement investor's interests to their own;
- Charge no more than reasonable compensation and comply with federal securities laws regarding "best execution"; and
- Make no misleading statements about investment transactions and other relevant matters.

Prudent Analysis- Information Gathering

The Supervised Person will document a prudent analysis of why a rollover recommendation is in a retirement investor's best interest. For recommendations to roll over assets from an employee benefit plan to an IRA, the relevant factors include but are not limited to:

- the *alternatives to a rollover*, including leaving the money in the investor's employer's plan, if permitted;
- the *fees and expenses* associated with both the plan and the IRA;
- whether the *employer pays* for some or all of the plan's administrative expenses;
- the different levels of services and investments available under the plan and the IRA;
- the ability to take penalty-free withdrawals;
- the application of required minimum distributions;
- the protection from creditors and legal judgements;
- holdings of employer stock; and
- any special features of the existing account.

When considering the alternatives to rollover, the Supervised Person will not focus solely on the retirement investor's existing investment allocation, without any consideration of other investment options in the plan.

For rollovers from another IRA or from a commission-based account to a fee-based arrangement, a prudent recommendation would include consideration and documentation of the services under the new arrangement. As relevant, the analysis should include consideration of factors such as the long-term impact of any increased costs; why the rollover is appropriate notwithstanding any additional costs; and the impact of economically significant investment features such as surrender schedules and index annuity cap and participation rates.

To satisfy the documentation requirement for rollovers from an employee benefit plan to an IRA, the Supervised Person will make diligent and prudent efforts to obtain information about the existing employee benefit plan and the participant's interests in it. In general, such information should be readily available because of Department regulations mandating disclosure of plan-related information to the plan's participants. If the retirement investor won't provide the information, even after a full explanation of its significance, and the information is not otherwise readily available, the Supervised Person will make a reasonable estimation of expenses, asset values, risk, and returns based on publicly available information.

Additionally, the Supervised Person will document and explain the assumptions used and their limitations. In such cases, the Supervised Person could rely on alternative data sources, such as the most recent Form 5500 or reliable benchmarks on typical fees and expenses for the type and size of plan at issue.

Fiduciary Acknowledgement

The Supervised Person will satisfy the fiduciary acknowledgment requirement by requiring the following:

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

Under this special rule's provisions, we must:

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

***Conflicts* of Interest**

Since the Firm is relying on PTE 2020-02, the Firm will identify and carefully focus on the conflicts of interest associated with its business model and practice that create incentives for the Firm to place its interests ahead of the retirement investor's interest. The Firm's policies and procedures are designed to, among other things, protect retirement investors from recommendations that are not in the investor's best interest, or to allocate excessive amounts to illiquid or risky investments. The Firm does not recommend nor use any investment products where its Supervised Persons are compensated differently, nor is there an incentive for a Supervised Person to meet any compensation thresholds that would pose as a conflict to retirement investors.

Supervisory Oversight

The Firm will include supervisory oversight of investment recommendations when monitoring the specific documentation of rollovers on at least a quarterly basis.

The Firm will provide the following monitoring of Supervised Persons investment recommendations at or near compensation thresholds, recommendations at key liquidity events for investors (e.g., rollovers), and recommendations of investments that are particularly prone to conflicts of interest as outlined in the Code of Ethics.

Violations Corrective Actions

If the CCO determines a rollover was initiated that was not in the best interest of the client, the Supervised Person will work with the client to correct the action within 90 days of when the rollover occurred or was found to be inconsistent with the Policy.

The PTE allows for self-correction of violations of its conditions if the following conditions are met:

- The violation didn't result in investment losses, or the investor was made whole.
- The violation is corrected, and the DOL is notified of the violation and correction within 30 days after the correction.
- The correction occurs no later than 90 days after the financial institution knew or reasonably should have known of the violation.
- The violation and correction are disclosed in a timely manner and described in the Financial Institution's retrospective review.

Documentation on how the situation was corrected must be maintained in the Compliance file and documented in the Annual Retrospective Review. Documentation on how the situation was remediated.

Annual Retrospective Review

The Firm's CCO will conduct an annual retrospective review that is reasonably designed to assist in detecting and preventing violations of, and achieving compliance with, the Impartial Conduct Standards and the Firm's policies and procedures. The methodology and results of the retrospective review will be a written report and available to the Firm's senior executive officers.

The procedures include that the Firm's CCO will draft the report and review that policies and procedures are in place to achieve compliance with conditions of the exemption. The CCO will ensure there is a prudent process in place to modify such policies and procedures as business, regulatory, and legislative changes and events dictate, and to test their effectiveness on a periodic basis to ensure continuing compliance with the conditions of the exemption.

The Annual Certification Review is completed no later than six months following the end of the period covered by the review. This is typically conducted during Q4 or the following Q1. The Firm retains the report, certification, and supporting data for six years and provide these documents to the Department within 10 business days of a request.

The Firm will use the results of the review to find more effective ways to help ensure that the Supervised Persons are providing investment advice in accordance with the Impartial Conduct Standards and to correct any deficiencies in existing policies and procedures. CCO will carefully review the report before making the required certifications, so that they can make the certifications with confidence. Making the certifications without carefully reviewing the report would constitute a violation of the exemption. This ensures that the

Firm, through an appropriate senior executive officer and/or CCO, is fully accountable for the retrospective review.

The only time a recommendation will NOT be considered fiduciary under ERISA, or the Code is when a Supervised Person receives an unsolicited rollover transaction, initiated by the client, and it did not provide investment advice or recommendations, before or after the rollover.

Unsolicited Rollover Transactions

Supervised Persons may obtain plan assets from a qualified plan or an IRA transfer, on an unsolicited basis with the intent to be managed, and where the client independently decided to rollover the assets.

Supervisory Oversight on Unsolicited Rollovers

Supervised Person's will be required to obtain a client's attestation that the Supervised Person did not provide "investment advice or recommendations" regarding the plan rollover or IRA transfer. Supervised Persons are required to submit client signed documentation to Compliance for review.

Please see: Client-Initiated Rollover Attestation.

INVESTMENT MANAGEMENT FOR RETIREMENT PLANS -3(21) or 3(38)

Responsibility

The CCO is responsible for managing ERISA accounts in a manner that complies with the provisions of ERISA and tax-qualified accounts in a manner that complies with the Code, and that neither the Firm nor its employees enter into any transactions prohibited under ERISA and the Code.

The CCO is responsible for engaging counsel, as necessary, regarding the Firm's responsibilities when managing an account subject to ERISA or the Code.

Covered Service Provider

The CCO will determine whether the Firm is a "covered service provider." The Firm will meet that definition if the following three conditions exist:

1. it has a contract or an arrangement with a Covered Plan;

2. it reasonably expects to receive $1,000 or more in direct or indirect compensation under an arrangement involving the Covered Plan; and

3. it provides "Covered Services."

Covered Services most relevant to the Firm are:

1. Services provided directly to a plan as a fiduciary under ERISA Section 3(21) or 3(38), which may include a Supervised Person providing advisory services to a plan or participants in a plan under Section 3(21)(A)(ii);

2. Services provided directly to a plan as an investment advisor registered under the Investment Advisers Act of 1940 or state law, which would include registered investment advisors providing services that might not constitute fiduciary services; and
3. Consulting and investment advisory services if the Firm reasonably expects to receive "indirect compensation" (as defined in the regulation). "Consulting" services are those that relate to the development or implementation of investment policies or objectives or the selection or monitoring of service providers or plan investments.

The Firm falls within "Covered Service Providers" under one or more the above categories because it:

1. provides "direct" investment advice;
2. is a fiduciary under ERISA; and
3. is registered under the Advisers Act and provides services covered by that registration.

In addition, the Firm will be a Covered Service Provider if it receives indirect compensation and provides such consulting services as:

1. assisting with the development of a plan's investment policy;
2. helping with the selection or monitoring of the recordkeeper; and
3. providing information to assist a fiduciary in monitoring a plan's investments.

Plan Documents

With respect to each plan client, the Firm will review, familiarize itself with, and follow the specific guidelines, limitations, and restrictions under which the plan operates. The Firm shall invest plan client assets only if such investment is permitted by, and consistent with, the plan documents that govern the plan client.

Bonding

The CCO will check ERISA and applicable Department of Labor rules to see if its activities with respect to plan clients holding plan assets require the Firm to obtain a bond. If so, the CCO will arrange for the Firm to obtain appropriate coverage.

Each bond shall:

1. Protect the plan from losses incurred by fraudulent or dishonest acts performed by the Firm’s officer or employee; and
2. Have a corporate surety company that meets Department of Treasury regulations.

Rule(408B)

The Firm will monitor whether it is a "Covered Service Provider" under ERISA, a status if obtained will require it to make certain disclosures. This disclosure is included in the Plan Sponsor Agreement.

Reporting

The Firm will disclose, upon written request, any other information relating to compensation received in connection with the arrangement, if it is required for the investing plan to comply with the reporting and disclosure requirements of ERISA and the regulations, forms and schedules issued thereunder. The Firm will provide such information not later than 30 days after receipt of a written request from the responsible plan fiduciary or plan administrator unless the disclosure is precluded due to extraordinary circumstances beyond the Firm's control. In that case, it will disclose the information as soon as practicable.

Agreement

In each agreement with a Covered Plan, the Firm will describe the services it provides.

Compensation

The Firm must describe:

1. the direct and indirect compensation to be received by it and its affiliates and sub-advisors. Direct compensation means "compensation" (i.e., anything of monetary value, such as money, gifts, awards, and trips, but excluding non-monetary items of $250 or less received during the term of the contract or arrangement) that is received directly from a plan. Indirect compensation is "compensation" that is received from any source other than the plan, the plan sponsor, the covered service provider, an affiliate of the service provider or a subcontractor of the service provider;
2. the manner of payment, e.g., whether it will bill the plan, deduct fees from plan accounts or reflect a charge against the plan investments; and
3. any compensation the Firm reasonably expects to receive in connection with termination of the contract (e.g., a surrender charge) and how prepaid amounts will be calculated and refunded upon termination of the contract (e.g., if the Firm charges in advance for a particular period, e.g., quarterly).

ERISA Reporting

With respect to plan clients to which the Firm provides investment management services, the Firm will comply or assist others, including plan sponsors, with complying with all applicable reporting obligations set forth in ERISA.

Each year, the plan sponsor and/or administrator will file an annual report with the US Department of Labor and the IRS on Form 5500. Such reports shall include, among other information, the value of the assets of its plan clients at the beginning and end of the year and compensation earned directly and indirectly by the Firm in connection with the services it provided to the plan.

The Firm will use its best efforts to provide certain information, including information about its direct and indirect compensation received in its role as a service provider to the plan and plan participants, to the plan administrator so that the plan administrator is able to complete Schedule C of Form 5500. If the Firm provides a notice to plan participants containing certain information, the plan administrator may be able to file a simplified disclosure with the DOL

and IRS. This may reduce the amount of information the Firm has to provide to the plan administrator.

Disclosure

If the Firm is subject to Rule 408(b), it must provide the following disclosure in writing to Covered Plans:

1. description of services to be provided;
2. status of the Firm (e.g., registered investment advisor, fiduciary, or both);
3. all direct compensation to be received (either in aggregate or by service);
4. all indirect compensation to be received (describing services and payor);
5. any related compensation if set on a transaction basis, or charged directly against a plan's investment and reflected in the net asset value of the investment;
6. any termination compensation, including how any prepaid amounts will be calculated and rebated; and
7. description of the way it receives the fees (e.g., billed or deducted).

Procedures

Prior to entering into an agreement with an ERISA account, the Firm will:

1. Review the plan documents;
2. Identify who is responsible for administering the plan;
3. Identify who is the plan's trustee and/or "named fiduciary;"
4. Verify that the plan official engaging the Firm has the requisite authority to engage the Firm for the proposed engagement; and
5. Identify all stated objectives and restrictions governing the plan account.

Due to the complicated regulations under ERISA and the Code, prior to rendering investment advice to an account governed by ERISA or the Code, the CCO will consult with appropriate counsel if necessary.

Books and Records

In its books and records, the Firm will maintain a list of all accounts governed by ERISA or tax-qualified under the Code along with a copy of plan documents, client agreements, or other documentation describing the plan's objectives or the Firm's services.

Individual Retirement Accounts

An individual retirement account ("IRA") is not subject to ERISA unless it is part of a simplified employee pension plan (also known as a SEP-IRA) or SIMPLE-IRA. However, while IRAs are not covered by ERISA, they are tax-qualified under the Code and therefore subject to its requirements.

22. OPENING ACCOUNTS FOR SENIOR INVESTORS

Objective

On Jan. 24, 2018, the United States House of Representatives passed the Senior Safe Act. The Senior Safe Act (referred to as "the Act," formerly H.R. 3758) encourages financial services firms to train employees to spot elder abuse, while granting limited immunity to individuals at financial institutions who report such abuse to law enforcement or regulators in accordance with the Act.

In response to the Senior Safe Act, the Firm has adopted the following best practices when dealing with senior clients age 65 or older ("**Senior**" or collectively "**Seniors**").

Definition of Trusted Contact

A "**Trusted Contact Person**" is intended to be a resource for client accounts, protecting assets, and responding to possible financial exploitation of any vulnerable client, particularly Seniors.

Clients who name a Trusted Contact Person with the Firm provide written authorization to reveal certain information about the client and their accounts to the Trusted Contact Person. While the Trusted Contact Person cannot direct transactions in the account, they can learn certain sensitive information about account balances, holdings, and beneficiaries as well as other information related to the senior's health, estate planning (e.g., individuals designated with legal powers, trustees, guardianship, executor, etc.). The Firm is further authorized by the client to use discretion when providing the necessary disclosures to the Trusted Contact Person.

Process

Supervised Persons are required to ask for information about a Trusted Contact Person when a Senior client engages with the Firm for advisory services or for existing accounts. The Senior client is not required to provide the name of a Trusted Contact Person. A Trusted Contact Person must be a person over age 18; however, the amendment does not include any other requirements, for example: joint account holders, trustees, and persons having powers of attorney can be named as a Trusted Contact Person.

Supervised Persons are required to consider the following when serving Senior clients:

1. Encourage the Senior client to identify a Trusted Contact Person and obtain permission to contact that person in the event there is an issue or an event that requires clarification (such as the Senior client suffers diminished mental capacity in the future).
2. Document if the Senior client refuses to identify a contact person and place it in the Senior client's file.
3. Indicate "retired" on the Qualified Custodian's new account form to assist in evaluating the Senior client's status as someone potentially withdrawing from investments vs. accumulating assets.

4. Obtain "lifestyle" information such as when the Senior client plans to retire, if not already retired; how much money is needed after retirement; whether there are prospects for future employment; whether a dependent is supported by the Senior client; other expenses, including healthcare expenses, anticipated by the Senior client; the existence of a will and financial power of attorney. These should all be collected from the Senior client when they first become a client and during periodic client review meetings.

The absence of the name of or contact information for a Trusted Contact Person shall not prevent the Firm from opening or maintaining an account for a Senior client, provided that the Supervised Person makes reasonable efforts to obtain the name of and contact information for a Trusted Contact Person.

Diminished Mental Capacity

A difficult issue is a client who appears to be suffering from diminished mental capacity. Diminished capacity describes a condition of an individual, not any particular outcome resulting from that condition. Elder abuse describes an action on the part of a trusted party that causes harm or risks harm to an elderly person or other vulnerable adult. People with diminished capacity are particularly vulnerable to elder abuse, including financial exploitation, because of impairments in memory, communication abilities, and judgment.

Though the definition may vary by state or regulatory body, the term “vulnerable adult” typically refers to someone who falls into any of the following categories:

- Is 62 years of age or older and has the functional, mental, or physical inability to care for himself or herself;
- Is incapacitated;
- Has a developmental disability;
- Is admitted to any adult care facility; or,
- Receives services from home health, hospice, or home care.

If a client's behavior suggests reduced capacity, it is important to take steps to protect the client, the Supervised Person, and the Firm. Relatives or estate beneficiaries may file a complaint or lawsuit if they believe the client was unable to understand what was occurring in their account.

There are several steps that may be taken to address the issue:

1. Contact the Trusted Contact Person, if applicable.
2. Discuss the situation with the Senior client and determine if family members should be contacted.
3. If applicable, raise the issue with the Senior client’s family members and determine if the Senior client has given power of attorney to another person.

4. Document meetings, conversations, and other exchanges with relatives about the situation and store in the Senior client's file.
5. Document communications with the Senior client about investments.
6. As a final alternative, decide not to continue doing business with the Senior client. Supervised Persons are often reluctant to use this option, but if a client's choices are putting your business at risk, it may be the best thing to do.
7. Contact Compliance with questions about a proper course of action.

Only a doctor or a court may determine that an individual is suffering from diminished capacity. The only acceptable proof of diminished capacity is a signed note from a doctor written on a prescription pad, or a signed court order. If you receive this documentation, please forward a copy to Compliance.

Once a Supervised Person receives one of the above proofs that their client is suffering from diminished capacity, the Supervised Person may no longer take any action on the client's account, unless the client has previously established a durable power of attorney. If no durable power of attorney exists, the Supervised Person will need to wait for instruction from a court on how to proceed.

Potential Indication of Elder Financial Exploitation

Supervised Persons, through monitoring transaction activity that is not consistent with expected behavior, can become aware of persons or entities perpetrating illicit activity against a Senior client. Additionally, Supervised Persons can become aware of such scams through their direct interactions with Senior clients who are being financially exploited. Such activity can include erratic or unusual transactions, changes in account patterns, or suspicions interaction with a Senior client's caregiver.

Training

As needed and during the Firm's Annual Compliance Meeting, the Firm will address the red flags to be aware of when IARs are dealing with clients over the age of 62. Any questions regarding senior investors should be sent to Compliance.

Suspected elder abuse, including financial abuse, and suspected diminished capacity, may require the contacting of appropriate state or other authorities. In certain cases, having Compliance make direct contact with the investor or Trusted Contact Person might be appropriate.

Escalating Issues Involving Senior Clients

A Supervised Person who suspects potential or ongoing senior financial exploitation is required to promptly document the relevant details and submit the documentation and background information to Compliance. In addition to Senior clients, this also applies to adult clients with a mental or physical disability that prevents them from being able to protect their own interests. Once Compliance is notified, an investigation will be conducted, and next steps will be outlined with the Supervised Person. This may include:

- Notifying the client as well as authorized parties not suspected of exploitation (including the trusted contact);
- Notifying the custodian of the financial exploitation concern and requesting that a temporary hold be placed on disbursements/transactions in from the client's account;
- Determining if the client has scheduled distributions that may be impacted by the temporary hold; or,
- Completing mandatory reporting to the client's state agency/governmental authority.

23. COMPLAINTS

Supervisory Responsibility

The CCO is responsible for ensuring that all written and electronically transmitted client complaints are handled in accordance with all applicable laws, rules, regulations and in keeping with the provisions of this Section.

Definition

The Firm defines a "**complaint**" as any statement (whether delivered written, orally, or electronically) made by a client, or any person acting on behalf of a client, alleging a grievance involving the activities of a Supervised Person in connection with its management of the client's account.

Handling of Client Complaints

1. The Firm takes client complaints seriously and Compliance promptly initiates a review of the factual circumstances surrounding any complaint that has been received.
2. Supervised Persons are required to notify Compliance immediately upon receipt of a written, oral, or electronic client complaint and provide all information and documentation in their possession relating to such complaint.
3. Supervised Persons are required to cooperate fully with Compliance and with regulatory authorities in the investigation of any client complaint.
4. Compliance maintains a separate file for all written, oral, and electronically transmitted client complaints to include the following information:
    a. Identification of each complaint.
    b. The date each complaint was received.
    c. Identification of the Supervised Persons servicing the account.
    d. A detailed description of the complaint.
    e. Copies of all correspondence involving the complaint.
    f. The written report of the action taken with respect to the complaint.

24. CORRESPONDENCE

Introduction

Supervised Persons are required to use discretion in communicating information to clients and prospective clients. This policy applies to all communications used with existing or prospective clients, including information available in electronic form such as on a web site. Supervised Persons are required to ensure all client communications are presented fairly, are balanced, and are not misleading.

Definition

Correspondence includes incoming and outgoing written and other communications to clients or prospective clients, regardless of the method of transmission (mail, facsimile, personal delivery, courier services, electronic mail, etc.). Correspondence also includes seminars, panel presentations, speeches, and other types of information originated by a Supervised Person and provided to one or more clients or prospective clients. Interactive conversations such as personal meetings and telephone conversations (other than scripted sales calls) generally are not considered correspondence. Advertising, sales literature, and market letters are not included in this definition of correspondence; rather, they are covered in the Marketing & Advertising section of this Compliance Manual.

Outgoing Correspondence

1. **Responsibility.** Compliance is responsible for spot checking outgoing correspondence regarding client investments and retained in compliance with the following Firm guidelines and the applicable laws, rules and regulations governing the activities of the Firm. All employees who transmit any correspondence regarding client investments shall ensure that a copy of the correspondence is reviewed by the CCO or designee. The CCO shall initial a copy of all correspondence reviewed and such copy shall be maintained in the Firm's compliance files.
2. **General Guidelines for Outgoing Correspondence**
   Supervised Persons are required to adhere to the following for outgoing correspondence:
   a. Required to send and receive all correspondence at such locations and through such channels as are designated by the Firm. No Firm-related correspondence of any kind, including electronic correspondence, can be sent, or received through a non-business computer without written approval of Compliance.
   b. Required to be truthful and in good taste.
   c. Prohibited from containing exaggerated or outrageous language.
   d. Prohibited from containing projections or predictions except when in accordance with the Firm's policies regarding advertising.
   e. Prohibited from photocopying and distributing copyrighted material in violation of copyright laws.
   f. Required to ensure that the use of letterhead and other official stationery is limited to business related matters.
   g. Prohibited from sending materials to anyone outside the Firm that are marked "For Internal Use" or with words of similar effect.

h. Prohibited from making any statements or supplying any information about a security that is the subject of a securities offering other than the information contained in offering materials that have been approved for such offering. Violations of this policy can subject the Supervised person to severe civil and, in some cases, criminal liability.

Incoming Correspondence

1. **General.**
   a. All incoming correspondence is opened and reviewed.
   b. Correspondence subject to this policy includes letters, facsimiles, courier deliveries, and other forms of communication, including, but not limited to, communications marked "personal," "confidential," or words to this effect.
2. **Procedures.**
   a. Client complaints are immediately forwarded to Compliance.
   b. Original client correspondence is retained in the client's file.

Records

Supervised Persons are required to maintain written correspondence at the principal place of business for a period of five (5) years or longer if required by applicable SEC or state regulations. Electronic correspondence is retained in the format in which it was received.

Personal Mail

Supervised Persons are prohibited from having personal mail sent to their place of business. All mail received at the place of business is subject to the Firm's incoming mail review policies.

25. REGULATION S-P - PRIVACY PROTECTION & INFORMATION SECURITY POLICIES

Introduction

Regulation S-P ("**Reg S-P**") requires the Firm to adopt and implement policies and procedures that are reasonably designed to protect the confidentiality of nonpublic personal records. Reg S-P applies to "client" records, meaning records regarding individuals, families, or households. The Firm is committed to protecting the confidentiality of all nonpublic information regarding its clients and Supervised Persons ("**Nonpublic Personal Information**").

Supervised Persons are required to provide clients with notices describing the Firm's privacy policies and procedures. Supervised Persons are required to deliver the privacy notices to all new clients upon entering into an advisory agreement. The Firm delivers the privacy notices to clients annually thereafter, if applicable. The Firm does not distribute its privacy policy to companies or to individuals representing legal entities (Reg S-P does not require the distribution of privacy notices to these entities).

Scope of Policy

This Privacy Policy covers the Firm's practices and applies to all Nonpublic Personal Information of current and former clients.

Overview of the Guidelines for Protecting Client Information

Supervised Persons are required to adhere to the following standards:

1. Ensure the security and confidentiality of client records and information.
2. Protect against any anticipated threats or hazards to the security or integrity of client records and information.
3. Protect against unauthorized access to or use of client records or information that could result in substantial harm or inconvenience to any client.

Supervised Persons Responsibility

Supervised Persons are:

1. Required to protect the Nonpublic Personal Information of clients collected by and/or in their possession.
2. Prohibited from disclosing or using Nonpublic Personal Information of clients without the prior written consent of the client.
3. Required to ensure that the Nonpublic Personal Information of clients is shared only with others that is consistent with the Firm's Privacy Notice and the procedures contained in this Reg S-P policy.
4. Required to ensure that access to the Nonpublic Personal Information of clients is limited as provided in the Privacy Notice and this Reg S-P policy.
5. Prohibited from selling Nonpublic Personal Information of clients.
6. Prohibited from disseminating proprietary information and/or Nonpublic Personal Information and sensitive client data. This includes sending client Nonpublic

Personal Information to personal emails and unauthorized downloading of confidential client information to a thumb or zip drive.

7. Contact Compliance with questions concerning the collection, sharing, or accessing, Nonpublic Personal Information of clients.

Supervised Persons that do not adhere to these policies is cause for disciplinary action, up to and including termination of employment for cause and referral to appropriate civil and criminal legal authorities.

Information Practices

Supervised Persons collect Nonpublic Personal Information about clients from various sources. These sources and examples of the types of information collected include:

1. Product and service applications or other forms, such as client surveys, agreements, etc., typically including, but not limited to, name, address, age, social security number, taxpayer ID number, assets, and income.
2. Past transactions, which can include, but are not limited to, account balances, types of transactions, and investments.
3. Other third-party sources.

Disclosure of Information to Non-affiliated Third Parties – "Do Not Share" Policy

The Firm has a "Do Not Share" Privacy Policy. Supervised Persons are prohibited from disclosing any Nonpublic Personal Information about clients or former clients to non-affiliated third parties. Additionally, Supervised Persons are prohibited from sharing credit-related information, such as income, total wealth, and credit information with non-affiliated third parties.

Types of Permitted Disclosures – The Exceptions

Reg S-P contains several exceptions which permit the Firm to disclose client information (the "**Exceptions**"). For example, the Firm is permitted under certain circumstances to provide information to non-affiliated third parties to perform services on the Firm's behalf. In addition, there are several "ordinary course" exceptions which allow the Firm to disclose information that is necessary to effect, administer, or enforce a transaction that a client has requested or authorized. A more detailed description of these Exceptions is set forth below.

1. **Service Providers.** The Firm has relationships with non-affiliated third parties that require it to share client information for the third-party to carry out services for the Firm. These non-affiliated third parties represent situations where the Firm offers products or services jointly with another financial institution, thereby requiring the Firm to disclose client information to that third-party. Every non-affiliated third-party that falls under this Exception has entered into an agreement that includes the confidentiality provisions required by Reg S-P, which ensure that each such non-affiliated third-party uses and re-discloses client Nonpublic Personal Information only for the purpose(s) for which it was originally disclosed. Some of the non-affiliated service providers that fall under this type of relationship include:

a. Riskalyze
b. Orion
c. E-Valuator
d. Smarsh
e. Wealthbox

2. **Processing and Servicing Transactions**. The Firm also shares information when it is necessary to effect, administer, or enforce a transaction for the client or pursuant to written client requests. In this context, "Necessary to effect, administer, or enforce a transaction" means that the disclosure is required, or is a usual, appropriate, or acceptable method:
    a. To carry out the transaction or the product or service of which the transaction is a part, and record, service, or maintain the client's account in the ordinary course of providing the financial service or financial product.
    b. To administer or service benefits or claims relating to the transaction or the product or service of which it is a part.
    c. To provide a confirmation, statement, or other record of the transaction, or information on the status or value of the financial service or financial product to the client or the client's agent.
    d. To accrue or recognize incentives or bonuses associated with the transaction that are provided by the Firm or any other party.

Some of the non-affiliated service providers that fall under this type of relationship include the following Qualified Custodians:

a. TD Ameritrade
b. Schwab
c. Fidelity
d. Interactive Brokers
e. Pontera
f. IPX Retirement
g. US Bank

3. **Sharing as Permitted or Required by Law.** The Firm discloses information to non-affiliated third parties as required or allowed by law. This includes, for example, disclosures in connection with a subpoena or similar legal process, a fraud investigation, recording of deeds of trust and mortgages in public records, an audit or examination, or the sale of an account to another financial institution. The Firm takes the appropriate steps to ensure that it is sharing client data only within the exceptions noted above. The Firm achieves this by understanding and limiting how the Firm shares data with its clients, their agents, service providers, parties related to transactions in the ordinary course, or joint marketers.

Provision of Opt-Out

The Firm operates under a "Do Not Share" policy and therefore does not need to provide the right for its clients to opt out of sharing with non-affiliated third parties. If the Firm's information sharing practices change in the future, the Firm can implement an opt-out policy and procedure and make the appropriate disclosures to clients.

Safeguarding of Client Records and Information

The Firm has implemented internal controls and procedures designed to maintain accurate records concerning clients' personal information. The Firm's clients have the right to contact the Firm if they believe that Firm records contain inaccurate, incomplete, or stale information about them. Operations will respond in a timely manner to requests to correct information. To protect this information, the Firm maintains appropriate security measures for its computer and information systems, including the use of passwords and firewalls. (See also ***Written Information Security Policy*** below.)

The Firm has a formal Document Management Process and uses shredding machines, locks, and other appropriate physical security measure to safeguard client information stored in paper format. Supervised Persons are required to secure client information in locked cabinets when the office is closed.

Security Standards

The Firm maintains physical, electronic, and procedural safeguards to protect the integrity and confidentiality of client information. Internally, The Firm limits access to clients' Nonpublic Personal Information to those employees who need to know such information to provide products and services to clients. Supervised Persons are required to understand and comply with these information principles.

Privacy Notice

The Firm has developed a Privacy Notice, as required under Reg S-P, to be delivered to clients initially by Supervised Persons. The notice discloses the Firm's information collection and sharing practices and other required information and has been formatted and drafted to be clear and conspicuous. The notice is revised as necessary any time information practices change. The Firm notifies clients of any change to its Privacy Notice on an annual basis.

Initial Privacy Notice

Supervised Persons are required to provide the Firm's Privacy Notice to all new clients at the time when the client relationship is established, specifically, upon the execution of the advisory agreement.

Revised Privacy Notice

The Firm delivers its Privacy Notice to all clients if there is a change in the Firm's collection, sharing or security practices. This is delivered on an annual basis if applicable.

Regulation S-ID – Identity Theft Red Flag Rules Applicable to Investment Advisors

It is the policy of the Firm to protect client accounts from identity theft and to comply with the SEC's Red Flags Rule. The Firm has developed and implemented an Identity Theft Protection Policy ("**ITPP**"), which is appropriate to the size and complexity, as well as the nature and scope of the Firm's activities. The ITPP addresses:

1. Identifying relevant identity theft red flags.
2. Detecting those red flags when they appear.
3. Responding appropriately to any red flags that are detected to prevent and mitigate identity theft.
4. Updating the ITPP periodically to reflect changes in risks.

Compliance reviews the ITPP periodically to ensure it accounts for changes both in regulations and in the Firm's business.

Identifying Relevant Red Flags

The Firm assesses these risk factors to identify relevant identity theft red flags:

1. The types of accounts offered.
2. Any previous experience with identity theft.

The Firm also considers red flags from the following five categories of the SEC's Red Flags Rule:

1. Alerts, notifications, or warnings from a credit reporting agency.
2. Suspicious documents.
3. Suspicious personal identifying information.
4. Suspicious account activity.
5. Notices from other sources.

Detecting Red Flags

The Firm reviews its client accounts, how they are opened and maintained, and how to detect red flags that have occurred in working with its clients. The Firm's detection process of identifying the red flags is based on its methods of gathering information about clients, working with its Qualified Custodians for discrepancies in client information, verifying clients who access their accounts, and monitoring transactions and change of address requests.

Procedures to Prevent and Mitigate Identity Theft

When the Firm is notified of a red flag, or the detection procedures shows evidence of a red flag, the Firm takes the steps outlined below, as appropriate to the type and seriousness of the threat:

1. ***Applicants:*** For red flags raised by someone attempting to become a client.
   a. **Review the Application**
      Compliance collects the applicant's information for the Firm's records and Qualified Custodian paperwork (*e.g.*, name, date of birth, address, and an

identification number such as a Social Security Number or Taxpayer Identification Number).

b. **Seek Additional Verification from Custodian or Office of Foreign Assets Control ("OFAC")**
Compliance verifies the person's identity through non-documentary methods, including:
   i. Contacting the Qualified Custodian for verification check.
   ii. Checking references with other affiliated financial institutions.
   iii. Obtaining a financial statement.

c. **Deny the Application**
Compliance abstains from engaging with the client if it finds that the applicant is using an identity other than their own.

d. **Report**
Compliance reports the applicant to the appropriate local and state law enforcement if it finds that the applicant is using an identity other than their own.

2. ***Seekers:*** For red flags raised by someone seeking to access an existing client's account:

a. **Watch**
Compliance monitors, limits, or suspends activity in the account until the situation is resolved.

b. **Check with the Clients**
Compliance collaborates with the Supervised Person of the account. The Supervised Person contacts the clients using its existing contact information on file for the client, describe what it found, and verify with the client that there has been an attempt at identify theft.

c. **Heightened Risk**
Compliance determines if there is a particular reason that makes it easier for an intruder to seek access, such as a client's lost wallet, mail theft, a data security incident, or the client's giving account information to an imposter pretending to represent the Firm or to a fraudulent website.

d. **Collect Incident Information**
If available, Compliance collects the following additional information:
   i. Dates and times of activity.
   ii. Securities involved (name and symbol).
   iii. Details of trades or unexecuted orders.
   iv. Details of any wire transfer activity.
   v. Client's accounts affected by the activity, including name and account number.
   vi. Whether the clients are reimbursed and by whom.

e. **Report**
Compliance reports any unauthorized account access to the Qualified Custodian, appropriate local law enforcement, and state law enforcement. Compliance also

reports the findings to the SEC, state regulatory authorities, such as the state securities commission, and the custodian.

f. **Notification**
Compliance prepares any specific notice to clients or other required notice under state law if it determines that personally identifiable information has been accessed that results in a foreseeable risk for identity theft.

g. **Assist the Clients**
Supervised Persons works with the clients to minimize the impact of identity theft by taking the following actions, as applicable:
   i. Offering to change the password, security codes, or other ways to access the threatened account.
   ii. Offering to close the account.
   iii. Instructing the clients to go to the FTC Identity Theft Website to learn what steps to take to recover from identity theft, including filing a complaint using its online complaint form, calling the FTC's Identity Theft Hotline 1-877-ID-THEFT (438-4338), TTY 1-866-653-4261, or writing to Identity Theft Clearinghouse, FTC, 6000 Pennsylvania Avenue, NW, Washington, DC 20580.

Qualified Custodian and Other Service Providers

All client accounts are held at a Qualified Custodian. The Firm has a process to confirm that the Qualified Custodian and any other service provider that performs activities in connection with client accounts, especially other service providers that are not otherwise regulated, comply with reasonable policies and procedures designed to detect, prevent, and mitigate identity theft. The Firm requires that its service providers, by contract, have such policies and procedures and either report the red flags that can arise in the performance of the service providers' activities to the Firm or take appropriate steps of their own to prevent or mitigate the identify theft or both.

Updates and Annual Review

Compliance updates this plan whenever there is a material change. The grid below, provides the Red Flags Rule categories and examples of potential red flags. These examples are neither an exhaustive nor a mandatory checklist, but a way to help Compliance evaluate relevant red flags in the context of its business.

Red Flag	Detecting the Red Flag
Category: Suspicious Documents	
1. Identification documents look altered or forged.	The Supervised Person contacts Compliance and Compliance scrutinizes identification presented in person to make sure it is not altered or forged.

Red Flag	Detecting the Red Flag
2. Other information on the identification does not match other information the Supervised person has on file for the presenter. (Example: the original account application, signature card or a recent check).	The Supervised Person contacts Compliance and Compliance ensures that the identification presented and other information on file from the account, are consistent.
3. The application looks like it has been altered, forged, or torn up and reassembled.	The Supervised Person contacts Compliance and Compliance scrutinizes each application to make sure it is not altered, forged, or torn up and reassembled.
Category: Suspicious Personal Identifying Information	
4. Inconsistencies exist between the personal identifying information presented and information the Supervised Person knows about the presenter or can find out by checking readily available external sources, such as an address that does not match a consumer report, or the Social Security Number (SSN) has not been issued or is listed on the Social Security Administration's (SSA's) Death Master File.	The Supervised Person contacts Compliance and Compliance checks personal identifying information presented to ensure that the SSN given has been issued but is not listed on the SSA's Master Death File.
5. Inconsistencies exist in the personal identifying information that the client provides the Supervised Person, such as a date of birth that does not fall within the number range on the SSA's issuance tables.	The Supervised Person contacts Compliance and Compliance checks personal identifying information provided to make sure that it is internally consistent by comparing the date of birth to see that it falls within the number range on the SSA's issuance tables.
6. Personal identifying information presented has been used on an account the Supervised Person knows was fraudulent, such as the address or phone number provided on the application is the same as the address or phone number on a fraudulent application.	The Supervised Person contacts Compliance and Compliance compares the information presented with addresses and phone numbers on accounts or applications it found or were reported were fraudulent.
7. Personal identifying information presented is a type commonly associated with fraud, such as an address that is fictitious, a mail drop, or a prison; or a phone number is invalid or is for a pager or answering service.	The Supervised Person contacts Compliance and Compliance validates the information presented when opening an account to ensure they are real and not for a mail drop or a prison and calls the phone numbers given to ensure they are valid and not for pagers or answering services.

Red Flag	Detecting the Red Flag
8. The SSN presented was used by someone else opening an account or other clients.	The Supervised Person contacts Compliance and Compliance compares the SSNs presented to see if they were given by others opening accounts or other clients.
9. The address or telephone number presented has been used or is like those used by many other people opening accounts or other clients.	The Supervised Person contacts Compliance and Compliance compares address and telephone number information to see if they were used by other applicants and clients.
10. The person opening the account, or the client omits required personal identifying information on an application or in response to notification that the application is incomplete.	The Supervised Person tracks when applicants or clients have not responded to requests for required information and follow up with the applicants or clients to determine why they have not responded.
11. Inconsistencies exist between the personal identifying information that is presented and what is on file.	The Supervised Person contacts Compliance and Compliance verifies key items from the data presented with information on file.
Category: Unusual Use of, or Suspicious Activity Related to, the Account	
12. Soon after the Qualified Custodian receives a change of address request for an account, the Qualified Custodian receives a request for new or additional access means (such as debit cards or checks) or authorized users for the account.	The Qualified Custodian verifies change of address requests by sending a notice of the change to both the new and old addresses so the clients learn of any unauthorized changes and can notify us.
13. An account develops new patterns of activity, such as nonpayment inconsistent with prior history; a material increases in the use of available credit; or a material change in spending patterns or electronic fund transfers.	The Supervised Person contacts Compliance and Compliance reviews accounts monthly and checks for suspicious new patterns of activity such as nonpayment, a large increase in credit use, or a big change in spending or electronic fund transfers.
14. Mail that the Supervised Person sends to a client is returned repeatedly as undeliverable even though the account remains active.	The Supervised Person contacts Compliance and Compliance notes any returned mail for an account and immediately check the account's activity.
15. The Supervised Person is notified that a client is not getting their paper account statements.	The Supervised Person records on the account any report that the client is not receiving paper statements and immediately investigate them. They contact Compliance if necessary.
16. The Supervised Person is notified that there are unauthorized charges or transactions to the account.	The Supervised Person contacts Compliance and Compliance verifies if the notification is legitimate and involves a firm account, and then investigate the report.
Category: Notice from Clients, Victims of Identity Theft, Law Enforcement Authorities, or Other Persons Regarding Possible Identity Theft in Connection with an Account	

Red Flag	Detecting the Red Flag
17. The Supervised person learns that unauthorized access to a client's personal information took place or became likely due to data loss (e.g., loss of wallet, birth certificate, or laptop), leakage, or breach.	The Supervised Person contacts the client to learn the details of the unauthorized access to determine if other steps are warranted. They contact Compliance if necessary.

26. WRITTEN INFORMATION SECURITY POLICY ("WISP")

Overview

This policy serves to further provide protection of all personal information for clients and shall further identify all procedures to be carried out in the event of a security breach as defined by the Privacy Protection and Information Security Policy above.

The Firm provides adequate protection and confidentiality of all corporate data and all personal information whether held centrally on local storage media, or remotely to ensure the integrity of all data and configuration controls.

Scope

This policy applies to Supervised Persons, contractors, consultants, and other workers at the Firm ("**Users**"). This policy also applies to all equipment that is owned or leased by the Firm ("**Firm Equipment**"). The policy further applies to all Firm business which includes Firm systems, records that can contain personal information about a current client, whether electronic, paper, computing systems, storage media, laptops, portable devices, and other records ("**Firm Business**"). Firm systems are those systems that the Firm makes available to Users or the Firm uses to support its business and regulatory requirements ("**Firm Systems**") and includes, but is not limited to:

Available to Supervised Persons

1. Microsoft Office 365
2. Orion
3. Riskalyze
4. Wealthbox
5. Docupace
6. PreciseFP
7. FMG Suite
8. Adobe
9. Pontera
10. Smarsh
11. MyRepChat
12. RolloverAnalyzer
13. E-Valuator
14. Zoom
15. Qualified Custodian's systems
16. Other third-party provider systems
17. Social media sites used for business
18. Company web site

Available to Employees of the Firm

1. Firm Plus
2. Morningstar

3. Stockopedia
4. SurePayroll
5. QuickBooks
6. Keeper
7. DocuSign
8. FINRA
9. Qualified Custodians systems
10. Other third-party provider systems
11. Social media sites used for business
12. Firm web sites

General Use and Ownership

Any data created by Users on Firm Systems or for Firm Business remains the property of the Firm.

1. All information stored on the Firm's network including email, file systems, and databases are the property of the Firm and Users should have no expectation of privacy for this data.
2. The Firm monitors stored files and internet access (for those Users with Firm Equipment) for the protection of Users, for system performance, maintenance, auditing, security, or investigative functions (including evidence of unlawful activity or breaches to the Firm's policy) and to protect itself from potential corporate liability.
3. Compliance monitors all incoming and outgoing emails for compliance purposes.
4. The Firm audits networks and systems on a periodic basis to ensure compliance with this policy.

Network Access

User Identification and Passwords

For Firm Systems, Compliance assigns Users usernames and Compliance requires that Users do not write their usernames down or disclose it to any other individual. Users of a given username are held responsible for all actions performed under use of that username.

For Firm Business, Users are required to change passwords at least every four months (120 days) for any Firm System that contains personal information about a client. Users are required to adhere to the following:

1. Do not reveal a password over the phone.
2. Do not reveal a password in an email message.
3. Do not reveal a password to any individual.
4. Do not talk about a password in front of others.
5. Do not hint at the format of a password (e.g., my street name).
6. Do not reveal a password on questionnaires or security forms.
7. Do not share a password with family members.
8. Do not reveal a password to co-workers.
9. Do not write passwords down and store them anywhere in your office.

10. Do not store passwords on any computer system, including handheld devices, without encryption.

Users are prohibited from choosing passwords that can be easily guessed. Users are prohibited from inserting passwords into email messages or other forms of electronic communication. Users can use a password manager application if the data is encrypted and approved by Compliance. If an account or password is suspected to have been compromised, immediately report the incident to Compliance.

Computer Security

1. **General**
   a. Personal computers ("**PC**" or collectively "**PCs**"), desktop computers, and notebook computers used for Firm Systems or Firm Business are required to be put into "sleep mode" or "shutoff" when left unattended and must be password protected when accessing.
   b. All reasonable precautions must be taken to protect Firm Equipment against damage, loss, and theft. Firm Equipment must not be left unattended in any public place. Damage, loss, or theft must be immediately reported to Compliance.
   c. All computers used for Firm Systems and Firm Business are required to be protected with hard drive encryption that requires a password before booting.
   d. The Firm inventories Firm Equipment on an annual basis.
2. **Software**
   a. It is prohibited for Users to copy, remove, or transfer any software used for Firm Systems or Firm Business to any third-party or non-organizational equipment such as home computers without authorization from Compliance.
   b. It is required that Users only use software that has been approved by the Firm for Firm Business.
   c. It is prohibited for Users to download any executable files (.exe) or software from the internet onto Firm Equipment without authorization from Compliance.
   d. The Firm removes any files or data from Firm Systems it views as offensive or illegal.
   e. The Firm inventories all Firm Systems utilized by Users on an annual basis.
3. **Confidentiality**
   a. It is required that Users store confidential data for Firm Business securely, even when not in use. Files are required to be password-protected.
   b. Computers used for Firm Systems or Firm Business that are to be destroyed are required to have the hard disk "wiped clean" and physically destroyed by a third-party specializing in such activity.

Internet and Email

1. **Internet**
   a. For Firm Business, Users are required to use the internet in a professional, ethical, and lawful manner.
   b. For Firm Business, Users are required to exercise caution when making payments over the internet, as the security of credit card details cannot be guaranteed. The

Firm does not accept any liability for losses arising through the transmission of personal or financial information (e.g. credit card numbers) over the internet.

c. For Firm Business, Users are prohibited from using the same passwords for login to internet websites as they do for Firm Systems.
d. The Firm prevents internet access for Users of Firm Equipment who do not follow its policies.

2. **Email**
   a. For Firm Business, Users are required to use their redhawkwa.com or Firm approved DBA email address.
   b. For Firm Business, Users are required to put the word "Confidential" in the subject line of the email when sending personal and sensitive information. The Firm's email system automatically encrypts emails that have the word "Confidential" in the subject line and are sent via the redhawkwa.com or Firm approved DBA email address.
   c. For Firm Business, Users are required to inform Compliance when they receive an email which they deem to be inappropriate, offensive, or illegal.
   d. For Firm Business, Users are required to use the Firm's standard email signature with appropriate Firm disclosures. Users are prohibited from including their own logo, designations, and disclaimers to emails, unless approved in writing by Compliance.

Vulnerability Scans Policy

This policy provides authorization for appropriate personnel to conduct audits that include vulnerability assessments and scans. The purpose of scans and assessments are to:

- Investigate possible security incidents.
- Confirm security of technical assets.
- Ensure that data is protected from unauthorized individuals.
- Ensure that assets are up to date on security.

All vulnerabilities with a CVSS score between 7.0-10.0 will be remedied as they are discovered, no later than 30 days after the scan was done. Any vulnerabilities with a CVSS score of 4.0-6.9 will be remedied no later than 90 days after the scan was done.

Patch Management Policy

Patches are done quarterly or as needed to address technical system and software vulnerabilities quickly and effectively to reduce the likelihood of a serious business impact arising.

Access Controls

Data access is determined by role-based controls. This is at the discretion of the executive leadership in conjunction with IT personnel. Users are required to use multifactor authentication ("**MFA**"), daily for access to data.

Multi-Factor Authentication

This policy requires that authorized users must validate their identity using two or more methods listed below:

- Something the user knows.
- Something the user has.
- Something the user is.
- Something the user does.
- Somewhere the user is.

MFA is required on all user accounts that have access to company data. MFA is required for any third-party application or software when available.

Removable and Mobile Media

1. For Firm Business, Users are prohibited from storing sensitive client data on removable media unless pre-approved by Compliance for a specific purpose. If approved by Compliance, the files on the removable media must be password-protected.
2. For Firm Business, Users are required to use Firm-approved email signatures and disclosures when using a mobile device to send or receive emails.
3. For Firm Business, Users are responsible for the security of all mobile devices. The device is required to have password protection and a time-out feature that shuts down the device no more than 30 minutes from last use.
4. For Firm Business, Users are required to have encryption software and anti-virus scanning software on their mobile device.
5. For Firm Business, Users are required to immediately report the loss or theft of a mobile device (for those Users with Firm Equipment) to Compliance.

Remote Access

1. **Wireless Access**
   The Firm reviews all cloud-based software to ensure its security for working remotely via a wireless network. For Firm Business, User email accounts are encrypted for both webmail and desktop software as described above. Data stored by the Firm is only stored on the servers of cloud-based software which use SSL and encryption to protect the data and provide a secure connection. For Firm Business, Users that work remotely are required to access the Firm's server using a virtual private network.
2. **Prevention of Data Loss**
   All computers used for Firm Business are required to have the following security configuration to prevent data loss in the event of theft:
   a. Required to be protected with hard drive encryption.
   b. Required to access documents remotely and not downloaded to the computer.
   c. Required to have a password protected screensaver.
3. **Remote Device Protection**
   For Firm Business, Users are required to have anti-virus software configured to automatically download, install, and use the latest virus signatures.
4. **Authentication**
   For Firm Business, Users are required to use two-stage authentication at a minimum for remote access.

Backups of Sensitive Data

For Firm Business, Users are required to:

1. Securely store with either password protection or encryption backup files containing sensitive data.
2. Securely store when not in use, all media used for backups of sensitive data.
3. Wipe clean and securely discard backup media when it is rendered unusable.

Third-Party Access

1. Third-Party Access can be defined as "Access to the Firm's IT resources or data to an individual who is not a Supervised Person."
2. Such individuals include:
   a. Software vendor providing technical support.
   b. Contractor or consultant.
   c. Service provider.
   d. An individual providing outsourced services to the Firm requiring access to applications and data.
3. Third-party access is only permitted to facilities and specific tasks as identified and approved by the Firm.

Employee or Equipment Changes

1. Users are required to notify the appropriate "**IT Resource**" (which is defined as the person responsible for overseeing the information technology at the Firm or the Supervised Person's office, as applicable) when moving to a new position or location within the Firm to ensure required network adjustments are made.
2. Users are required to notify the appropriate IT Resource of all staff changes that might affect security. An example of this would be an individual who has access to restricted confidential information and moves to another role where this access is not required.
3. Users are required to notify the appropriate IT Resource to access the computer account of another User who is absent from the office.
4. If a User's employment is terminated, the following steps are required to be taken immediately by the appropriate IT Resource:
   a. The User's network account is disabled immediately.
   b. The User's cloud-based access is disabled immediately.
   c. The User's passwords are changed or deleted immediately.
   d. The User's access to Firm Systems are terminated immediately.
   e. The User's computer is inspected and prepared for re-distribution and all data saved locally is moved to a separate and secure place on the network.
   f. If a User is promoted or demoted, the appropriate IT Resource should be informed of the change immediately in order that network permission levels can be adjusted as required and appropriate for the new role.
   g. The appropriate IT Resource must be notified of any employee departure immediately for the IT Resource to ensure their accounts are adjusted as required for compliance with this policy.

Paper Records

1. All paper records that contain personal information are required to be secured in a locked cabinet, drawer, or alternate container. Keys, safe codes, or combinations are to be kept securely with the appropriate manager and not distributed verbally or electronically to any other individuals.
2. Any records that are used for business purposes and contain personal information that are not to be maintained, are required to be immediately destroyed upon completion of use as required for business purposes. Paper documents are required to be shredded as opposed to simply being discarded in a trash receptacle.
3. Paper records of any kind related to business practices, clients, or affiliates are prohibited from being removed from the organization without prior authorization.

Fraudulent Email Requests and Compromised Client Email Accounts

Users are prohibited from accepting trade or withdrawal requests from an incoming call without verifying the identity of the client.

Data Security Coordinator

1. The CCO is the primary point of contact for all matters related to this written policy.
2. The CCO maintains documentation in connection with the program including a log of any breach incidents, program revisions, etc.

Training

1. Users have access to the WISP and are required to adhere to it in its entirety.
2. Training is held periodically by the Firm to Users for the understanding of requirements and Firm practices associated with data protection and encryption.
3. All training sessions and updates to the provisions or the Firm's policy are documented.

Risk Analysis

Periodic security checks are performed by a third-party vendor to ensure compliance with the written information security program. Intentional attempts to Users or sensitive information on computers or the network help to ensure that network safeguards for data security are current, effective, and compliant with the requirements.

Enforcement

Any User found to violate this policy is subject to disciplinary action, up to and including termination.

Response to Security Breach

In the event of a suspected or known security breach of personal information, it is required that the steps below be followed:

1. An immediate meeting between the CCO and all involved parties shall be held to determine the root cause and consequence of the incident.
2. The CCO shall contact the affected party immediately to bring the breach to their attention.

3. Depending on the nature of the breach, all efforts should be made to recover from the breach (i.e., retrieve sensitive documents from inappropriate recipient, etc.).
4. If applicable, any new safeguards required for prevention of such a breach in the future is put in place as soon as possible.
5. The CCO documents the incident and keep it on record in the WISP log.
6. If disciplinary action is required, the appropriate manager shall act as deemed appropriate, up to and including termination.

Virtual Client Meetings

The COVID-19 pandemic has resulted in a dramatic increase in the use of web-based video and audio conferencing ("WC") services by Supervised Persons.

Chat features offered by some WC providers also present compliance issues for Supervised Persons in meeting their books and records obligations under Rule 204-2 of the Investment Advisers Act ("Books and Records Rule") or under their internal document preservation and other compliance policies.

WC Services Technology

WC services use software and hardware to permit Supervised Persons to connect and exchange live video, audio, and written content, through laptops, desktops, smart phones, and similar computerized devices. WC service providers, such as Zoom, LoopUp, Cisco WebEx, GoToMeeting, Slack and Skype, provide Supervised Persons with the software and hardware that enables such communications. WC software offers Supervised Persons various features, which vary across service providers, but typically include access controls (used by a host to manage participant access to a meeting), meeting recording, screen sharing and live chat.

Books and Records Retention Considerations

Some WC services offer chat features that may allow Supervised Persons and participants to send chat messages. Supervised Persons should ensure that they are considering the implications of this technology in light of their obligations under the Books and Records Rule and their compliance policies. The Firm will advise Supervised Persons not to use the chat feature on any WC service that the Firm does not have the ability to capture or require a Supervised Person to download a copy of the chat and send to Compliance.

Best Practices for WC Platforms

Irrespective of the platform utilized, the Firm requires Supervised Persons to evaluate the use of WC services and adopt reasonable measures to protect the security and privacy of WC communications. Below is a list of the Firm's best practices, compiled based on guidance from the FBI and IT experts, that can serve as points of reference:

1. **Run the Latest Version of WC Software.** WC service providers periodically release new versions of, and updates to, WC software that are intended to address security vulnerabilities, fix known bugs, or provide new features or functions (some

of which may be useful in improving the security of the WC services). Updating to the latest version of software is critical to keeping in step with bad actors as they find new ways to hack or disrupt WC services.

2. **Configure the WC Software with Robust Security Controls.** Although specific features vary by service provider, WC software generally contains controls that give a meeting host substantial control over an invited participant's access to and use of the WC services. When Supervised Persons set up an account, consider establishing defaults that enhance the security of meetings and don't allow the default settings to be changed, such as:

A. *Use Unique Meeting IDs.* A meeting ID is one piece of information that is used to gain access to a particular meeting. In some WC configurations, meeting IDs are associated with specific users rather than with specific meetings (so all meetings initiated by a user have the same meeting ID). To prevent unauthorized access by persons who received the meeting ID for a prior meeting held by the same host, configure the WC software to generate a unique meeting ID every time a new meeting is created.

B. *Require Passwords.* Some WC services may permit participant access to a meeting without a password. Require strong passwords for meeting access and do not allow passwords to be disabled by individual users.

C. *Use Multifactor Authentication*. If available, use multifactor authentication for the meeting host.

D. Use Meeting Access Controls. WC services allow the host to control participants' access to a WC meeting. Wherever feasible, hosts should leverage these controls to enhance meeting security as follows:

i. **Waiting Rooms.** Waiting rooms allow a host to virtually assemble participants before starting a meeting. Using this feature allows the host the opportunity to validate that only invited participants have joined the meeting before any information is shared.

ii. **Meeting Locks**. Meeting locks allow the host to restrict a participant's access to a meeting until the host has started the meeting and to prevent any new participants from joining a meeting after a meeting has started.

iii. **Other Tools.** Some WC services allow a host to mute specific participants or remove them altogether from a meeting. Hosts should be prepared to use those tools as necessary to protect the integrity of a meeting.

E. *Turn off Screen Sharing*. WC services allow participants to share their screens during a meeting. Consider disabling the screen sharing function for all participants except for the host unless it is required.

F. *Turn off Recording*. If a WC service allows a meeting to be recorded for playback, disable this feature. If a meeting needs to be recorded, to retain for purposes such as training, consider disabling the recording feature for all participants except for the host.

G. *Turn off Chat*. Many WC services permit participants to chat by live text. Disable this feature unless it is necessary for the meeting. If chat is enabled, it should be configured so that only messaging among the host and all participants (versus private messaging between participants) is permitted, and the host can save and download the chat at the end for recordkeeping purposes.

3. **Use an Enterprise Solution with Sufficient Security Features**. WC vendors provide both personal (or "consumer") and enterprise versions of their software. Supervised Persons should use an enterprise solution that supports enough participants and provides the necessary functionality, including features designed to enhance security and privacy. Free or lower-cost consumer versions often lack a full set of security controls and embed advertising that increases the risk of a security breach and unauthorized collection of personal information.

4. **Claim and Manage Your Domain**. If a WC service allows, Supervised Persons should claim your organization's email address domain (such as @srz.com) when adding users to your WC services account. Users with the specified domain (e.g., your employees) will be prompted to join your WC services account and therefore held to the security and privacy configurations set at an enterprise level.

5. **Educate Personnel.** Supervised Persons should communicate to personnel about potential risks associated with WC services and best practices, including with respect to the controls discussed above. Supervised Persons should send updates and reminders to personnel, particularly if the risk may be elevated (e.g., reports of a pervasive hacking scheme).

Diligence on Vendors

The Firm conducts periodic due diligence reviews of its WC vendor, as for any other information technology vendors.

Monitoring Vendor Security and Privacy Issues.

The Firm monitors all threat communications and responses from its WC vendor and ensure that they are implementing the latest security and privacy measures.

27. BUSINESS CONTINUITY and DISASTER RECOVERY PLAN ("BCDRP")

Introduction

This policy outlines the Firm's immediate and long-term contingency planning and recovery process. The purpose of the BCDRP is to provide specific guidelines for the Firm to follow in the event of a failure of any critical business capability. The BCDRP relates to the Firm's ability to resume normal business activities following a disaster. Disasters can come from outside sources, such as terrorist activities and weather-related events, a pandemic, or from personal events such as the death or disability of a key person.

The plan that is included in this manual is a high-level overview and a detailed plan is held by the Firm.

It is required that all Supervised Persons follow the same plan as the Firm.

Purpose

The primary purpose of this plan is to prevent severe and prolonged business interruption or downtime to protect clients, Supervised Persons, vendors, service providers, and the Firm. This plan focuses on preparing for a host of natural and man-made disasters to include cyber-attacks.

The proactive part of the plan is the Business Continuity ("**BC**") piece, and the Disaster Recovery Plan ("**DRP**") portion is more reactive. Both plans fit together and are updated on an annual basis. The planning is focused on office facilities, computers, data security, and communications.

Business Impact Analysis

The Firm's Business Impact Analysis ("**BIA**") predicts the consequences of disruption of a business function and process and gathers information needed to develop recovery strategies. Potential loss scenarios have been identified during the risk assessment. The Firm's operations can also be interrupted by the failure of a supplier of goods or services or delayed deliveries. There are many possible scenarios that were considered.

Identifying and evaluating the impact of disasters provides the basis for investment in recovery strategies as well as investment in prevention and mitigation strategies.

The BIA identifies the operational and financial impacts resulting from the disruption of business functions and processes. Impacts that were considered include:

1. Lost sales and income.
2. Delayed sales or income.
3. Increased expenses (e.g., overtime labor, outsourcing, expediting costs, etc.).
4. Regulatory fines.
5. Contractual penalties or loss of contractual bonuses.
6. Client dissatisfaction or defection.

7. Delay of new business plans.
8. Timing and duration of disruption.

It is the Firm's position that financial impact risks are mitigated by the insurance it carries and its corporate assets.

Conducting the BIA

The Firm has a BIA questionnaire to survey managers and others within the Firm. The questionnaire surveyed those with detailed knowledge of how the business manufactures its products or provides its services. The Firm asked managers who run critical departments to identify the potential impacts if the business function or process that they are responsible for is interrupted. The BIA also identified the critical business processes and resources needed for the business to continue to function at different levels.

BIA Report

The Firm's BIA report documents the potential impacts resulting from disruption of business functions and processes. Scenarios resulting in significant business interruption have been assessed in terms of financial impact. These costs are then compared with the costs for possible recovery strategies. The BIA report prioritizes the order of events for restoration of the business and the business processes with the greatest operational and financial impacts are restored first.

Possible business disruption scenarios:

1. Physical damage to the office buildings.
2. Damage to or breakdown of machinery, systems, or equipment.
3. Restricted access to a site or building.
4. Interruption of the supply chain including failure of a supplier or disruption of transportation of goods from the supplier.
5. Utility outage (e.g., electrical power outage).
6. Damage to, loss, or corruption of information technology including voice and data communications, servers, computers, operating systems, applications, and data.
7. Absenteeism of essential employees.
8. A pandemic that restricts on-site ability.

Employee, Office Building, and Contents Security & Safety

The Firm has an onsite cloud-based security camera system that can see the main entry into the office and the storage room. The system records any movement to the cloud and is stored for 30 days (each new day of movement over-writes a day of storage). The Firm's building has 24 x 7 security at the main entrance and key card access. Supervised Persons, and vendor files are stored electronically in the cloud.

If the building lost power, it is conceivable the Firm could be locked out for a period. The building does have a diesel backup generator in case of a power outage. The generator only provides power to selected outlets in the office. If the Firm's building lost power, the Firm

does not lose the ability to keep the doors locked and the security camera system continues to run on battery backup for 12 hours.

Cyber Threats

The Firm does possess client data in the form of social security numbers which are in electronic form and in certain Firm Systems. The Firm does not directly receive or store credit card information for clients or Supervised Persons. Payments that are made via credit card are transacted through a third-party electronic billing system and the client enters their credit card information. The Firm does not have access to credit card information.

The Firm has Webroot monitoring on each computer system tied to the Firm's network. The Firm's latest firewall upgrade includes a service that circumvents threats, such as ransomware, from occurring on the Firm's network.

Natural Disasters

The Firm's common natural disasters include the following:

1. Snowstorm - Very common in the state and expected each winter.
2. Lightening - Common in the state and power outages and computer failures have occurred for various reasons over the Firm's history.
3. Flood - Common in the state, however the building has never been impacted.
4. Tornado - Common in the state, however the building has never been impacted.
5. Earthquake - Not common but possible.

Probable Events and Severity Levels

Below are the likely events that could cause anything from short-term down drafts to a longer-term stoppage of the Firm's business and the severity level for each one (1-highest severity to 6-lowest severity):

Event	**Severity Level**
1. Terrorism	1
2. Food/water outage and/or contamination	1
3. Kidnapping	1
4. Anarchy – government overthrow	1
5. Water damage due to roof leaks, HVAC, fire extinguishment or plumbing issues	2
6. Fire	2
7. Disease outbreak	2
8. On-site shooting, mass homicide	2
9. Key employee death(s)	2
10. Theft (physical non-cyber)	3
11. Electrical grid outage – area blackout	3
12. Financial systems (Wall Street, central trading areas) outage	3
13. Key employee disabilities	3
14. Key supplier interruption or termination	3

Event	Severity Level
15. Sudden, no access to primary office location	3
16. Telecommunications outage	4
17. Key client interruption or termination	4
18. Major regulatory changes	4
19. Legal issues such as lawsuits, complaints, regulatory sanctions	5
20. Mass employee exodus	6
21. Custodians and/or key vendors cut off access	6

BIA Report

The Firm has identified the mission critical tasks for the people, processes, and systems to run the Firm's business. The Firm has organized the most crucial tasks and further prioritized them in the order of most critical and timely Mission Critical ("**MC**") code of 3 to mid-level code of 2 to the least critical and timely code of 1.

The Firm established the following durations in terms of the maximum time the Firm could maintain an adequate level of service before some level of damage could start to occur:

MC Code	Maximum Time Offline
3	up to 2 weeks
2	up to 30 days
1	up to 90 days

Mission Critical Relationships and Systems

The Firm has two sides to its business platform: 1) Wealth management for individual accounts and 2) Retirement plans. The diagrams illustrate what the Firm's internal and external resources use to guide through various levels of operation and recovery that could occur.

Wealth Management Platform

Primarily consists of the following:

1. Qualified custodial systems.
2. Marketing systems.
3. Compliance systems.
4. IT support and websites.
5. CRM systems.
6. Billing systems.
7. Reporting systems.
8. Accounting systems.
9. Risk and investment performance related systems.

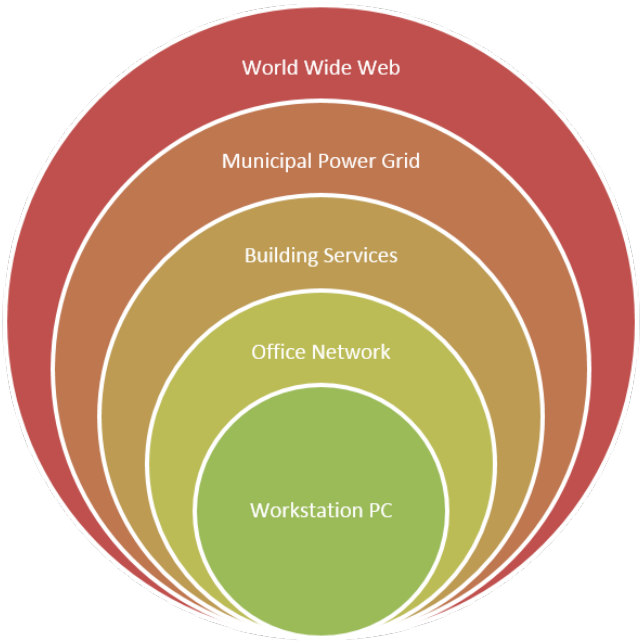
Retirement Plans Platform

Primarily consists of the following:

1. Recordkeeping systems.
2. Investment monitoring systems.
3. IT support and websites.
4. Billing systems.

From a macro level, basic service (power and communications) standpoint, the Firm has plans in place to deal with various levels of outages. The plans assume layers of services, some of which are outside the realm of possibility and likewise outside the realm of the Firm's ability to do anything about them.

In the diagram (below) the World Wide Web and Municipal Power Grid rings are both less likely to happen and less likely to have long term sustainable backup plans in place to remedy them. The Building Services ring is minimized by the Firm's diesel generator that is on-site at its primary office, which can provide power for as long as the generator can run.



For backup planning purposes, the Firm has procedures in place to deal with outages in the Office Network and Workstation PC rings. These rings are not only impacted by power and utilities, but the Firm also has protection in place for:

1. Viruses
2. Spam
3. Ransomware
4. Bots (sitting on server well in advance of breach)
5. Spyware

Tasks with highest Mission Critical (MC) code of 3:

1. Trades.

2. Money movement.
3. Investment Committee.

Tasks with medium Mission Critical score of 2:

1. Client onboarding.
2. Accounts payable.
3. Wealthbox and Docupace for workflow management.
4. Microsoft365 for communications.
5. Quarterly performance reporting.
6. The Firm's websites.

Tasks with lowest Mission Critical score of 1:

1. Riskalyze analysis and proposal generation.
2. E-Valuator portfolio management.
3. E-Valuator analysis and proposal generation.
4. Orion systems operations.
5. Advisor onboarding.
6. Advisor training and setup.
7. Board meetings.
8. Company meetings.
9. Web based tools – Mailchimp, WIX, Wystia, Zoom, and CMS system.
10. Compliance – key recurring processes:
    a. Email monitoring.
    b. Social media monitoring.
    c. Wed site monitoring.
    d. Marketing reviews.
    e. Advisor office examinations.

28. PAY TO PLAY POLICY

Statement of Policy

The Firm, as a matter of policy and practice, and consistent with industry best practices, Advisers Act and the SEC requirements (Rule 206 (4) – 5 or "The Rule," under the Advisers Act), has adopted the following procedures which are designed to prevent violations of the Rule. These procedures cover all Supervised Persons.

Definitions

For the Firm's compliance with Rule 206 (4) -5, the following definitions shall apply:

1. "**Contribution**" means a gift, subscription, loan, advance, deposit of money, or anything of value made for the purpose of influencing an election for a federal, state, or local office, including any payments for debts incurred in such an election. It also includes transition or inaugural expenses incurred by a successful candidate for state or local office.
2. "**Covered Associates**" means:
    a. Supervised Persons, general partners, managing members, executive officers, or other individual with a similar status or function.
    b. Supervised Persons who solicit a government entity (even if not primarily engaged in solicitation activities).
    c. A political action committee controlled by a Supervised Person or the Firm.
3. "**Covered Investment Pool**" means (i) any investment company registered under the Investment Company Act of 1940 that is an investment option of a plan or program of a government entity; or (ii) any company that would be an investment company under section 3(a) of the Act but for the exclusion provided from that definition by section 3(c) (1), section3 (c)(7) or section 3(c)(11) of that Act.
4. "**De Minimis**" means any aggregate contributions of up to $350, per election, to an elected official or candidate for whom the individual is entitled to vote, and up to $150, per election, to an elected official or candidate for whom the individual is not entitled to vote. De Minimis exceptions are available only for contributions by Supervised Persons and not the business itself. Under both exceptions, primary and general elections are considered separate elections.
5. "**Entitled to vote for an official**" means the Supervised Person's principal residence is in the locality in which the official seeks election.
6. "**Government entity**" means any U.S. state or political subdivision of a U.S. State, including any agency, authority, or instrumentality of the State or political subdivision, a plan, program, or pool of assets sponsored or established by the State or political subdivision or any agency, authority or instrumentality thereof; and officers, agents, or employees of the State or political subdivision or any agency, authority, or instrumentality thereof, acting in their official capacity. As such, government entities include all state and local governments, their agencies and instrumentalities, and all public pension plans and other collective government funds, including participant-directed plans such as 403 (b), 457 and 529 plans.

7. An "**official**" means an incumbent, candidate, or successful candidate for elective office of a government entity if the office is directly or indirectly responsible for, or can influence the outcome of, the hiring of a Supervised Person or has the authority to appoint any person who is directly or indirectly responsible for or can influence the outcome of the hiring.
8. "**Political contribution**" means any gift, subscription, loan advance, deposit of money, or anything of value made for the purpose of influencing an election for a federal, state, or local office, including any payments for debts incurred in such an election.
9. "**Solicit**" means, with respect to advisory services, to communicate, directly or indirectly, for the purpose of obtaining or retaining a client for, or referring a client to, a Supervised Person.

Regulatory Requirement

In July 2010, the SEC adopted Rule 206(4)-5 which was designed to prevent "pay-to-play" abuses in the industry. The rule applies to any SEC-registered IAR. Rule 206 (4)-5 makes it unlawful for a Supervised Person to:

1. Receive compensation for providing advisory services to a government entity for a 2-year period after they make a political contribution of more than de Minimis amounts to a public official of a government entity or candidate for such office that is able to influence the award of advisory business.
2. Pay third parties to solicit government entities for advisory business unless such third parties are registered broker dealers or registered investment advisors (which subject such solicitors to pay-to-play restrictions themselves under SEC rules or FINRA rules).
3. Solicit or coordinate (i) contribution to an official of a government entity to which they are seeking to provide advisory services; or (ii) payments to a political party of a state locality where they are providing or seeking to provide advisory services to a government entity.
4. Do anything indirectly which, if done directly, would result in a violation of the Rule.

Each of the above prohibitions extends to a Supervised Person that manages assets of a government entity through a Covered Investment Pool.

The Rule also contains a look-back provision which attributes to contributions made by a Supervised Person within two years (or 6 months if the person does not solicit business) of becoming a Supervised Person. That is, when a person becomes a Supervised Person, they must "look back" in time to their contributions to determine whether the time out applies. Therefore, if a contribution greater than de Minimis was made less than two years (or six months) from the time the person becomes a Supervised Person, the rule prohibits the contributing Supervised Person from receiving compensation for providing advisory services from the hiring or promotion date until two-year period has run.

Finally, the Rule provides an exception that provides Supervised Persons with limited ability to ensure the consequences of making an inadvertent political contribution to an official for whom they are not entitled to vote (i.e. under the Rule, limited to a $150 contribution per election). The exception is available for contributions that, in the aggregate, do not exceed $350 to any one official, per election. The Supervised Person must have discovered the contribution which resulted in the prohibition within four months of the date of such and, within 60 days after learning of the triggering contribution, the contributor must obtain the return of the contribution. However, the Supervised Person is limited to relying on this exception to three such events per 12-month period if it has more than 50 employees who perform advisory functions (as reported on Item 5A of Form ADV Part I), and two such events per 12-month period if it has less than 50 employees who perform advisory functions.

Corresponding amendments to Rule 204-2 regarding book and record-keeping requirements also require every SEC-registered Supervised Person to maintain (in addition to other 204-2 requirements) the following:

1. The names, titles, and business and residence addresses of all employees.
2. All government entities to which they provide or have provided advisory services, or which are or were investors in any Covered Investment Pool to which they provide or have provided advisory services, as applicable, in the past five years.
3. All direct or indirect contributions made to an official of a government entity, or payments to a political party of a state or political subdivision thereof, or to a political action committee; and
4. The name and business address of each regulated person to whom they provide or agrees to provide, directly or indirectly, payment to solicit a government entity for advisory services on its behalf.

A Supervised Person's records of contributions and payments are required to (1) be listed in chronological order, (2) identify each contributor and recipient, (3) identify the amounts and dates of each contribution or payment, and (4) identify whether such contribution or payment was subject to the exception for certain returned contribution.

Procedures

Supervised Persons are required to maintain compliance with the Rule and the following procedures apply:

1. Are required to approve any political contributions with Compliance prior to making such a contribution.
2. New Supervised Person's, within 5 business days of employment, are required to provide Compliance with a list indicating to whom they have made any political contributions in the 2 years (either directly or via a political action committee which the employee controls) preceding the date of employment with the Firm.
3. Supervised Persons are responsible for monitoring all political contributions made.
4. Compliance must be aware of any potential solicitation agreements (i.e. prior to signing of the agreement) with third parties to ensure that such meet Rule registration requirement.

5. Compliance is responsible for providing adequate training to Supervised Persons with respect to all Rule requirements.
6. Compliance is responsible for ensuring that all books and records requirements pursuant to Rule 204-2 with respect to political contributions are met and maintained.

29. DOCUMENT DESTRUCTION POLICY

Introduction

The Firm is required to create and retain several documents and records ("**records**") under various legal, regulatory, contractual, and general business obligations. The Advisers Act requires all Supervised Persons to adhere to extensive recordkeeping requirements. In addition to creating and maintaining records, it is important for Supervised Persons to destroy records periodically when they are no longer necessary. In some cases, such destruction can be legally or contractually required. The policy below outlines policies concerning document destruction.

Administration & Supervision of Records Retention and Destruction

The CCO oversees the administration of the document destruction policies and the implementation of the processes and procedures to ensure that records are maintained for the appropriate period and the appropriate processes and procedures are followed for the destruction of records.

Suspension of Record Disposal in Event of Litigation or Claims or Regulatory Inquiry

Certain circumstances require the destruction of documents be suspended with respect to a group or class of documents. In the event a Supervised Person is served with any subpoena or request for documents, or they become aware of a governmental investigation, audit, or the commencement of any litigation, the Supervised Person is required to inform Compliance immediately and any further disposal of documents shall be suspended until the CCO, with the advice of legal counsel, determines otherwise.

Federal law makes it a crime, punishable by imprisonment and monetary fines, for anyone who knowingly alters, destroys, mutilates, conceals, covers up, falsifies, or makes a false entry in any record or document with the intent of impeding, obstructing, or influencing an investigation or administrative proceeding within the jurisdiction of any department or agency of the United States. The destruction of documents while an investigation or litigation is ongoing or anticipated can also constitute obstruction of justice or lead to monetary sanctions or other penalties. Liability for such conduct depends upon the facts and circumstances but it is best to err on the side of caution and to cease the deletion, destruction, or alteration of any records when an investigation or litigation is anticipated or ongoing.

If a Supervised Person is in doubt as to whether a record pertains to the subject matter of an investigation, litigation, proceeding or foreseeable claim they should not destroy the record unless they receive authorization to do so from Compliance.

Policy Statement

The Firm's policy is to effectuate an orderly, efficient, and documented destruction of specified records. Certain records are maintained for specified periods of time, as required by applicable laws, regulations, or contractual obligations. A duty to maintain the record can also exist if it is reasonably foreseeable that such record can be used as evidence in a trial.

During these periods of time, the Supervised Person and the Firm have a legal obligation to preserve the property.

The Supervised Person's and the Firm's documents are managed in accordance with the Document Management Process and documents are destroyed only in accordance with this process.

Purpose of Policy

The Firm is committed to the effective management of records in accordance with legal and contractual requirements, the optimal use of its space and resources, and the elimination and destruction of outdated and unnecessary records. Consistent with those commitments, the purpose of this Document Management Process is to mandate appropriate policies or memorandum of documents to destroy and inform all Supervised Persons the document destruction policies and procedures.

No policy can, however, adequately cover every document management issue or situation. It is possible that documents are not covered by any stated policy. Any questions concerning document creation, retention or destruction that is not answered in this document should be referred to Compliance. The Firm's record retention and destruction policies are always subject to review, update, and change.

Procedure for Destruction of Records

The Firm has created a formal Document Management Process that is used when documents are to be destroyed and the timeline is detailed as follows:

1. **Destruction of "Hard" Copies**
   Destruction of applicable "hard" copies (i.e., documents not maintained in electronic form) can be accomplished using a third-party specializing in shredding and record destruction services. Documents must be shredded rather than placed in a rubbish bin. A record is not considered "destroyed" until it is physically destroyed.
2. **Retirement and Destruction of Computer Hardware**
   Computer hardware and devices being replaced or retired as an asset are reviewed by the appropriate IT resource for any further practical deployment. Computers, including, but not limited to, CPUs and laptops, designated for donation or recycling, and containing Firm information on hard disk drives, are first to have the hard disk drives removed from the computers and be physically destroyed in a manner not permitting the drives to ever be powered on, or data platters within from having stored data accessed. In the event a hard drive is not able to be removed from a device, steps must be taken to permanently erase, reset, or destroy the information contained on the device so that the data cannot be accessed. This policy shall apply to all devices capable of storing information including, but not limited to, External USB Hard Drives, solid state "Flash Drives" or "Thumb Drives," tablets such as iPads, smart telephones, or similar devices. Computers and devices now without internal Hard Disk Drives, or having been appropriately erased or reset, can be recycled, or donated at the Supervised Person's discretion.

30. CHARITABLE GIVING POLICY

Introduction

The Firm sets forth policies and procedures to be followed by Supervised Persons with respect to charitable giving. All Supervised Persons of the Firm are subject to this policy.

Policy

Supervised Persons can make charitable contributions on their own behalf as an individual but are prohibited from associating their business or the Firm's name with such contributions or payments. Supervised Persons are required to follow these general principles when making donations to charities sponsored by clients.

Charitable contributions must be pre-approved by Compliance if:

1. Solicited or directed by clients or prospective clients.
2. Made on behalf of clients or prospective clients.
3. Made for the purpose of influencing the award or continuation of a business relationship with a client or prospective client.

All charitable contributions that are not clients can be contributed and do not require pre-approval from Compliance unless the total contribution is more than $5,000 USD. All charitable contributions greater than $5,000 USD must be pre-approved by Compliance.

Any questions as to the appropriateness of charitable contributions should be discussed with Compliance.

31. OVERSIGHT OF SERVICE PROVIDERS

Introduction

The Firm contracts with outside vendors to perform certain functions for the Firm. The Firm never contracts its supervisory and compliance activities away from its direct control, it does outsource certain activities that support the performance of its supervisory and compliance responsibilities. Such activities include Qualified Custodians, sub-advisors, email monitoring and retention, text monitoring, social media monitoring, accounting, finance, legal, compliance support, information technology, disaster recovery services, marketing, and cybersecurity.

The CCO oversees the Firm's service providers that impact the operations or that could pose a risk to the Firm's operations or its clients ("**service provider**"). The CCO is familiar with each service provider's operations and understand the aspects of their operations that expose the Firm to compliance risks. The Firm follows the policies and procedures established by the service provider after the Firm confirms they are in line with their operations.

Service Provider Evaluation

The Firm evaluates the service provider's ability to fulfill the services needed. Each service provider agreement outlines the scope of the provider's responsibilities. The service provider's written agreement is maintained by the CCO in accordance with the Firm's Document Management Process. Agreements properly reflect protection of any confidential information, including, but not limited to, that of the Firm, as well as nonpublic client information. Agreements must be maintained, must be current, and must be available for review by regulators, when requested. If the agreement does not contain a confidentiality agreement, the Firm obtains a separate agreement to be maintained in the file with the vendor contract and in accordance with the Firm's document retention policy.

When conducting due diligence on a service provider for the first time, the CCO reviews and considers the following information, as applicable:

1. The service provider's history and reputation in the industry, including the experiences of similar entities serviced by this provider and the provider's history of client retention.
2. The service provider's financial condition and ability to devote resources to the Firm.
3. Recent corporate transactions (such as mergers and acquisitions) that involve the service provider.
4. The level of service that is provided.
5. The nature and quality of the services to be provided.
6. The extent to which, if at all, the service provider adopts and abides by Global Investment Performance Standards ("**GIPS**").
7. The experience and quality of the staff providing services and the stability of the workforce.

8. The service provider's operational resiliency, including its disaster recovery and business continuity plans.
9. The technology and process it uses to maintain information security, including the privacy of client data and its cybersecurity policies and procedures.
10. The service provider's communications technology.
11. The service provider's literature and advertising.
12. The service provider's insurance coverage.
13. The reasonableness of fees in relation to the nature and extent of the services to be provided.

Service Provider Monitoring

The CCO shall be responsible for monitoring all service providers on an annual basis to ensure compliance with the terms and conditions of the agreement. The CCO sends out a due diligence questionnaire to each service provider and assess the responses.

Where potential conflicts of interest exist, the CCO must evaluate the extent to which such potential conflicts are mitigated.

When evaluating an arrangement with an affiliated service provider that in turn subcontracts to an unaffiliated service provider, the CCO shall inquire about the respective roles of the two entities and whether management or the affiliated service provider receives any benefit, directly or indirectly, other than the fees payable under the contract. The CCO evaluates the fees paid to the affiliated service provider and any unaffiliated service provider, relative to the services each performs.

APPENDIX A – DEFINITIONS

Access Person

An Access Person is an Employee who has access to non-public information regarding trading who is involved in making Securities recommendations to clients, or who has access to non-public Securities recommendations. All persons performing advisory functions on behalf of the Firm and those who have access to client transactions or recommendations are considered Access Persons.

Accredited Investor

1. Any natural person who had individual income more than $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; spousal equivalents may pool their finances for the purpose of qualifying as accredited investors.
2. Any natural person whose individual net worth, or joint net worth with that person's spouse, exceeds $1 million (excluding the value of primary residence).
3. Directors, executive officers, and general partners of the issuer or of the general partner of the issuer.
4. With respect to investments in a private fund, natural persons who are "knowledgeable employees" of the fund.
5. Natural persons with certain professional certifications, designations or credentials or other credentials issued by an accredited educational institution; holders in good standing of the Series 7, Series 65, and Series 82 licenses as qualifying natural persons.
6. Limited liability companies with $5 million in assets may be accredited investors and add SEC- and state-registered investment advisors, exempt reporting advisors, and rural business investment companies (**RBIC**s) to the list of entities that may qualify.
7. Any entity, including Indian tribes, governmental bodies, funds, and entities organized under the laws of foreign countries, that own "investments," as defined in Rule 2a51-1(b) under the Investment Company Act, more than $5 million and that was not formed for the specific purpose of investing in the securities offered.
8. "Family offices" with at least $5 million in assets under management and their "family clients," as each term is defined under the Investment Advisers Act.

Advisers Act

The Investment Advisers Act of 1940.

Affiliate Account

Means, as to any Access Person, an Account:

(i) Of any Family Member of the Access Person.

(ii) For which the Access Person acts as a custodian, trustee, or another fiduciary.

(iii) Of any corporation, partnership, joint venture, trust, company, or other entity which is neither subject to the reporting requirements of section 13 or 15(d) of the 1934 Act nor registered under the Investment Company Act of 1940 (the "Company Act") and

in which the Access Person or a Family Member has a direct or indirect Beneficial Ownership.

(iv) Of any Access Person of the Firm.

Client

The person or entity to whom Firm provides investment advisory services.

Employee

Firm's officers, directors, partners, members, employees, or any other person who provides investment advice on the Company's behalf and is subject to the Company's supervision or control. SEC definition includes independent contractors.

"Family Member" of an Access Person

1. That person's spouse or minor child who resides in the same household.
2. Any adult related by blood, marriage, or adoption to the Access Person (a "relative") who shares the Access Person's household.
3. Any relative dependent on the Access Person for financial support.
4. Any other relationship (whether recognized by law) which the Chief Compliance Officer determines could lead to the possible conflicts of interest or appearances of impropriety this Code of Ethics is intended to prevent.

Federal Securities Laws

The Federal Securities Laws include the Securities Act, the Exchange Act, the Sarbanes-Oxley Act of 2002, the IC Act, the Advisers Act, Title V of the Gramm-Leach-Bliley Act, any rules adopted by the SEC under any of these statutes, the Bank Secrecy Act as it applies to investment companies and investment advisors, and any rules adopted thereunder by the SEC or the Department of the Treasury.

Front-Running

Trading a favored account ahead of other accounts.

High Net Worth Individual

A natural person with $1,000,000 in investable assets or $2,000,000 million in net worth.

Household

Combining account(s) or asset(s) of "family members" for the purposes of mailing or calculating assets under management. "Family Member" is defined as a person's spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and anyone (other than domestic employees) who shares the person's home.

Material Non-Public Information

Information that (i) has not been made generally available to the public, and that (ii) a reasonable investor would likely consider important in making an investment decision.

Qualified Client or Qualified Purchaser

1. A natural person who, or a company that, immediately after entering into the contract has at least $1,000,000 under the management of the Supervised Person.
2. A natural person who, or a company that, the Supervised Person entering into the contract (and any person acting on their behalf) reasonably believes, immediately prior to entering into the contract, either:
    a. Has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than $2,000,000. For purposes of calculating a natural person's net worth:
        i. The person's primary residence must not be included as an asset;
        ii. Indebtedness secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time the investment advisory contract is entered into may not be included as a liability (except that if the amount of such indebtedness outstanding at the time of calculation exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess must be included as a liability); and
        iii. Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the residence must be included as a liability; or
3. Is a qualified purchaser as defined in section 2(a)(51)(A) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(51)(A)) at the time the contract is entered into; or
4. A natural person who immediately prior to entering into the contract is:
    a. An executive officer, director, trustee, general partner, or person serving in a similar capacity, of the Supervised Person; or
    b. An employee of the Supervised person (other than an employee performing solely clerical, secretarial or administrative functions with regard to the Supervised Person) who, in connection with their regular functions or duties, participates in the investment activities of such Supervised Person, provided that such employee has been performing such functions and duties for or on behalf of the Supervised Person, or substantially similar functions or duties for or on behalf of another company for at least 12 months.

Qualified Custodian

Financial institutions that clients and Supervised Persons customarily turn to for custodial services. These include banks and savings associations and registered broker-dealers.

Qualified Institutional Buyer

1. A company that manages a minimum investment of $100 million in securities on a discretionary basis or is a registered broker-dealer with at least a $10 million investment in non-affiliated securities. The range of entities deemed qualified institutional buyers (**QIB**'s) include savings and loans associations (which must have a net worth of $25 million), banks, investment and insurance companies, employee benefit plans and entities completely owned by accredited investors.

2. Limited Liability companies and RBICs if they meet the $100 million in securities owned and invested threshold in the definition.

Regulatory Assets Under Management

The SEC staff defines AUM for the purposes of Item 5.F on the Form ADV Part 1 as securities portfolios for which the Firm provides continuous and regular supervisory or management services. The SEC staff further expands on what constitutes a securities portfolio as well as regular supervisory or management services.

The SEC's definition of securities portfolios:

- Cash and cash equivalents are considered securities.
- At least 50% of the total value of the account must consist of securities for the account to be considered a securities portfolio.
- Family accounts, accounts for which the Firm receives no compensation, accounts for non-US persons, and all assets within in a private fund, including any uncalled mandatory commitments, must all be counted as securities.

The SEC's definition of continuous and regular supervisory or management services:

- Firm has discretion over an account and provides ongoing supervisory or management services with respect to the account.
- Firm does not have discretion over an account but has an ongoing duty to select or make recommendations based upon the needs of the client and if the client accepts the Firm's investment recommendation, the Firm is responsible for arranging or effecting the purchase or sale.

Reportable Security

A Security as defined in the Code of Ethics, but does not include:

- Direct obligations of the Government of the United States.
- Money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high-quality short-term debt instruments, including repurchase agreements.
- Shares issued by money market funds.
- Shares issued by other mutual funds.
- Shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Restricted Security

Any Security on the Firm's Restricted Security List. In general, this list will include securities of public companies which are clients of the Firm, or whose senior management are clients of the Firm.

Retail Client

Retail client is defined as a "natural person, or the legal representative of such natural person, who: (i) receives a recommendation of any securities transaction or investment

strategy involving securities from a broker, dealer, or a natural person who is an associated person of a broker or dealer; and (ii) uses the recommendation primarily for personal, family, or household purposes." The definition of "retail client" does not exclude high-net worth natural persons and natural persons that are accredited investors.

Security

The SEC defines the term "Security" broadly to include stocks, bonds, certificates of deposit, options, interests in Private Placements, futures contracts on other Securities, participations in profit-sharing agreements, and interests in oil, gas, or other mineral royalties or leases, among other things. "Security" is also defined to include any instrument commonly known as a Security.

APPENDIX B – INSIDER TRADING

STATEMENT OF POLICIES AND PROCEDURES WITH RESPECT TO THE FLOW AND USE OF MATERIAL NONPUBLIC (INSIDE) INFORMATION

This is a Statement of Policies and Procedures with Respect to the Flow and Use of Material Nonpublic (Inside) Information (the "**Statement**") of the Firm.

A reputation for integrity and high ethical standards in the conduct of the affairs of the Firm is of paramount importance. To preserve this reputation, it is essential that all transactions in securities be affected in conformity with applicable securities laws.

This Statement has been adopted in response to the requirements of the Insider Trading and Securities Fraud Enforcement Act of 1988 (the "**Act**"). The Act was designed to enhance the enforcement of the securities laws, particularly around insider trading, by (i) imposing severe penalties on persons who violate the laws by trading on material, nonpublic information and (ii) requiring Supervised Persons to establish, maintain, and enforce written policies and procedures reasonably designed to prevent the misuse of inside information. All Supervised Persons of the Firm are required to comply with this Statement.

The purpose of this Statement is to explain: (1) the general legal prohibitions regarding insider trading; (2) the meaning of the key concepts underlying the prohibition; (3) the sanctions for insider trading and expanded liability for controlling persons; and (4) the Firm's educational program regarding insider trading.

The Basic Insider Trading Prohibition

The Act does not define insider trading. However, in general, the "**insider trading**" doctrine under U.S. federal securities laws prohibits any Supervised Person from knowingly or recklessly breaching a duty owed by:

1. Trading while in possession of material, nonpublic information.
2. Communicating ("**tipping**") such information to others.
3. Recommending the purchase or sale of securities based on such information.
4. Providing substantial assistance to someone who is engaged in any of the aforementioned activities.

In addition, rules of the U.S. Securities and Exchange Commission ("**SEC**") prohibit a Supervised Person from trading while in possession of material, nonpublic information relating to a tender offer, whether or not trading involves a breach of duty, except for a company acting in compliance with "Chinese Wall" (which is a virtual information barrier erected between those who have material, non-public information and those who don't, to prevent conflicts of interest), procedures.

Possession Versus Use of Inside Information (Meaning of "on the basis of")

Until recently, an unsettled issue under U.S. insider trading laws was whether an alleged violator must have "used" material nonpublic information or whether mere "possession" is enough. To clarify this issue, the SEC adopted Rule 10b5-1 under the Securities Exchange Act of 1934, which states that "a purchase or sale of a security of an issuer is "on the basis of" material nonpublic information about that security or issuer if the Supervised Person making the purchase or sale was aware of the material nonpublic information when they made the purchase or sale." In other words, if a Supervised Person trades with respect to a security or issuer while they have knowing possession of material and nonpublic information about the security or issuer, they have traded "on the basis of" that information (in possible violation of insider trading laws) even if they did not actually use the information in making the trade.

Basic Concepts

As noted, the Act did not specifically define insider trading. However, federal law prohibits knowingly or recklessly purchasing or selling directly or indirectly a security while in possession of material, nonpublic information or communicating ("tipping") such information in connection with a purchase or sale. Under current case law, the SEC must establish that the Supervised Person misusing the information has breached either a fiduciary duty to company shareholders or some other duty not to misappropriate insider information.

Thus, the key aspects of insider trading are: (A) materiality, (B) nonpublic information, (C) knowing or reckless action and (D) breach of fiduciary duty or misappropriation. Each aspect is briefly discussed below.

1. **Materiality.** Insider trading restrictions arise only when information that is used for trading, recommending, or tipping is "material." Information is considered "material" if there is a substantial likelihood that a reasonable investor would consider it important in making their investment decisions, or if it could reasonably be expected to affect the price of a company's securities. It need not be so important that it would have changed the investor's decision to buy or sell. On the other hand, not every piece of information about a security is material.
2. **Nonpublic Information.** Information is considered public if it has been disseminated in a manner making it available to investors generally (e.g., national business and financial news wire services, such as Dow Jones and Reuters; national news services, such as The Associated Press, The New York Times or The Wall Street Journal; broad tapes; SEC reports; analysts' reports that have been disseminated to the Firm's clients). Just as an investor is permitted to trade based on nonpublic information that is not material, they can also trade based on information that is public. However, as an example, information given by a company director to an acquaintance of an impending takeover prior to that information being made public would be considered both "material" and "nonpublic." Trading by either the director or the acquaintance prior to the information being made public would violate the federal securities laws.

3. **Knowing.** Under the federal securities laws, a violation of the insider trading limitations requires that the individual act (i) with scienter (which is with knowledge that their conduct can violate these limitations), or (ii) in a reckless manner. Recklessness involves acting in a manner that ignores circumstances that a reasonable person would conclude would result in a violation of insider trading limitations.
4. **Fiduciary Duty.** The general tenor of recent court decisions is that insider trading does not violate the federal securities laws if the trading, recommending, or tipping of the insider information does not result in a breach of duty. Over the last decade, the SEC has brought cases against accountants, lawyers, and stockbrokers because of their participation in a breach of an insider's fiduciary duty to the corporation and its shareholders. The SEC has also brought cases against non-corporate employees who misappropriated information about a corporation and thereby allegedly violated their duties to their employers. The situations in which a person can trade on the basis of material, nonpublic information without raising a question whether a duty has been breached are so rare, complex and uncertain that the only prudent course is not to trade, tip, or recommend while in possession of or based on inside information. In addition, trading by an individual while in possession of material, nonpublic information relating to a tender offer is illegal irrespective of whether such conduct breaches a fiduciary duty of such individual. Set forth below are several situations where courts have held that such trading involves a breach of fiduciary duty or is otherwise illegal.

Corporate Insider. In the context of interviews or other contact with corporate management, the Supreme Court held that an investment analyst who obtained material, nonpublic information about a corporation from a corporate insider does not violate insider trading restrictions in the use of such information unless the insider disclosed the information for "personal gain." However, personal gain can be defined broadly to include not only a pecuniary benefit, but also a reputational benefit or a gift. Moreover, selective disclosure of material, nonpublic information to an analyst might be viewed as a gift.

Tipping Information. The Act includes a technical amendment clarifying that tippers can be sued as primary violators of insider trading prohibitions, and not merely as aiders and abettors of a tipper's violation. In enacting this amendment, Congress intended to make clear that tippers cannot avoid liability by misleading their tippers about whether the information conveyed was nonpublic or whether their disclosure breached a duty. However, Congress recognized the crucial role of securities analysts in the smooth functioning of the markets and emphasized that the new direct liability of tippers was not intended to inhibit "honest communications between corporate officials and securities analysts."

Corporate Outsider. Additionally, liability could be established when trading occurs based on material, nonpublic information that was stolen or misappropriated from any other person, whether a corporate insider or not. An example of an area where trading on information can give rise to liability, even though from outside the company whose securities

are traded, is material, nonpublic information secured from an attorney or investment banker employed by the company.

Tender Offers. The SEC has adopted a rule specifically prohibiting trading while in possession of material information about a prospective tender offer before it is publicly announced. This rule also prohibits trading while in possession of material information during a tender offer which a person knows or has reason to know is not yet public. Under the rule, there is no need for the SEC to prove a breach of duty. Furthermore, in the SEC's view, there is no need to prove that the nonpublic, material information was actively used in connection with trading before or during a tender offer. However, this rule has an exception that allows trading by one part of a securities firm where another part of that firm has material, nonpublic information about a tender offer if certain strict Chinese Wall procedures are followed.

Sanctions and Liabilities

Sanctions

Insider trading violations can result in severe sanctions being imposed on Supervised Persons and on the Firm. These could involve SEC administrative sanctions, such as being barred from employment in the securities industry, SEC suits for disgorgement and civil penalties of, in the aggregate, up to three times profits gained or losses avoided by the trading, private damage suits brought by persons who traded in the market at about the same time as the person who traded on inside information, and criminal prosecution which could result in substantial fines and jail sentences. Even in the absence of legal action, violation of insider trading prohibitions or failure to comply with this Statement or the Code of Ethics can result in termination of employment and referral to the appropriate authorities.

Controlling Persons

The Act increases the liability of "controlling persons" defined to include both an employer and any person with the power to influence or control the activities of another. For example, any individual that is a manager or director or officer exercising policy making responsibility is presumed to be a controlling person. Thus, a controlling person can be liable for another's actions as well as his or her own.

A controlling person of an insider trader or tipper can be liable if such person failed to take appropriate steps once such person knew of or recklessly disregarded the fact that the controlled person was likely to engage in a violation of the insider trading limitations. The Act does not define the terms, but "reckless" is discussed in the legislative history as a "heedless indifference as to whether circumstances suggesting employee violations actually exist."

A controlling person of an insider trader or tipper can also be liable if such person failed to adopt and implement measures reasonably designed to prevent insider trading. This Statement and the Code of Ethics are designed for this purpose, among others.

Restrictions and Required Conduct to Prevent Insider Trading

To prevent even inadvertent violations of the ban on insider trading, or even the appearance of impropriety regarding other forms of personal trading, Supervised Persons are required to follow the standards of conduct below:

1. All information about the clients and about securities in which the clients invest, including but not limited to the value of accounts; securities bought, sold, or held; current or proposed business plans; acquisition targets; confidential financial reports or projections; borrowings, etc., must be held in strictest confidence.
2. When obtaining material information about an issuer or portfolio from insiders, the Firm determines whether the information learned has already been disseminated through public channels. In discussions with securities analysts, it is appropriate to determine whether the information the analyst provides has been publicly disseminated.
3. If a Supervised Person suspects that they have learned material, non-public information about an issuer, they must take the following steps:
    a. Report the information and any proposed trade in that security to Compliance.
    b. Do not buy or sell the securities for your own account or for the account of anyone else, including a client.
    c. After reviewing the issue, Compliance decides as to whether the information is "inside" information. If it is, Compliance informs all Supervised Persons, and no one at the Firm can trade based on such information until Compliance determines that the information has been made public. At that time, Compliance notifies all Supervised Persons in writing that the ban on trading based on such information has been lifted.
4. At all times, decisions regarding investments for clients are made independently of decision concerning the accounts of Supervised Persons. Under no circumstances can action be taken for client accounts to benefit a Supervised Person's account or those of the Supervised Person's Family/Household.
5. Supervised Persons are prohibited from recommending any securities transaction for a client without having disclosed their interest, if any, in such securities or the issuer of the securities, including without limitation: (1) their direct or indirect beneficial ownership of any securities of such issuer; (2) whether they contemplate a transaction in such securities; (3) if they have any position with such issuer or its affiliates; and (4) if they have any present or proposed business relationship between such issuer or its affiliates or any party in which has a significant interest.

APPENDIX C – DOCUMENT MANAGEMENT PROCESS FOR THE BUSINESS

Purpose

The purpose of this policy is to assist Supervised Persons in managing all documents produced in the operation of the Firm. This Policy excludes any client documents already covered in this Compliance Manual. The Firm provides a clear and comprehensive understanding of which documents contain confidential information and how to manage, store, and securely destroy them. In addition, the Firm provides clear guidance as to which documents are legislated to be retained for requisite periods of time and the procedures governing their maintenance. The Firm requires Supervised Persons to:

1. Retain important documents for reference and future use.
2. Dispose of documents that are no longer necessary through secure destruction and recycling containers.
3. Organize important documents for efficient retrieval.
4. Know what documents should be retained, the length of their retention, means of storage, and when and how they should be destroyed.
5. Comply with laws regarding the retention of records and data.
6. Ensure information is available for legal investigations or actions as required.

Implementation of, and compliance with the policy is essential to its effectiveness. Incomplete or selective implementation exposes Supervised Persons to legal risks and termination. Should any questions, comments, or suggestions arise regarding this policy, contact Compliance.

Scope

This policy applies to all printed and electronic documents, confidential information, and general Firm information (as defined below and excluding client documents already covered in this Compliance Manual) belonging to the Supervised Person or to which the Supervised Person is a party or signatory.

Responsibilities

Compliance is responsible for ensuring that this policy is followed. All Supervised Persons are responsible for complying with this policy.

Definitions

1. **Documents and Records (used interchangeably)**. Refers to all Firm records including written, printed, as well as electronic records (i.e., e-mails and documents saved electronically). Documents and records include, but are not limited to, papers, copies, drafts, bound records, drawings, maps, photographs, electronic communications, and any other physical devices containing information, including electronic storage devices.
2. **Confidential Information.** All information that is produced during business that is not available from public sources is considered confidential. This includes any or all documents or files that contains business, partner or employee names, pricing, and personal information. This also includes private information on individuals as defined

by privacy and identity theft legislation, as well as information that is available because of the Firm's practice(s), but which is not generally known or readily obtainable by others outside of the Firm but can be used in general throughout the Firm.

3. **General Firm Information.** General Firm information documents include, but are not limited to:

• Accounting documents • Information technology documents • General Contracts • Internal reports • Payroll statements • Training information and manuals • Executive level budgets • Legal contracts • Strategic reports • Health and safety records • Medical records • Payroll information • Performance appraisals • Human Resources documents	• Corporate legal records • Supplier purchase orders • Supplier records • Supplier specifications • Research and development reports • Performance appraisals • Product testing and results • Product development plans • Sales and marketing reports • Specifications and drawings • Internal communications • Advertising materials • Business strategies

4. **Electronic Storage Device.** Refers to all electronic storage devices that are provided by or contain information that is the property of the Firm, are under the control of the Firm, and are used by any of the employees of the Firm, contractors, officers, or directors. Electronic Storage Devices include personal computers, servers, laptops, related storage devices such as hard drives, flash drives, and CDs.

Storage of Records and Documents

1. **Tangible Records.** Tangible records that do not contain confidential information are those that can be physically moved to storage such as paper records (including printed versions of electronically saved documents), photographs, investor presentations, and promotional items, etc. These active, tangible records and documents that need to be easily accessible are stored in a secure storage facility.
2. **Confidential Information.** Records and documents that contain confidential information but are in use should be stored in a locked storage drawer/cabinet. Each employee of the Firm should be provided with at least one lockable drawer/cabinet to store documents that are prohibited from being out in the open (such as any document that contains client personal information or account numbers). All confidential information shall be kept out of view from unauthorized personnel and locked up when not in use.
3. **Inactive documents.** These records can be sent to a secure off-site storage facility. This off-site storage facility must be evaluated for security and reliability.

4. **Legal and Financial Regulations.** Please note that in some jurisdictions and domains, human resource, legal, and financial documents can have specific rules and regulations governing their retention, distribution, storage, and destruction. Contact Compliance for specific information, direction, and practices regarding those documents.