

COMPLIANCE POLICIES & PROCEDURES MANUAL

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Introduction

Purpose

HBW Advisory Services LLC (hereinafter "the Company") has adopted the following policies and procedures ("Compliance Manual") for compliance as a registered investment adviser under the Investment Advisers Act of 1940, as amended ("Advisers Act"). All employees of the Company, including all owners and executive officers, are expected to be familiar with and to follow the Company's policies. Employees may also include temporary workers, consultants, independent contractors, and anyone else designated by the Chief Compliance Officer.

This Compliance Manual, as of the date of its adoption above, supersedes all previously dated versions of the Company's Compliance Manual to the extent such policies and procedures are contained herein, unless expressly stated otherwise.

Definitions

These terms have special meanings as used in this Compliance Manual:

Access Person - An "Access Person" is a Supervised Person who has access to nonpublic information regarding any client's purchase or sale of securities, is involved in making securities recommendations to clients, or has access to such recommendations that are nonpublic. All of the Company's directors, officers, and partners are presumed to be Access Persons.

Advisory Client - Any person for whom, or entity for which, the Company serves an investment adviser, renders investment advice, or makes any investment decisions for compensation is considered to be a client.

Associated Person - For purposes of this Compliance Manual, all Supervised Persons and Access Persons are collectively referred to as 'Associated Persons'.

Supervised Person - A "Supervised Person" is any partner, officer, director (or other person occupying a similar status or performing similar functions), or employee of an investment adviser, or other person who provides investment advice on behalf of the investment adviser and is subject to the supervision and control of the investment adviser. This may also include all temporary workers, consultants, independent contractors, and anyone else designated by the Chief Compliance Officer. For purposes of the Code, such 'outside individuals' will generally only be included in the definition of a supervised person, if their duties include access to certain types of information, which would put them in a position of sufficient knowledge to necessitate their inclusion under the Code. The Chief Compliance Officer shall make the final determination as to which of these are considered supervised persons.

Guidelines Only

The information and procedures provided within this manual represent guidelines to be followed by the Company's personnel and are not inclusive of all laws, rules, and regulations that govern the activities of the Company. Associated 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.

Designation of Chief Compliance Officer

Todd Penrod is designated as the Company's Chief Compliance Officer ("CCO") and is responsible for all aspects of the Company's on-going compliance program. The CCO will report directly to Joseph Bonanno, President of the Company. The CCO may designate one or more persons to carry out compliance responsibilities ("designee"); nonetheless, the CCO remains, at all times, ultimately responsible for the Company's compliance program and its implementation. Such individuals will report directly to the CCO.

Questions

Any questions concerning the policies and procedures contained within this manual or regarding any regulations or compliance matters should be directed to the CCO.

Receipt and Acknowledgment

At the time of hire, Investment Adviser Representatives are directed to review these policies and procedures, and shall be required to acknowledge and certify that they have read and that they understand and agree to comply with the Company's compliance policies and procedures. Annually thereafter, Investment Adviser Representatives shall be required to acknowledge and certify that they have complied with the Company's compliance policies and procedures during the preceding year.

Limitations on Use

This manual must be returned to the Company immediately upon termination of employment. The information contained herein is confidential to the Company and may not be disclosed to any third party or otherwise shared or disseminated in any way without the prior written approval of the Company.

Broker/Dealer

Investment Adviser Representatives of the Company, who are licensed to sell securities through Cetera Advisor Networks LLC ("Cetera"), a securities broker/dealer and member FINRA/SIPC, are subject to the supervision of Cetera for securities-related activities.

Compliance Manual Amendments

Policy

It is the Company's policy to amend this Compliance Manual as it becomes necessary to ensure that it is current and accurate and that all Company personnel are provided with the most recent version each time the Compliance Manual is amended.

Responsibility

The CCO is responsible for ensuring that the Compliance Manual is current and accurate at all times and for distributing the most current Compliance Manual to Company personnel.

Procedures

During the course of the year, the CCO shall monitor the Company's business practices as well as regulatory developments and take the necessary steps to update the Compliance Manual, as needed, to ensure the Compliance Manual remains accurate and current.

Where the Compliance Manual is materially amended the CCO shall deliver the amended Compliance Manual, in whole or in part, to all Company personnel indicating what section or sections have been amended. The CCO shall record the date and time that the amended Compliance Manual, or revised section, was delivered to each person.

Each person in receipt of the revised Compliance Manual may be required to acknowledge receipt of the Compliance Manual, including their understanding of the amendments and further commit to uphold the Company's compliance program.

The Company will maintain a copy of the current Compliance Manual and each prior version along with details on the date of adoption and nature of each amendment or revision. The Company shall also maintain records of each person's acknowledgment of receipt of the Compliance Manual.

Regulatory Inspections

Policy

It is the Company's policy to fully cooperate with any inspection or investigation conducted by the SEC or any other federal or state regulatory authority, or self-regulatory organization with proper jurisdiction.

Responsibility

The Company's CCO is responsible for managing regulatory inspections. The CCO may engage counsel or outside consulting assistance to advise on matters related to regulatory inspections or other compliance matters.

Procedures

The Company is subject to a regulatory inspection at any time. Accordingly, all activities on a daily basis must be conducted in accordance with this Compliance Manual to assure ongoing regulatory compliance. Upon receiving word that an SEC or state regulatory agency intends to inspect the Company, or appears unannounced in the waiting area, the following procedures must be followed:

- The CCO must be notified immediately (the President or other designee should be notified if the CCO is not available). Inspector identification must be provided (a business card is insufficient).
 - The CCO (or other designee) will be the contact person during the inspection.
- A photo ID and a letter from the SEC or state agency must be presented to the CCO or designee for validation.
- No documents or office access shall be provided unless the CCO or designee is present.
- If the CCO is, or will be, unavailable at the time of the audit the Company should request a date change.
- The CCO will coordinate document delivery.
- The Company should request confidential treatment under the Freedom of Information Act, Securities Act Release No. 6241 of all Company documentation provided.
- The Company will make two copies of all documents provided, one for the inspectors and one for the Company's files.
- The CCO, or designee, must be present at all personnel interviews.
- The Company will provide adequate working space for the examiners.
- No friendly or casual conversations should be had with the examiners, or in their presence.
- Company personnel must maintain respect and professionalism when dealing with examiners.
- The CCO should check in with the examiners periodically throughout the day to inquire how the exam is proceeding. Any deficiencies raised during the exam should be corrected immediately, if possible.
 - Notes should be taken documenting all discussions with the examiners.
- Request an exit interview before the examiners complete the inspection.

Fiduciary Duty

Policy

Pursuant to Section 206 of the Advisers Act, both the Company and its IARs are prohibited from engaging in fraudulent, deceptive or manipulative conduct. Compliance with this Section involves more than acting with honesty and good faith alone. It means that the Company has an affirmative duty of utmost good faith to act solely in the best interest of its clients. The Company is also responsible for providing full and fair disclosure of all material facts to its clients.

Fiduciary duties include the following:

- Having a reasonable, independent basis for investment advice.
- Providing only investment advice that is suitable to each individual client's needs, goals and objectives and personal circumstances.
- Exercising reasonable care to avoid misleading clients.
- Being loyal to the client and acting in good faith.
- Obtaining best execution when implementing the client's transactions where the investment adviser representative has the ability to direct brokerage transactions for the client.
- Making full and fair disclosure to the client of all material facts and when a conflict of interest or potential conflict of interest exists.

Responsibility

The CCO is responsible for supervising the individuals that are representing the Company and ensuring that clients are given full and fair disclosure of the services the Company provides and that all conflicts of interests are fully disclosed to the client.

Procedures

As an investment adviser, the Company and all supervised persons will make full and fair disclosure to clients when a conflict of interest exists. Disclosures will be provided in the Company's Form ADV. The Form ADV has been prepared to meet regulatory requirements and to fully inform clients of any situation that may represent actual and potential conflicts of interest. Investment adviser representatives are required to provide all clients with Form ADV Part 2 prior to advisory services being provided or at the time of contracting for services with the Company.

The Company and each employee must observe the following general principles:

- **Disinterested Advice.** The Company must provide advice that is in the client's best interest and IARs must not place their interests ahead of the client's interests under any circumstances.
- **Written Disclosures.** Both the Disclosure Brochure (Form ADV, Part 2) and the Company's Advisory Services Agreement must include language detailing all material facts regarding the Company, the advisory services rendered, compensation and conflicts of interest. It is the responsibility of the CCO to ensure that all clients are provided with these documents and that they contain the proper disclosure language.
- **Oral Disclosures.** Where regulations require specific oral disclosures to be provided to clients, the CCO should review with IARs the proper manner in which to effect such disclosures, as well as establish procedures for monitoring compliance.
- **Conflicts of Interest.** IARs must disclose any potential or actual conflicts of interest when dealing with clients. For example, if investment advice includes transaction recommendations that would be executed through the Company or an affiliate of the Company, then the advice given would be subject to a potential conflict of interest.
- **Confidentiality.** Client records and financial information must be treated with strict

confidentiality. Under no circumstances should any such information be disclosed to any third party that has not been granted a legal right from the client to receive such information.

- **Fraud.** Engaging in any fraudulent or deceitful conduct with clients or potential clients is strictly prohibited. Examples of fraudulent conduct include, but are not limited to: misrepresentation; nondisclosure of fees; and, misappropriation of client funds.

Duty to Supervise

Policy

It is the Company's policy to exercise supervision over all Company personnel for compliance with federal and state securities laws, and the Company's Compliance Manual. The Company's management recognizes its duty to supervise the actions of its personnel. The Company's Code of Ethics and this Compliance Manual are designed to assist management in carrying out this task by providing guidance in completing advisory activities and setting forth the ethical issues to be considered by the Company.

Responsibilities

The Company's officers will reasonably supervise the activities of its employees. The Company employees with supervisory responsibilities are required to supervise the activities of their subordinates and report any material issues to the President or CCO.

Background

The Company may be subject to enforcement action if the adviser or any person associated with the adviser has failed reasonably to supervise, with a view to preventing violations of applicable provisions of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940, the rules or regulations under any of those statutes, the rules of the Municipal Securities Rulemaking Board or state law as applicable. No person shall be deemed to have failed reasonably to supervise any person if:

- there have been established procedures, and a system for applying such procedures, which would reasonably be expected to prevent and detect, insofar as practicable, any such violation by such other person, and
- such person has reasonably discharged the duties and obligations incumbent upon him by reason of such procedures and system without reasonable cause to believe that such procedures and system were not being complied with.

The Company may be subject to enforcement action if the adviser or any person associated with the adviser has failed reasonably to supervise, with a view to preventing violations of applicable provisions of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940, the rules or regulations under any of those statutes, the rules of the Municipal Securities Rulemaking Board or state law as applicable.

Procedures

Supervision over certain responsibilities is generally delegated to various employees within the Company. Such delegation of responsibilities must occur to ensure that the Company provides clients with the highest level of service.

The Company expects that its employees will report to their Supervisors any issues arising in which they may be unfamiliar or may otherwise require the assistance and judgment of Senior Management. Employees must also report any activities that run contrary to the Code of Ethics and that may adversely affect the reputation of the Company. All activities reported by employees shall be done anonymously in order to protect the reputations of the employees involved. The Company shall commit to a full unbiased review of the matter and implement the necessary corrective and disciplinary action. The Company requires the full commitment of its employees to the tenets set forth in the Code of Ethics; employees that elect to ignore and/or violate the tenets shall be disciplined as such including the possible termination of their employment with the Company.

Should an employee or investment adviser representative of the Company have any questions regarding the applicability/relevance of any statutes, rules or regulations, or any section of these policies and procedures, he/she should address those questions with the CCO.

General Supervisory Responsibilities

In addition to the overall compliance responsibilities included in this Compliance Manual, each supervisor shall:

- Ensure that all persons under their supervision know and understand the contents of the Compliance Manual as it relates to their day-to-day activities;
- Designate other individuals, if needed, to assist in the supervision;
- Promptly notify the CCO of any occurrences that may violate any laws, rules, regulations and/or this Compliance Manual involving any person under their supervision.

Failure to Supervise

All individuals acting in a supervisory role are potentially liable for violations committed by those individuals they directly or indirectly supervise. The legal defense to counter such violations is effective "reasonable" supervision through the implementation of customized compliance policies, procedures, and controls.

Branch Office Supervisory Duties

To the extent the Company maintains any branch office locations, the requirements set forth in this section apply equally to all such locations.

Compliance Risk Assessment Procedures

Policy

The Company has developed a compliance risk assessment and management process ("process") that is designed to identify and monitor compliance risk and related conflicts of interests inherent in the Company's various lines of business. The Company also recognizes that its process must evolve with changes in its business activities and various legal and regulatory developments.

Compliance risk can be defined as the risk of legal or regulatory sanctions, financial loss, or damage to reputation and company value that arise when an organization fails to comply with relevant securities laws, rules, regulations, or relevant standards of conduct applicable to the Company's business activities and functions.

The table of contents included with these procedures generally itemizes each area of compliance required for the Company.

Responsibility

The CCO is responsible for implementing and overseeing the Company's compliance risk assessment and ongoing annual compliance review.

Procedures

To create appropriate compliance risk controls, the Company reviews its compliance risks and requirements across the entire entity. This is accomplished by evaluating the Company's various lines of business, identifying related conflicts of interest, and determining the relevant compliance rules and regulations that govern the Company's investment advisory activities. Once relevant data is gathered and the Company has identified and assessed its compliance risks, the Company then designs policies and procedures that are reasonably designed to eliminate or mitigate those risks.

Thereafter, risks are assessed whenever new business lines or activities are added, existing activities and processes are altered, or new rules and regulations are adopted.

Monitoring, Testing and Reporting

Monitoring, testing, and reporting are the means of identifying and communicating compliance breaches to the appropriate individuals/departments within the Company. Monitoring, testing, and reporting are conducted using a series of monthly checklists and related working papers designed to evaluate the Company's existing compliance procedures and related risk. The monthly checklists are completed by the CCO and are maintained in the Company's compliance files.

For purposes of assessing risks related to the management of and transactions in client accounts, the Company relies on its client management process and the reporting features provided by its custodian. Additionally, the Company has retained the services of a third-party compliance consulting firm for assistance with timely reports related to compliance with new or revised laws and regulations. All such reports are designed to ensure that information regarding compliance is communicated to the appropriate control persons within the Company.

Chief Compliance Officer Oversight

Key staff members attend formal meetings with the CCO, quarterly or more often as required, to discuss, explain, and, if necessary, to define relevant compliance risk areas. The Company seeks to establish and maintain an effective compliance-risk management program based on advice and discussions from the staff, and, as needed, outside counsel. The Company recognizes that it is accountable and must exercise appropriate compliance oversight, the ultimate responsibility for risk

management rests with the CCO.

Annual Compliance Review

Policy

The Company will conduct a documented review of its policies and procedures, at least annually, to determine their adequacy and the effectiveness of their implementation in consideration of:

- the business being conducted by the Company, its investment adviser representatives, and supervisory personnel;
- any changes in the Advisers Act and/or applicable state or federal statutes, rules and regulations; and,
- any compliance matters that arose during the previous year.

Responsibility

The CCO is responsible for administering and documenting the Company's annual review of its Compliance Manual and compliance program.

Procedures

During the course of the year, the Company will conduct an on-going annual review of its compliance program by completing a series of checklists. The checklists are completed by the CCO and/or key staff members and are maintained electronically in the Company's compliance files. These checklists shall be provided to the SEC or state regulatory authority on request.

The Company also maintains an automated compliance calendar to assist in tracking certain compliance responsibilities. Additionally, the Company has retained the services of a third-party compliance consulting firm for assistance with timely reports related to compliance with new or revised laws and regulations.

Corrective Actions

The CCO will meet with relevant staff members to review the results of the audit of the Company's compliance program. Corrective actions will be taken as required and such actions will be documented and maintained with the compliance checklist.

Registration and Licensing

Policy

The Company shall maintain an active registration for the firm and all associated persons providing investment advisory services on its behalf, unless a valid exemption exists. Where the Company determines that an exemption for the firm and/or an individual is available, the Company will maintain documentation to substantiate the exemption in its files.

Responsibility

It is the responsibility of the CCO to be aware of the particular requirements of the states in which the Company operates and to ensure that the Company and its investment adviser representatives are properly registered, licensed, and/or qualified to conduct business.

State Notice Filing/Registration Requirements

The Company is registered as an Investment Adviser with the Securities and Exchange Commission ("SEC") and the Company has filed "notice" in states where the Company believes such filings are required. Unless otherwise permitted by regulation, the Company may not solicit or render investment advice for any client domiciled in a state where the Company is not properly notice filed.

In general, a notice filing is required in a state where the Company: (i) has a place of business; (ii) holds itself out as an investment adviser; (iii) has more than five clients (the statutory minimum varies from state-to-state); or (iv) has IARs with a place of business in that state.

Currently Louisiana, New Hampshire, Nebraska, and Texas do not recognize a statutory minimum; therefore, the Company must notice file in these jurisdictions prior to engaging in advisory services in that jurisdiction.

Registration of Investment Adviser Representatives

Investment Adviser Representatives ("IARs") refers to individuals associated with the Company, who render investment advice on its behalf. Regardless of whether the Company is SEC or state registered, most states require IAR registration before services can be offered by the IAR in that specific jurisdiction.

IAR qualifications may vary from state to state, but generally most states require applicants to have successfully completed the Series 65 examination or the Series 7 *and* Series 66 examinations. For applicants who have not taken and passed the exams within two years of the application date, most states require applicants to have been previously registered with an Investment Adviser within two years of the application date.

Most states provide examination waivers or exemptions for individuals holding an active professional designation, such as a CFP®, CFA, ChFC, CIC or PFS. Some states also provide examination waivers for applicants with specific experience in the financial industry.

No person associated with the Company may provide investment advice to any client until he/she has received notice from the CCO that he/she has been granted (if required) an IAR registration/approval from relevant states. Currently, Louisiana and Texas require IAR registrations regardless of whether the Company maintains a place of business in that state.

In some cases a person registered as an investment adviser representative ("IAR") of the Company may also be registered as a registered representative ("RR") of a registered broker dealer ("a FINRA member firm"). The laws of most states treat this as a "dual registration" requiring the consent of both

companies and, in the case of some states, the consent of the state securities regulator. Some states strictly prohibit "dual registration" except when the companies with whom the person is registered are affiliated. The Company will check applicable state laws to make sure rules pertaining to dual registration are being followed. It is the Company's policy to only permit dual registrations only after approval from the CCO.

According to FINRA requirements (Notice to Members 94-44), IARs who are also registered with a FINRA member firm are required to inform the member firm in writing that they are registered as, or affiliated with, an investment adviser. Written notice and approval must be given by the member firm to their representatives who are also registered as investment advisers and such firms must supervise all advisory activities of those representatives in which the representative is participating in securities transactions for advisory clients.

The actions of a dually registered individual will be governed by a written contract which shall describe the individual's duties and responsibilities with the Company. Additionally, dual registration will only be permitted where the IAR also has a written contract with the broker-dealer that describes their duties and responsibilities with the member firm.

Any Form U4, U4 Amendments, or U5 filings will be coordinated between the Company and the member firm that the IAR is registered with. The IAR must immediately notify the CCO if any such forms are filed by the FINRA member firm.

Registration Amendments

Each IAR must notify the CCO in writing if any information required by Form U4 becomes inaccurate or outdated. Depending upon what information has been updated, an amendment to the Form U4 may be required. If so, such filing will be submitted with the appropriate jurisdiction via the IARD.

Annual Renewal/Annual Updating Amendment

The Company must file an annual renewal prior to year's end through the IARD and an annual updating amendment must be filed via the IARD within 90 days after its fiscal year-end. The Company has engaged National Compliance Services, Inc. to assist with its annual renewal and updating amendment functions.

Use of Professional Designations

Use of any professional designation on business cards, company letterhead, written communications, social media sites, websites, disclosure brochures, advertisements, or any other communications with clients or prospective clients of the Company and/or in connection with advisory services offered through the firm by any IAR must be pre-approved by the CCO. Refer to Professional Designations for instructions on contacting or notifying the CCO.

The CCO is responsible for confirming that such designations are in good standing at the time of hire. Annually, thereafter, each IAR must provide proof to the CCO that the designation remains in good standing. The firm will include an annual review of designations as part of their annual compliance review. Evidence of such reviews will be maintained with the Company's books and records.

Filing Fees

The state(s) to which the Company sends notice filings and registers IARs may charge fees, which will be deducted from the IARD account established with FINRA. The CCO will be responsible for maintaining sufficient funds with FINRA to facilitate the payment of registration fees for the Company and its IARs, as well as annual renewal fees when they are due.

Withdrawal from SEC Registration

If the Company reports on its annual updating amendment regulatory assets under management less than \$90 million, the Company shall withdraw from registration with the SEC by filing the Form ADV-W electronically through the IARD within 180 days of the Company's fiscal year end; unless, the Company can rely on another exemption for purposes of maintaining its federal registration. The withdrawal will be effective immediately upon filing.

If the Company is continuing business as a state-registered adviser, the Form ADV-W will also permit the Company to request "partial withdrawal." Here, the ADV-W should not be filed until the Company has been approved/granted registration with any state(s) in which the Company conducts investment advisory services and registration is required.

Form ADV Disclosure Requirements

Policy

The Company is required to disclose information regarding its business practices to regulators, prospective, and existing clients. Form ADV Part 1 is submitted electronically and is used to register with the Securities and Exchange Commission or one or more state securities authorities, and to amend those registrations. The Company will use Part 2 of the Form ADV to meet its disclosure obligations. The Company will continue to amend its Form ADV Part 2 (hereinafter "disclosure brochure") when the information therein becomes materially inaccurate.

Responsibility

The CCO is responsible for maintaining the Company's entire Form ADV, including the disclosure brochure, for uploading amendments to the Company's Form ADV and disclosure brochure to the IARD electronic filing system, and for monitoring and completing any additional disclosure requirements as set forth below.

Form ADV Part 2

The Part 2 is a uniform form used by investment advisers registered with both the SEC and the state securities authorities. The Part 2 includes two sub-parts, Part 2A and Part 2B. Part 2A includes disclosure items about the advisory firm all of which must be addressed in the Company's brochure. The Part 2B is a brochure supplement which includes information about the advisory personnel on whom each particular client relies for investment advice.

Procedure for Delivery of Form ADV

- **Initial Delivery** - the Company will provide a copy of its current disclosure brochure (Part 2A) and relevant supplemental brochures (Part 2B) to clients prior to or at the time the client executes an agreement for services with the Company. Proof of delivery of the Company's disclosure brochure, and relevant supplemental documents, is evidenced by the client signing the advisory agreement.
- **Interim Delivery** - the Company will deliver an updated brochure to its clients promptly whenever the Company amends its brochure to add a disciplinary event or to change material information already disclosed as a disciplinary event on the Company's Form ADV (or a document describing the material facts relating to the amended disciplinary event). Otherwise, the Company is not required to provide an interim delivery of its disclosure brochure.
- **Annual Delivery** - On an annual basis, the Company will provide to each client either a) a copy of its current (updated) brochure that includes or is accompanied by a summary of material changes (see below); or b) a summary of material changes that includes an offer to provide a copy of the current brochure. The Company must make this annual delivery no later than 120 days after the end of its fiscal year. The Company will maintain a list of all clients that participated in the annual mailing/offer, and evidence of the date the offer or delivery was made.
 - During any given year, if the Company has not filed any interim amendments to its brochure since the last annual amendment and the brochure continues to be accurate in all material respects, the Company is not required to prepare, deliver, or offer a summary of material changes (or a current copy of its brochure) to existing clients. Nonetheless, as the Company considers the annual offering of its disclosure brochure to be a best practice, it is the Company's policy to offer a copy of its current disclosure brochure as stated above.

Amendments and Material Changes to Form ADV

The Company shall keep the brochure(s) they file with the SEC and/or state securities regulator(s)

current by updating them at least annually, and updating them promptly when any information in the brochures becomes materially inaccurate.

The standard of materiality is whether there is a substantial likelihood that a reasonable investor (here, client) would have considered the information important in deciding to retain (or continue to retain) the adviser for advisory services. There is no specific definition for materiality. Rather, materiality depends on the factual circumstances that may vary with each situation.

The Company's Form ADV should be amended to correct inaccuracies, promptly (within 30 days of the event), if:

- the information in Items 1, 3, 9, or 11 of Part 1A becomes inaccurate in any way;
- the information in Items 4, 8, or 10 of Part 1A becomes "materially" inaccurate;
- the information in the Disclosure Brochure becomes "materially" inaccurate.

Moreover, under federal and state law, advisers are fiduciaries and must make full disclosure to its clients of all material facts relating to its advisory relationship. To satisfy this obligation, an adviser may have to disclose information to clients not specifically required by the Form ADV or in more detail than the brochure items may require.

All other changes to the ADV may be made at year's end when the Company files its annual updating amendment.

Summary of Material Changes

Item 2 of the Part 2 requires an adviser amending its brochure to identify and discuss the material changes in its disclosures since the last annual updating amendment. This summary of material changes must be included on the cover page to the brochure or the following page, or as a separate document accompanying the brochure.

Annual Updating Amendment

Within 90 days after the Company's fiscal year end, the Company must file an annual updating amendment, which is an amendment to the Company's Form ADV that reaffirms the eligibility information contained in Item 2 of Part 1A and updates the responses to any other item for which the information is no longer accurate.

The amount of the Company's assets under management is generally updated as part of the firm's annual filing requirement. However, if the Company is amending its brochure for a separate reason between annual amendments, and the amount of its assets under management is materially inaccurate, the Company will also amend its reported assets under management.

The CCO is responsible for submitting the Company's annual filing. In preparing to submit the annual updating amendment, the CCO, and other parties within the Company that the CCO so designates, will review the Company's Form ADV in its entirety to ensure all disclosures are accurate and current based on the Company's current business model.

Calculating Regulatory Assets Under Management

In calculating the Company's regulatory assets under management, for reporting purposes on the Form ADV Part 1A, the Company will:

- Look first at whether each account is a securities portfolio. A "securities portfolio" means any account a majority of whose value (excluding cash and cash equivalents, such as demand deposits) consists of securities. The entire value of any portfolio constituting a "securities

portfolio" (including the part comprised of non-securities assets) will be included as part of the Company's "regulatory assets under management."

- If the account is a securities portfolio, the Company will then establish whether that account receives continuous and regular supervisory or management services. Only assets that are managed on a continuous and regular basis – as defined below and in the instructions to the Form ADV – are relevant.

General Criteria. You provide continuous and regular supervisory or management services with respect to an account if:

- you have discretionary authority over and provide ongoing supervisory or management services with respect to the account; or
- you do not have discretionary authority over the account, but you have ongoing responsibility to select or make recommendations, based upon the needs of the client, as to the specific securities or other investments the account may purchase or sell and, if such recommendations are accepted by the client, you are responsible for arranging or effecting the purchase or sale
- If the account is a securities portfolio and is provided continuous services, the Company will determine the entire value of the account. The cumulative total of these assets under management is reported on the Company's Form ADV Part 1A.

For purposes of calculating the value of the Company's *continuously* managed assets under management, "assets" means:

- assets managed on a non-discretionary basis, being assets that the Company has a contractual duty to keep under continuous review (day-to-day oversight) but in respect of which prior specific consent of the client must be obtained for proposed transactions. In these situations, at the client's approval, the Company is also responsible for arranging or effectuating the purchase or sale of recommended investments.
- assets managed on a limited discretionary basis, where the Company will only exercise discretion if the client is unreachable.

Excluded accounts will be deducted from the Company's continuously managed assets for purposes of determining continued SEC registration eligibility and reporting on Form ADV. "Excluded accounts" means:

- Any portion of an account that is managed by another person/adviser (other manager), where the Company does *not* maintain discretionary authority to hire and fire such third party and reallocate the assets.
- Non-investment real estate or businesses managed by the Company (if any) on behalf of a client.
- Accounts over which the Company does not provide continuous and regular management services.

Disciplinary and Financial Disclosure Requirements - Part 2A

Associated persons will report all disciplinary (legal, regulatory, or otherwise) or precarious financial events to the CCO. The CCO will assess whether such events are required to be disclosed pursuant to the Form ADV instructions or to the adviser's role as a fiduciary. The CCO will make such disclosures as necessary. These disclosures must be made to existing and/or prospective clients if the event is material to their evaluation of the integrity of the adviser, its management personnel, supervised persons, or its investment adviser representatives.

Item 9 of the Form ADV Part 2A includes a list of legal or disciplinary events are presumed to be

material for a period of ten (10) years from the time of the event if they were not resolved in the adviser's or management person's favor or subsequently reversed suspended or vacated, or the Company has rebutted the presumption of materiality to determine that the event is not material (see Note below). For purposes of calculating this ten-year period, the "date" of an event is the date that the final order, judgment, or decree was entered, or the date that any rights of appeal from preliminary orders, judgments or decrees lapsed.

Under federal and state law, advisers are fiduciaries and must make full disclosure to their clients of all material facts relating to its advisory relationship. If the Company or a management person has been involved in a legal or disciplinary event that is not listed below, but nonetheless is material to a client's or prospective client's evaluation of the Company or the integrity of its management, even if more than ten years have passes since the date of the event, the Company will disclose the event.

Note: You may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, you are not required to disclose it. When you review a legal or disciplinary event involving your firm or a management person to determine whether it is appropriate to rebut the presumption of materiality, you should consider all of the following factors: (1) the proximity of the person involved in the disciplinary event to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If you conclude that the materiality presumption has been overcome, you must prepare and maintain a file memorandum of your determination in your records.

Additional Disclosure Requirements

The Company has implemented policies to ensure that the Company meets the additional disclosure requirements as set forth in the relevant sections with this procedures manual: solicitor fees, privacy notice disclosures, and proxy voting disclosures. Disclosures on each of these subject items are included in the Company's Form ADV, advisory agreement, or other required document.

Client Contracts

Policy

It is the Company's policy to require a written agreement with each client relationship that forms the legal basis for any advisory services to be provided. The Company's written agreements must comply with the following requirements.

Responsibility

The CCO is responsible for ensuring that the Company's advisory agreements meet the policy requirements and to ensure that client agreements are signed and maintained in each client file.

Procedures

The Company shall enter into a written agreement for services with each client for whom the Company renders investment advisory services. The IAR servicing the client account will ensure that the client executes the relevant service agreement, and that a copy is placed in the client's file.

Assignment

Each investment advisory contract entered into by the Company must provide that the contract may not be assigned without the client's consent.

The term assignment is defined broadly to include any direct or indirect transfer of an investment advisory contract by an adviser or any transfer of a controlling block of an adviser's outstanding voting securities. However, a transaction that does not result in a change of actual control or management of the adviser (e.g., reorganization for purposes of changing an adviser's state of incorporation) would not be deemed an assignment for these purposes.

Performance Fees

The Company will not receive any type of advisory fee calculated as a percentage of capital gains or appreciation in the client's account, commonly referred to as performance based compensation.

Waiver of Compliance

The Company is prohibited from including any contractual provision of an advisory contract from purporting to waive compliance with pertinent securities laws or any rule(s) thereunder. Any condition, stipulation, or provision so used shall be void.

Hedge Clauses

The Company will not include any legend, hedge clause, or other provision which is likely to lead a client to believe that he/she has in any way waived any available right of action he/she may have against the Company under federal and/or state securities laws.

Prepaid Advisory Fees

In no event shall the Company charge advisory fees that are both in excess of \$1,200 and paid more than six months in advance of advisory service rendered.

Brokerage Programs

Custodians provide client agreements for brokerage programs it sponsors, which are utilized by the Company. When opening client accounts with the Company, the Company does not have authority to amend agreements utilized in these programs. Accordingly, the Company defers to custodians to ensure these contracts comply with applicable requirements.

Books and Records

Policy

It is the Company's policy to create and maintain all books and records that are required under the Investment Advisers Act and related SEC rules. The Company will maintain true, accurate, and current records that are well organized at all times. The Company is at all times subject to surprise examinations of its books and records by the SEC and other governmental authorities.

It is a violation of law to forge, falsify, tamper with, obliterate, or prematurely destroy these records. Doing so could subject the personnel involved to criminal penalties, regulatory sanctions and/or termination of employment.

Responsibility

The CCO has the overall responsibility for the implementation and monitoring of our books and records policy and recordkeeping requirements for the Company. The COO will, upon request by a regulatory authority, provide copies of these records in the medium and format in which they are stored, as well as printouts of such records; and a means to access, view, and print the records if required.

Procedures

The Company shall maintain a filing system that provides for organization of its books and records sufficient to allow their retrieval within a reasonable amount of time.

Pending Litigation or Regulatory Inspection

The Company will take steps to ensure that no relevant books or records are destroyed if litigation or a regulatory inspection is pending.

Five-Year Retention Requirements

As a registered investment adviser, the Company is required to keep and maintain certain books and records for a period of not less than five (5) years. They must be retained in the Company's office during the first two (2) years and be accessible for the remaining three (3) years.

Specific Record Keeping Requirements (to the extent they apply)

Accounting Records

Journals

Journals that include cash receipts and disbursements records, and any other records of original entry forming the basis of entries in any ledger

Ledgers

General and auxiliary ledgers that reflect asset, liability, reserve capital, income and expense accounts

Account Documentation

Checkbooks, bank statements, canceled checks and cash reconciliations

Invoices

Bills or statements of account (paid or unpaid)

Financial Statements

Financial statements (income statement, trial balance and balance sheet) and internal working papers

Advisory Records

Trade Tickets

A memorandum of each order given by the Firm for the purchase or sale of a security. The memorandum may be an order ticket that is

date-stamped or otherwise marked to comply with the requirements below. Such memoranda shall:

- show the terms and conditions of the order (buy or sell);
- show any instruction, modification or cancellation;
- identify the person connected with the Firm who recommended the transaction to the client;
- identify the person who placed the order;
- show the account for which the transaction was entered;
- show the date of entry;
- identify the bank, broker or dealer by or through whom such order was executed; and,
- identify orders entered into pursuant to the exercise of the Firm's discretionary authority.

Written Materials

Written materials received and sent by an advisory representative or by the adviser to clients, including postal and electronic mail ("e-mail") and instant messages, if any. There are 3 classes of covered written materials, which include: (1) recommendations and advice given or proposed, (2) receipt, disbursement or delivery of client funds and securities and (3) placing and executing orders to purchase or sell securities. Examples of communications that would qualify to be kept under the above requirement include:

- e-mail to any client about a proposed trade in their account;
- a letter or e-mail sent by an adviser to a client's custodian regarding the disbursement of the adviser's management fee;
- an e-mail complaint from a client or investor;
- a portfolio manager's e-mail to a client on an update to a financial plan or asset allocation strategy;
- trade confirmations received by an adviser (whether in hard copy or electronic format).

Discretionary Authority

A list of all accounts over which the adviser has discretionary authority with respect to the funds, securities or transactions, if any.

Limited Trading Powers of Attorney

All powers of attorney and other evidences of the granting of discretionary authority by any client

Written Agreements

Any written agreement or contract that the adviser is a party to, including: written contracts with clients, third-party service providers, solicitors, etc.

Personal Trading Records

A record of any securities transactions in which the adviser or any advisory representative acquires a direct or indirect beneficial ownership. (The Firm receives duplicates of employee brokerage statements and confirms).

Form ADV Documentation (Parts 2A and 2B)

A copy of each brochure (2A) and brochure supplement (2B), and each amendment or revision to the brochure and brochure supplements; any summary of material changes that is not contained in the brochure or brochure supplements; and a record of the dates that each brochure and brochure supplement, each amendment or revision thereto, and each summary of material changes was given to any client or any prospective client who later becomes a client.

A memorandum describing any legal or disciplinary event listed in Item 9 of Part 2A or Item 3 of Part 2B of Form ADV (Disciplinary Information) and presumed to be material, if the event involved the Company or any of its supervised persons and is not disclosed in the brochure or brochure supplement of Part 2B of Form ADV.

Privacy Policy

Documentation of initial delivery and receipt of Privacy Policy and evidence of Annual Delivery of Privacy Policy (include a list of clients who were sent the Company's Privacy Policy and the date of delivery/ mailing).

Solicitor's Acknowledgments

All written acknowledgments obtained from and copies of the disclosure documents provided to clients who were referred to adviser by an unaffiliated, third-party solicitor.

Entity Documents

Articles of Organization, minute books, etc. These records must be maintained continuously in the Company's office until termination of the business and in an easily accessible place of which the appropriate regulatory authority has been notified for three years after termination of the entity.

Organization Chart

This should include documents reflecting the Company's owners, officers, directors, partners, controlling persons, and employees. This should also include ownership percentage of the Company, whether the individual is also an officer, director, partner, employee or affiliate of any other public or privately held organization (trust, corporation, business venture).

Regulatory Communications

Communications received from and sent to the SEC, state or other regulatory authority.

Trade Errors

Documentation of the error and supporting documentation on reconciliation.

Client Complaint

Documentation of complaint and supporting documentation on resolution.

Securities Transaction Journal

A record, by client, of the securities purchased and sold, and the date, amount and price of each such purchase and sale. Including aggregation and allocation of client orders.

Securities Cross Reference

A record, by security, of any client invested in that security and the current amount invested.

Soft Dollars

Information related to compliance with Section 28(e) and appropriate treatment of mixed use products, if any.

Advertising Records

Any list used by an adviser to distribute a notice, circular or advertisement to more than ten (10) persons (clients).

A copy of each notice, circular, advertisement, newspaper article, investment letter, bulletin or other communication that the adviser circulates or distributes to ten (10) or more persons, including copies of the Company's website.

Registration Records

IAR Registrations	Originals of Forms U4 for all IARs. This requirement may be satisfied by producing copies of such documents via the IARD.
Firm Registration/Notice Filings	Originals of Forms ADV and related documentation supporting the Company's registration.

Compliance Program Rule Records

Policies and Procedures	A copy of the investment adviser's policies and procedures that are in effect, or at any time within the past five years were in effect.
Annual Review	Any records documenting the investment adviser's annual review of those policies and procedures.
Signed Acknowledgments	Employee signed acknowledgments of receipt and understanding of compliance policies initial and annually thereafter.
Employee Training	Evidence of compliance training, as needed.

Code of Ethics Rule Records

Code of Ethics	A copy of the Company's code of ethics that is in effect, or at any time within the past five years was in effect.
Violation Record	A record of any violation of the code of ethics, and of any action taken as a result of the violation.
Written Acknowledgments	A record of all written acknowledgments for each person who is currently, or within the past five years was a supervised person of the investment adviser.
Access Person Reports	A record of each report (initial and annual holdings and quarterly transaction reports) made by an access person, including any information provided in lieu of such reports (i.e., duplicate account statements and/or confirmations).
Access Persons List	A list of the persons who are currently, or within the past five years were, access persons of the Company.
Decision Records	A record of any decision, and the reasons supporting the decision, to approve the acquisition of securities (IPOs or limited offerings) by access persons, for at least five years after the end of the fiscal year in which the approval is granted.
Insider Trading	Documentation related to employees in receipt of inside information and corrective actions taken by the Company.
Private Funds	With respect to each private fund the Company manages:

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- the amount of assets under management and use of leverage, including off-balance sheet leverage,
- counterparty credit risk exposure,
- trading and investment positions,
- valuation policies and practices,
- types of assets held,

- any aide favorable rights or entitlements than other investors,
- trading practices.

Proxy Voting Records Currently, the Company does not vote proxies.

**Government Entity
Records (Pay to
Play)**

Policies and Procedures The Company's pay to play policies and procedures.

Covered Associates The names, titles and business and residence addresses of all Covered Associates

Government Entity Names All government entities to which the Company provides or has provided investment advisory services, or which are or were investors in any covered investment pool to which the Company provides or has provided investment advisory services, as applicable, in the past five years, but not prior to September 13, 2010

Contributions All direct or indirect contributions made by the Company or any of its Covered Associates to an official of a government entity, or direct or indirect payments to a political party of a state or political subdivision thereof, or to a political action committee

Payment for Solicitation The name and business address of each person to whom the Company provides or agrees to provide, directly or indirectly, payment to solicit a government entity for investment advisory services on its behalf

Records of contributions and payments listed in chronological order that indicate:

(A) The name and title of each contributor;

(B) The name and title (including any city/county/state or other political subdivision) of each recipient of a contribution or payment;

(C) The amount and date of each contribution or payment; and

(D) Whether any such contribution was the subject of the exception for certain returned contributions.

Electronic Recordkeeping

The Company is permitted to maintain and preserve all records electronically. In addition to, or as a substitute for, storing documents in paper format, records required to be maintained and preserved may be immediately produced or reproduced on film, magnetic disk, tape, optical storage disk or other electronic storage medium. The Company must:

- Arrange and index the records in a manner that allows easy and prompt location, access and retrieval of a particular record;
- Is able to produce a legible, true and complete printout of the record, or be able to project records (if held on microfiche);
- Stores, for at least five years, a duplicate copy of the records; and
- Maintains procedures for maintenance, safekeeping, and access.

Reliance on Third Parties for Recordkeeping

The Company may rely upon one or more third parties to create and retain certain of the records

referred to above provided that it obtains an undertaking from the third party to provide a copy of the documents promptly upon request, and that the Company receives a vendor confidentiality agreement, if needed.

E-Mail Retention

E-mails that pertain to any advice or recommendations made, transactions executed, orders received, and any other communication with clients should be maintained. When storing e-mail communications, the Company will arrange and index such communication like any other electronically stored record. This will be done in such a manner that permits easy location, access, and retrieval. The Company will separately store a copy of these records as part of its Disaster Recovery Plan and establish procedures to reasonably safeguard the e-mails from loss, alteration, or destruction and limit access to these records to properly authorized individuals.

- The CCO will provide promptly any of the following, if requested by any regulatory authority:
- A legible, true, and complete copy of an e-mail in the medium and format in which it is stored;
- A legible, true, and complete printout of the e-mail; and
- Means to access, view, and print the e-mail.
- Copies of client e-mails are maintained electronically.

The Company has adopted a firm wide e-mail system through Global Relay whereby all Associated Persons' outgoing e-mails are forwarded to Global Relay and maintained via a web based platform. Through this system, the Company's e-mail will be archived for five years through Global Relay's archiving service. If for any reason the Company needs to retrieve e-mail for any Associated Person, the Company will contact Global Relay to request all required information.

Diminished Capacity or Abuse of Vulnerable Clients

Policy

As a fiduciary the Company is obligated to act in the best interests of our clients. The Company recognizes that if existing or prospective clients suffer from diminished mental capacity, they may lack the ability to make knowledgeable and prudent investment decisions. Therefore, it is the Company's policy to ensure that all existing and prospective clients, and/or their authorized representatives, understand the nature and effect of the business being transacted. The Company's policy is also designed to identify red flags indicative of fraudulent activity or financial abuse of a vulnerable client and to take such actions as are reasonable and appropriate to involve the proper authorities and or client representatives to protect such clients from financial harm.

A "senior" or "elderly" investor is not defined by reference to a specific age, but rather includes investors who have retired or are nearing retirement age. Although senior, or elderly, investors are the most common types of clients who might suffer from diminished mental capacity, or be at risk of financial exploitation or abuse, vulnerable clients can include minors and individuals suffering from any number of disabilities at any age. Consequently, this policy is not limited to senior or elderly clients.

The absence of, or lack of explicit reference to, a specific type of activity does not limit the extent of the application of this policy. Where no policy or guideline exists, or if you are unsure about whether you can take instructions from a client, non-client, or purported representative of a client, ask the CCO. Do not guess at the answer.

Responsibility

The CCO is responsible for implementing and monitoring the Company's policy. This policy should also be read in conjunction with the Company's policies on Suitability, Client Contracts, Privacy, and Managing a Privacy Breach.

Diminished Capacity

Depending on the specific transaction or decision at issue, as well as the jurisdiction in which one is located, legal capacity has multiple definitions which are set forth in state statutory and/or case law. The most common definition which the Company is likely to encounter is in determining the client's "contractual capacity." That is generally defined as an individual's ability to understand the nature and effect of the act and business being transacted. The more complicated the transaction is, the higher the level of understanding that may be needed to comprehend its nature and effect.

"Red Flags" indicative of an investor's possible diminished capacity or reduced ability to handle financial decisions include, but are not limited to, the following:

1. The investor appears unable to process simple concepts.
2. The investor appears to have memory loss.
3. The investor appears to have difficulty speaking or communicating.
4. The investor appears unable to appreciate the consequences of decisions.
5. The investor makes decisions that are inconsistent with his or her current long-term goals or commitments.
6. The investor is subject to significant mood swings or otherwise displays erratic behavior.
7. The investor refuses to follow appropriate investment advice; this may be of particular concern when the advice is consistent with previously-stated investment objectives.
8. The investor appears to be concerned or confused about missing funds in his or her account, where reviews indicate there were no unauthorized money movements or no money movements at all.
9. The investor is not aware of, or does not understand, recently completed financial transactions.

10. The investor appears to be disoriented with surroundings or social setting.
11. The investor appears uncharacteristically unkempt or forgetful.

Procedures - Diminished Capacity

Where a client or prospective client exhibits signs of diminished mental capacity and/or a cognitive impairment, or otherwise appears to lack the capacity to understand an investment or to provide informed consent, the IAR working with that individual should implement the following escalation procedures:

1. Discuss the situation with your supervisor and/or the Chief Compliance Officer.
2. If the IAR has not notified the CCO, the supervisor should ensure that the CCO is informed.
3. Check whether an executed trading authorization form, durable power of attorney, or other guardianship appointment form is on file. If so, consider contacting the agent, attorney or guardian.
4. If appropriate, suggest that the client bring a close family member or friend to your next meeting.
5. The CCO will determine whether it is necessary to consult with legal counsel. If there is a trading authorization, durable power of attorney form, or guardianship appointment form on file, legal counsel should be consulted if there is any uncertainty whatsoever as to the applicability or legitimacy of those documents. Otherwise, the attorney-in-fact, guardian, or other authorized representative should be contacted to discuss the IAR/CCO's concerns.
6. In the event that the client declines to bring a family member or friend with them and there is no trading authorization or durable power of attorney form on file, legal counsel should be consulted to determine the extent to which further escalation is warranted or required.

Further escalation procedures may include one or more of the following:

1. Contacting the client's spouse and/or requesting a joint meeting, particularly if the situation involves a joint account.
2. Contacting the client's adult child(ren) and/or requesting a joint meeting.
3. Contacting local state, county or city Eldercare agency or such other local agency that may have responsibility over vulnerable individuals such as a local mental health resources agency.

In the event that further escalation is warranted or required, legal counsel should be consulted regarding potential privacy concerns. (See Privacy Issues below).

Financial Exploitation or Abuse

Financial exploitation or abuse occurs when somebody exploits a position of influence or trust over a vulnerable person to gain access to that person's assets, funds or property.

"Red Flags" indicative of financial exploitation or abuse include, but are not limited to, the following:

1. Sudden reluctance to discuss financial matters
2. Sudden, atypical, or unexplained withdrawals or other changes in financial situation
3. Abrupt changes in wills, trusts, or power of attorney
4. Changes in beneficiaries on insurance policies or IRAs
5. Increasing lack of contact with, and interest in, the outside world
6. Admission of financial or material exploitation or suspected exploitation
7. Concern or confusion about missing funds in his or her account.
8. Unusual or first-time wire transfers, especially to foreign countries.
9. Fear of eviction or nursing home placement if money is not given to a caretaker.
10. Appearance of insufficient care despite having money.

Procedures - Financial Exploitation or Abuse

Even if abuse is only suspected, such suspicion is sufficient reason to escalate the matter to your supervisor or CCO. Where a client or prospective client appears to be the victim of financial exploitation or abuse:

1. Discuss the situation with your supervisor and/or the CCO immediately.
2. If the IAR has not notified the CCO, the supervisor should ensure that the CCO is informed.
3. Check whether an executed trading authorization form, durable power of attorney, or other guardianship appointment form is on file. If so, determine whether the alleged perpetrator of the abuse is the agent, attorney or guardian listed therein.
4. If the alleged perpetrator of the abuse is **not** the agent, attorney or guardian listed therein, contact them and alert them to the situation.
5. If the alleged perpetrator of the abuse **is** the agent, attorney or guardian listed therein or if there is no executed trading authorization form, durable power of attorney, or other guardianship appointment form on file, legal counsel should be contacted in order to determine the appropriate escalation.

Further escalation may include:

1. Contacting the client and requesting a meeting.
2. Contacting the client's spouse and requesting a meeting.
3. Contacting the client's adult child(ren) and/or requesting a joint meeting.
4. Contacting local state, county or city police and/or Eldercare agency or such other local agency that may have responsibility over vulnerable individuals.

In the event that further escalation is warranted or required, legal counsel should be consulted regarding potential privacy concerns. (See Privacy Issues below).

To report elder abuse, contact the Adult Protective Services (APS) agency in the state where the elder resides. You can find the APS reporting number for each state by visiting:

1. The State Resources section of the National Center on Elder Abuse website
http://ncea.aoa.gov/Stop_Abuse/Get_Help/State/index.aspx
2. The Eldercare Locator website or calling 1-800-677-1116. <http://www.eldercare.gov/Eldercare.NET/Public/Index.aspx>

Privacy Issues

In general, Regulation S-P and applicable state law prohibit the disclosure of any nonpublic personal information about a consumer to a nonaffiliated third party unless the Company has provided the consumer with an opt out notice and a reasonable opportunity for the consumer to opt out. However, the requirements for initial notice and the opt out do not apply when the Company discloses nonpublic personal information under certain circumstances, including, but not limited to:

1. With the consent or at the direction of the consumer, provided that the consumer has not revoked the consent or direction;
2. To protect against or prevent actual or potential fraud, unauthorized transactions, claims, or other liability;
3. For required institutional risk control or for resolving consumer disputes or inquiries;
4. To persons holding a legal or beneficial interest relating to the consumer; or
5. To persons acting in a fiduciary or representative capacity on behalf of the consumer;
6. To comply with federal, State, or local laws, rules and other applicable legal requirements;

7. To comply with a properly authorized civil, criminal, or regulatory investigation, or subpoena or summons by federal, State, or local authorities; or
8. To respond to judicial process or government regulatory authorities having jurisdiction over you for examination, compliance, or other purposes as authorized by law.

Therefore, depending on the circumstances, if a client is suffering from diminished mental capacity or is being taken advantage of, the firm may be able to disclose certain information to relatives, representatives, or government agencies without being in violation of Regulation S-P or applicable state privacy laws. You should not make such a determination yourself, but, rather, only in consultation with the CCO and legal counsel. Any non-public personal information so disclosed should be limited to only the amount necessary to protect the client.

Recordkeeping Requirements

IARs must document what steps were taken in situations where an existing or prospective client exhibited signs of diminished mental capacity and/or a cognitive impairment. Legal and compliance personnel must create similar documentation relating to their involvement.

Custody

Policy

The Company does not maintain physical custody of client assets; however, the Company has limited custody over client funds or securities solely as a result of debiting fees directly from client accounts held at a qualified custodian.

"Custody" means holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them. An adviser has custody if a related person holds, directly or indirectly client funds or securities, or has any authority to obtain possession of them, in connection with advisory services provided to clients. A related person is a person directly or indirectly controlling or controlled by the Company and any person under common control with the Company. Custody includes:

- i. Possession of client funds or securities, (but not of checks drawn by clients and made payable to third parties,) unless you receive them inadvertently and you return them to the sender promptly but in any case within three business days of receiving them;
- ii. Any arrangement (including a general power of attorney) under which you are authorized or permitted to withdraw client funds or securities maintained with a custodian upon your instruction to the custodian; and
- iii. Any capacity (such as general partner of a limited partnership, managing member of a limited liability company or a comparable position for another type of pooled investment vehicle, or trustee of a trust) that gives you or your supervised person legal ownership of or access to client funds or securities.

Responsibility

The CCO has the responsibility for implementing, monitoring, and ensuring compliance with the Company's custody procedures. The CCO must ensure that a qualified custodian maintains those funds and securities either (i) in a separate account for each client under that client's name; or (ii) in accounts that contain only your clients' funds and securities, under your name as agent or trustee for the clients.

Deduction of Advisory Fees from Client Accounts

The Company's advisory fees are debited directly from client accounts. Payment of the Company's advisory fees will be made by the qualified custodian, as that term is defined below, holding the client's funds and securities. In all such cases, the client must provide written authorization permitting the fees to be paid directly from their account. The Company will not have access to client funds for payment of fees without client consent in writing. Further, the qualified custodian must agree to deliver quarterly account statements directly to the client, and never through the Company.

The Company's CCO or designee shall periodically review, on a sample basis, fee calculations to determine their accuracy based on how and when clients are billed and to ensure that the fee calculation is consistent with the client's advisory agreement and the amount of assets under management. To the extent practical, duties shall be segregated between those personnel responsible for: (1) processing billing invoices sent to the custodian and/or clients, as applicable; (2) reviewing the invoices for accuracy; and (3) reconciling invoices with deposits of advisory fees by custodians into the Company's account.

All client fee invoices that are created by the Representative for outside managed accounts (401(k), 403(b), 457, etc.) must be sent to the compliance department for review and approval prior to sending the invoice to the client. If a client fails to pay HBW for services from the prior quarter, 30 days after the payment is due, HBW will terminate the client's Contract for Financial Advice for the accounts in which the services were not paid.

Inadvertent Receipt of Funds or Securities

It shall be the Company's policy to return the client's funds or securities to the sender without assuming custody. If the Company inadvertently receives client funds or securities, the Company will take the following steps to correct this action:

- When the Company inadvertently receives funds/securities, a photocopy of the check or securities received will be made and placed in the client's file.
- The Company will return the funds/securities to the sender with a letter of instruction regarding how and where the sender should forward funds/securities in the future. The Company will return such funds or securities by US Mail (registered, return receipt requested) or by courier service within three business days of receipt.
- The Company will keep a copy of the cover letter and the return receipt/courier notice in the client file.

Receipt of Third Party Funds

If the Company receives a check from a client payable to a third party such as a custodian, the Company will make a photocopy of the check, issue a receipt to the client and then forward the check directly to the third party. A copy of the check, the receipt, and the transmittal form will be kept in a master custody file.

Notice of Qualified Custodian

If the Company opens an account with a qualified custodian on behalf of Company clients, either under the client's name or under your name as agent, the Company will promptly notify the client in writing of the qualified custodian's name, address, and the manner in which the client funds or securities are maintained when the account is opened and following any changes to this information.

If the Company sends account statements to clients to whom the Company is required to provide this notice, the Company must include in the notification to clients and in any subsequent account statements sent to clients a statement urging clients to compare account statements from the qualified custodian with those from the Company.

Account Statements

The Company will arrange for the client's qualified custodian to send quarterly account statements, directly to the client, showing all disbursements from the account. The Company has formed a reasonable belief after due inquiry that the qualified custodian sends account statements directly to clients by receiving a duplicate copy of the quarterly account statement.

Note: If a client or an independent representative does not receive account statements directly from the qualified custodian, the Company must send quarterly account statements to that client or an independent representative, must undergo an annual surprise examination by an independent public accountant to verify the funds and securities of that client, and the independent public accountant must file Form ADV E with the SEC. An acknowledgment letter must be sent to Adviser's clients requesting written confirmation of the funds and securities in the clients' accounts as of the date of the physical examination.

Definition of Qualified Custodians

Qualified custodians include the types of financial institutions that clients and advisers customarily turn to for custodian services. These also include banks and savings institutions, registered broker-dealers, and registered futures commission merchants among others.

Use of an Independent Representative

In the event a client does not wish to receive notices and account statements referenced above, the Company will require the client to submit such request in writing. The client at that time must designate an independent representative to receive those notices/statements. A record of such request will be kept in the client's file.

Definition of Independent Representative

An *independent representative* is defined as a person that:

- i. Acts as agent for an advisory client and by law or contract is obligated to act in the best interest of the advisory client;
- ii. Does not control, is not controlled by, and is not under common control with the Company; and
- iii. Does not have, and has not had within the past two years a material business relationship with the Company.

Anti Money Laundering

Policy

As a matter of policy, the Company will not knowingly be party to any transaction and will not facilitate any transaction with persons or entities ("Prohibited Person") listed on the web site maintained by the Office of Foreign Assets Control ("OFAC") (www.treas.gov/offices/enforcement/ofac/sdn/index.shtml).

Responsibility

The CCO is responsible for implementing the Company's Anti-Money Laundering procedures.

Money Laundering - Definition

Money laundering is the attempt to disguise the source of proceeds derived from illegal activity including drug trafficking, terrorism, organized crime, fraud and many other crimes. Generally, it involves the following three phases:

- Placement: the physical disposal of cash obtained from illegal activities. This can include deposits into banks, brokers, currency exchanges and casinos.
- Layering: the use of numerous layers of financial transactions to conceal the source of proceeds of criminal activity.
- Integration: the arrangement for the laundered proceeds to re-enter the legitimate economy.

Procedures

In the general course of business, the Company will attempt to determine and document, to the best of its ability, the identity of all of its clients. The Company may screen the client's identification against OFAC's Prohibited Persons list. If the Company learns that any Prohibited Person is, or is attempting to become, involved in any transaction with respect to the services, which the Company provides, the Company shall report its findings immediately.

Proxy Voting/Class Action Litigation

Policy

Without exception, the Company does not vote proxies on behalf of clients. All proxy materials received on behalf of a client account are to be sent directly to our client or a designated representative of the client, who is responsible for voting the proxy. The Company personnel may answer client questions regarding proxy-voting matters in an effort to assist the client in determining how to vote the proxy. However, the final decision of how to vote the proxy rests with the client.

Responsibility

The CCO is responsible for ensuring adherence to the Company's Proxy Voting Policy.

Class Action Lawsuits

From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. The Company has undertaken the obligation to inform clients if securities held by the client are subject to a pending or resolved class action lawsuit and to inform clients if they may be eligible to receive proceeds of a securities class action settlement or verdict. When securities held by the client are the subject of a class action lawsuit, the Company will inform the client of the action, inform the client that he or she may opt in or opt out of the lawsuit, advise the client that the Company cannot render legal services, advise the client to consult with an attorney, and advise the client that the failure to do so may negatively affect his or her rights. The Company will take any actions as instructed by the client's attorney or the client and in the absence of any such instructions, the Company shall take any actions (other than those which would be required to be performed by an attorney) which in its sole discretion is determined to be in the best interests of its clients.

Where the Company receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms, and other materials, to the client. Electronic mail is acceptable where appropriate, if the client has authorized contact in this manner.

Advertising

Policy

It is the Company's policy that all advertisements and marketing materials, including websites, will be reviewed at regular intervals by the CCO or a designee to ensure that the content remains compliant. The Company recognizes that outdated statements about the Company and its services may become misleading, even though that content was truthful and accurate when it was originally approved. All advertisements, marketing materials, and website content that are now misleading will be revised in a timely manner or discarded.

Responsibility

The CCO is responsible for implementing and monitoring the Company's advertising policy, and ensuring that all Company advertisements are not fraudulent or misleading.

Regulation

The Company's advertising practices are regulated by the SEC under Section 206 of the Advisers Act. Section 206 and Rule 206(4)-1 generally prohibit the Company from engaging in fraudulent, deceptive, or manipulative activities.

Specifically, Rule 206(4)-1 contains the following prohibitions:

- Rule 206(4)-1(a)(1) prohibits the use of testimonials.
- Rule 206(4)-1(a)(2) restricts advertisements referring to specific recommendations made by an investment adviser that were or would have been profitable to any person. This does not prevent the investment adviser from advertising or offering a list of all recommendations made during the immediately-preceding period of not less than one year. If the list is furnished separately, it must comply with very specific regulatory requirements.
- Rule 206(4)-1(a)(3) forbids references to a graph, chart, formula or other device that can be used by itself to make investment decisions, unless the advertisement prominently discloses the limitations of this approach.
- Rule 206(4)-1(a)(4) precludes an advertisement that offers a free report, analysis or other service, unless it will in fact be furnished entirely free and without obligation.
- Rule 206(4)-1(a)(5) bars advertisements that contain any untrue statement of a material fact or that is otherwise false or misleading.

In evaluating advertisements by investment advisers, the SEC will not only look at the effect that an advertisement might have on careful and analytical persons but will also look at its possible impact on those unskilled and unsophisticated in investment matters (SEC Release No. 1644).

Definition of Advertising

Advertising is defined to include any written communication addressed to more than one person, or any notice or announcement in any publication or by radio, television, or electronic media, which offers securities analysis or reports or offers any investment advisory services regarding securities. This broad definition includes standardized forms, form letters, the Company's brochures, website or any other materials designed to maintain existing clients or to solicit new clients.

Review and Approval

All marketing documents must be reviewed and approved by the CCO. The signing and dating of the advertising piece shall indicate approval. Documentation of all such marketing pieces and the approvals will be maintained in the Company's compliance files at both the home office and relevant branch office locations (if any). Once the base template of an advertising/marketing document is

approved, future cosmetic changes to the document do not require advance approval of the CCO.

Documentation

Documentation of all such marketing pieces and the approvals will be maintained in the Company's compliance files at the home office and/or the relevant branch office locations (if any). Once the base template of an advertising/marketing document is approved, future cosmetic changes to the document do not require advance approval of the CCO.

Use of Third-Party Ratings

The Company may use third-party ratings if the third-party rating is not a testimonial and is not false or misleading. The following are factors to consider in determining whether an advertisement containing a third-party rating is false or misleading:

- Whether the ad discloses the criteria on which the rating was based;
- Whether the Company advertises a favorable rating without disclosing any facts that the Company knows would call into question the validity of the rating or the appropriateness of using it in advertisements;
- Whether the Company advertises any favorable rating without also disclosing any unfavorable ones;
- Whether the advertisement states or implies that the Company was the highest rated in a category and wasn't;
- Whether the ad clearly and prominently discloses the category for which the rating was calculated, the number of advisers surveyed in that category, and the percentage of advisers receiving that rating;
- Whether the ad discloses that the rating may not reflect any one client's experience with the Company;
- Whether the ad discloses that the rating may not be indicative of the Company's future performance; and
- Whether the ad discloses prominently who created and conducted the survey and whether the Company paid a fee to be included.
- The Company should also disclose to clients and prospective clients that third-party rankings and recognition from rating services or publications is no guarantee of future investment success and that working with a highly rated adviser does not ensure that a client or prospective client will experience a higher level of performance or results.

Prohibited References

Use of the Term "Investment Counsel"

The term "investment counsel" may not be used unless the person's principal business is acting as an investment adviser; and unless a substantial portion of their business consists of providing continuous advice as to the investment of funds based on the individual needs of each client.

Use of the Designation "RIA"

Neither the Company nor any person associated with the Company may use the designation of "RIA" after their name. Regulators have taken the position that the use of the initials "RIA" or "R.I.A." after a person's name would be misleading because: 1) these initials have no generally understood meaning; 2) initials after a name usually indicate a degree or a licensed professional position for which there are certain qualifications; and 3) there are no qualifications for becoming a registered investment adviser. See Securities and Syndication Review (pub. avail. Feb. 16, 1984)

Other Prohibitions

It is unlawful for the Company to represent that it has been sponsored, recommended, or approved, or that its abilities or qualifications have been passed upon by any federal or state governmental agency.

Testimonials and Endorsements

The Company will not use testimonials or endorsements in any marketing materials. A testimonial includes a statement by a present or former client that endorses the Company and/or refers to the client's favorable investment experience with the Company.

Guarantees, misleading language, and marketing hype

The Company will strive to avoid language in advertisements that might be viewed as a guarantee. Advertisements will not utilize marketing hype, exaggerations, and other misleading language.

Third Party Reports

The Company may use bona fide, unbiased third-party reports, regardless of whether the Company has paid the third party to verify its performance.

Use of Advisory Client List

The Company may include a list of advisory clients in an advertisement, if:

- Each client to be named has consented to the Company's use of their name in the advertisement;
- The Company does not use performance-based criteria to determine which clients to include on the list;
- Each list includes a disclaimer to the effect that "it is not known whether the listed clients approve or disapprove of the Company or the advisory services provided"; and,
- Each list includes disclosure about the objective criteria used to determine which clients were included on the list.

Performance Advertising

Although performance data is not required to be disclosed as part of an advertisement, if it is in fact used, the information must be presented accurately and fairly.

Disclosures

Model or Actual

When including either model or actual performance data in an advertisement, the following disclosures shall be made:

1. The effect of material market or economic conditions on the results portrayed;
2. All advisory fees, brokerage commissions or other client paid expenses;
3. The extent that performance was influenced by reinvestment of dividends;
4. All material relevant factors when comparing results to an index;
5. All material conditions, objectives, and investment strategies used to obtain the performance advertised; and,
6. The potential for loss where the potential for profit is also discussed.

Model Only

Where only model performance factors are used, the following additional disclosures shall also be prominently made:

1. All limitations inherent in model results particularly that such results do not represent actual trading and they may not reflect the impact material economic and market factors might have had on the Company's decision making if the Company were actually managing client money;
2. Where applicable, any material changes in investment strategies or conditions during the period portrayed;
3. Where applicable, that some or all of the strategies reflected in the model results are not currently offered by the Company; and,
4. Where applicable, that the Company's clients had actual investment results, which were materially different from those shown in the model.

Actual Performance Results for Selected Group of Clients

If the results are only for a selected group of clients, the basis on which the selection was made and the effect of this practice on the results shown (if material) must also be disclosed.

"Net of Fees" Requirement for Performance Advertising

All advertisements must reflect the deduction of advisory fees, brokerage commissions, and other client paid expenses. The Company will rely on guidance as set forth in the Clover Capital Management, Inc. no action letter (publicly available October 28, 1986) to determine the required disclosures that should be included in such advertisements, with the following exceptions:

- Performance results may be calculated without fees paid to a custodian, where the client generally selects and pays the custodian fee.
- Gross performance results may be used, but only in one-on-one presentations to wealthy individuals, pension funds, universities, and other institutions, if the Company furnishes the following disclosures:
 - That the performance results do not reflect the deduction of fees;
 - That the client's return will be reduced by the advisory fees and other expenses;
 - The Company's fees as shown in Part 2A of the Company's Form ADV; and,
 - An example (table, chart, graph or narrative) showing the effect of the compounded advisory fees over a number of years on the value of the client's portfolio.
- In presenting gross-of-fee performance, the Company shall rely on guidance as set forth in SEC no-action letter Investment Company Institute (Publicly available September 23, 1988) to determine the required disclosures that must be included in such advertising.
- Concurrent use of both gross and net-of-fees performance may be used, where such performance information is presented with equal prominence and in a format, which meets the disclosure requirements as set forth in SEC no-action letter Association for Investment Management and Research (Publicly available December 18, 1996).

Use of Representations Involving GIPS Compliance

The Company does not represent that performance advertisements are GIPS Compliant. If the Company determines to holdout its performance as GIPS Compliant, the CCO is aware that such a claim requires additional obligations, and will develop guidelines for all disclosures relating to the Company's compliance (or non-compliance) with GIPS guidelines.

Record Keeping Requirements for Performance Advertising

Responsibility

The CCO is responsible for maintaining all performance advertising records, including, minimally, all accounts, books, internal working papers, and any other pertinent records or documents that are necessary to substantiate the calculation of performance. Such records will be maintained at a readily accessible location and in accordance with applicable laws, rules, and regulations.

Time

At a minimum, all performance advertisements and all documents and supporting records included in the performance figures advertised must be maintained for not less than five years from the end of the fiscal year in which the performance advertisement was last published.

Use of Social Networking Sites

Policy

The following is the Company's social media and social networking policy. *The absence of, or lack of explicit reference to, a specific site does not limit the extent of the application of this policy.* Where no policy or guideline exists, or if you do not understand what constitutes social media, ask the CCO. Do not guess at the answer.

Social media and social networking include blogs, networking sites (Facebook, LinkedIn, Plaxo), photo sharing (flickr, twitpic), video sharing (YouTube, Vimeo), microblogging (Twitter), podcasts, as well as comments posted on the sites, and so forth.

Responsibility

The CCO is responsible for implementing and monitoring the Company's social networking policy. The CCO is also responsible for maintaining records of all content posted on social networking sites, including all posts and instant messages whether posted by the Company or other employees/persons. Such records will be maintained at a readily accessible location and in accordance with applicable laws, rules, and regulations.

Procedures

The Company may use social networking sites, such as FaceBook, MySpace, LinkedIn, Twitter, or similar sites, for advertising purposes subject to the following conditions:

1. The use of any social networking site for the purpose of advertising the Company's advisory services or soliciting advisory clients must first be pre-approved by the CCO. Evidence of the CCO's approval shall be evidenced in writing.
2. No social networking site may be used for the purpose of advertising the Company's advisory services or soliciting advisory clients unless administered by the Company. The Company shall maintain a list of all employees who have administrative access to the account.
3. All content posted on social networking sites is considered "Advertising" as defined herein and is therefore subject to all requirements and restrictions set forth in this Compliance Manual.
4. All content posted shall be pre-approved by the CCO. Evidence of the CCO's approval shall be evidenced in writing.
5. References to the Company's performance or clients' performance or level of satisfaction are prohibited.
6. References to specific recommendations are prohibited.
7. Any testimonial or recommendation to use the Company's advisory services is prohibited. A listing of contacts or friends generally will not be viewed as testimonials unless they are grouped or listed in a way so as to be identified as current or past clients. Any attempt to create the inference that contacts or friends have experienced favorable results will violate the prohibition against testimonials. The Company may publish comments that are posted on independent social media sites, as long as all reviews are included without editing, redacting, or highlighting of positive evaluations. There must be no material connection between the independent social media site and the Company.
8. Employees may not make reference to the Company's advisory services on their personal sites. The CCO will take steps to ensure personal social networking is not being used for business use.
9. Employees participating in social media must pay for the cost of overseeing their activities.

The CCO shall review all content posted by the Company as well as content posted by others on the Company's "page" to ensure the content is consistent with the Company's advertising policies and procedures.

Record-Keeping Requirements for Social Media

The CCO is responsible for retaining records relating to social media utilized. The CCO must also retain all attestation forms certifying which forms of social media are being used for non-business purposes. In addition, the CCO should retain all authorizations allowing the CCO or a designee to review those personal accounts. Records should also be retained to document due diligence by the CCO or a designee to investigate whether social media is being used for business purposes. No social media will be utilized unless content can be captured and made available for regulatory review.

Removal of Comments from Company Social Media Pages

The CCO will review comments that are posted to the Company's social media sites and will remove any comments that:

- are abusive and/or use foul language;
- are solicitations and/or advertisements;
- violate any rules, regulations, and/or statutes that govern the investment advisory industry;
- are derogatory based on race, religion, color, national origin, etc.;
- are otherwise deemed inappropriate at the CCO's discretion.

Where comments are removed, the Company will include a statement to the effect that the comment was removed because it violated the Company's internal compliance procedures and/or the rules that govern the investment advisory industry.

Employees of the Company are required to notify the CCO immediately if they think comments on the Company's social media pages violate this policy or are abusive or inappropriate in any way.

Compliance Requirements for Facebook Page, Blog Postings, YouTube, Twitter, and Other Social Media

All content posted on the Company's Facebook page or other social sites shall be considered to be advertising. As such, all content on social networking websites must comply with the Company's advertising policies and procedures, as well as applicable state and federal rules. All content should also be retained in accordance with the Books and Records Rule. No associated person of the Company may use chat rooms such as Facebook 1 on Company-administered social networking sites, since record-retention requirements may not be satisfied and content cannot be pre-approved.

Before content is posted on social networking sites, the Company's CCO or a designee shall conduct a review to ensure that:

- Content is not false or misleading in any way;
- There are no direct or indirect references to the Company's performance;
- No specific recommendations are made;
- No legal or tax advice is offered; and
- There are no direct or indirect testimonials or endorsements of the Company.
- There are no direct or indirect testimonials or endorsements of the Company except those published on independent social media sites. Third-party comments and reviews from independent social media sites may only be published without editing, redacting, or highlighting of positive evaluations. The reviews must be published in a content-neutral manner, such as in chronological order.

Aside from reviewing content before it is posted, the CCO or a designee will conduct periodic reviews of the Company's Facebook page to ensure that third-parties do not post content that violates these restrictions. If possible, the Company will hide content from public view that may violate compliance

guidelines on social media utilities. The Company will also use a disclosure in conjunction with social media to discourage individuals from posting prohibited materials or making comments that might be construed as a testimonial. The disclosure also helps to ensure that content is not misleading in any way.

The following disclosure may be used on Facebook pages:

Clicking the Like button does not constitute a testimonial for or endorsement of the Company. This is the only mechanism available to circulate our Facebook page. "Like" is not meant in the traditional sense. Posts must refrain from recommending investment advisory services or providing testimonials for the Company. Because testimonials relative to investment advisory services are strictly prohibited, any such postings are subject to removal. This is a regulatory requirement and has no bearing on how much we value our clients' opinions. No one commenting on this wall should post specific securities recommendations. Questions about a specific investment adviser or security cannot be answered, and may be removed from the page.

Photos and images on this Facebook page should not be construed as an endorsement of the adviser by any client. Information presented is believed to be factual and up-to-date, but we do not guarantee its accuracy and it should not be regarded as a complete analysis of the subjects discussed. All expressions of opinion reflect the judgment of the authors as of the date of publication and are subject to change.

Information provided is general in nature and does not constitute personalized investment advice. A professional adviser should be consulted before implementing any of the options presented. Any tax and estate planning information provided is general in nature and should not be construed as legal or tax advice. Always consult an attorney or tax professional regarding your specific legal or tax situation.

Information on this website is not an offer to buy or sell, or a solicitation of any offer to buy or sell the securities mentioned herein. Hyperlinks on this website are provided as a convenience and we disclaim any responsibility for information, services or products found on pages linked hereto.

Outside the Workplace

Outside the workplace, employee's rights to privacy and free speech protect their online activity conducted on their personal social networks and through their personal email address. However, what employees publish on such personal online sites should never be attributed to the Company and should not appear to be endorsed by or originated from the Company.

Employees should remember that online lives are ultimately linked, whether or not you choose to mention the Company in your personal online networking activity. At all times, employees are subject to the following Company procedures:

1. Without exception, employees may not make reference to the Company's advisory services on their personal sites.
2. The Company logos and trademarks may not be used without prior written consent from the CCO.

Approval of Outside Employment/Activities

Policy

Any employment or other outside activity by a employee or investment adviser representative may result in possible conflicts of interests for the individual and/or for the Company and should be reviewed and approved by the CCO. Outside activities which must be reviewed and approved include such activities as the following:

- being employed or compensated by any other entity;
- active in any other business, without exception, including part-time, evening or weekend employment;
- serving as an officer, director, partner, etc., in any other entity, including publicly traded companies;
- ownership interest in any non-publicly traded company or other private investments;
- any public speaking or writing activities; or
- engaging or participating in any investment or business transaction or venture with any Company client.

Responsibility

The CCO is responsible for implementing and overseeing compliance with the Company's procedures covering Outside Business Activities.

Procedure

Approval for any of the above activities is to be obtained by the individual from the CCO before undertaking any such activity so that a determination may be made that the activities do not interfere with any of the individual's responsibilities at the Company and any conflicts of interests relative to such activities may be addressed. (Certain Form ADV disclosures and amendments may also be required).

Securities/Insurance Brokerage

To the extent that any Company representative maintains an affiliation as a registered representative of an FINRA member broker-dealer and/or as a licensed insurance agent, and has received the Company's permission to maintain such licenses and affiliations, the representative shall conduct all such activities in accordance with the applicable rules and regulations promulgated by the SEC, FINRA and/or the applicable state regulatory authority(ies), and in accordance with the policies and procedures implemented by the broker-dealer and/or insurance agency.

Correspondence

Policy

Persons associated with the Company should use discretion in communicating information to advisory clients and prospective clients. This policy applies to all communications used with existing or prospective clients, including information available in electronic format, such as a web site.

At all times, the Company will endeavor to ensure all client communications are presented fairly to clients in a balanced manner and that client communications are not misleading. In addition, the Company will endeavor to disclose all material facts to our clients.

Responsibility

- **Outgoing:** The CCO shall be responsible for periodic review of outgoing correspondence to ensure compliance with the following Company guidelines and the applicable laws, rules and regulations governing the activities of the Company. All Associated Persons who transmit any correspondence regarding client investments shall ensure that a copy of the correspondence is maintained. Documentation will be maintained of all reviewed correspondence.
- **Incoming:** All incoming correspondence will be opened by a designated employee. Correspondence subject to this policy includes letters, facsimiles, courier deliveries and other forms of communication, including communications marked "personal," "confidential," or words to this effect.

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 portfolio seminars, panel presentations, speeches and other types of information originated by an Associated Person of the Company and provided to one or more clients or prospective clients. Interactive conversations (e.g., personal meetings, telephone conversations (other than scripted sales calls), posting to ("chat rooms") generally are not considered correspondence. Advertising, sales literature and market letters are not included in this definition of correspondence; rather, they are covered in Advertising Section of this manual.

General Guidelines for Outgoing Correspondence

All correspondence shall be communicated through such channels authorized and approved by HBW Advisory Service LLC.

No Company related correspondence of any kind, including electronic correspondence, may be sent, or received through the home or home computer of an Associated Person without the pre-approval of the CCO.

- Truthfulness and good taste shall be required.
- Exaggerated or flamboyant language should be avoided.
- Projections and predictions are never permitted except in accordance with the Company's policies regarding advertising.
- The Company prohibits photocopying and distributing copyrighted material in violation of copyright law.
- Use of the Company's letterhead and other official stationery is limited to Company-related matters.
- No material marked "For Internal Use" or something to this effect may be sent to anyone outside the Company.
- No Associated Person is authorized to make any statements or supply 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 Associated Person and the Company to severe civil and, in some cases, criminal liability.

General Guidelines for Incoming Correspondence

- Obvious non-client correspondence may be forwarded directly to the addressee.
- Complaints will be immediately forwarded to the CCO.
- Original client correspondence will be retained for the Company's files.

Books and Records

Copies of all reviewed correspondence shall be maintained at the Company's principal place of business for a period of not less than 5 years, or longer if required by applicable SEC or state regulations. Electronic correspondence may be retained in the format in which it was received.

Email and Other Electronic Communications

Policy

Incoming and outgoing electronic communications are subject to same review, and retention policies as paper correspondence and communication. The Company's electronic communications systems should be used for authorized business purposes only. This policy extends to off-hour usage of electronic communications systems and where permitted, to communications concerning Company business on home, personal, or other electronic communications systems whether owned by the Company, the Associated Person or otherwise. 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:

- Telephone (including Internet telephony devices and related protocols);
- Electronic mail (e-mail);
- Instant messaging (IM);
- Social networking sites, such as FaceBook, MySpace, LinkedIn, Twitter, etc.;
- Facsimile, including e-fax services;
- The Internet, including the Web, file transfer protocols ("FTP"), Remote Host Access, Blogs, etc.;
- Video teleconferencing; and,
- Internet Relay Chat ("IRC"), bulletin boards, blogs, social networking sites, and similar news or discussion groups.

The following summarizes the key points of the Company's electronic communications policy.

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

Responsibility

The CCO shall be responsible for ensuring that the Company's electronic communications systems are not being utilized for illegal purposes.

Dissemination of Client Information

Associated Persons may send information to clients and other parties (such as, brokers, custodians and banks) electronically, being mindful of the requirements of keeping client information private as outlined within the Company's Privacy Policy.

The Associated Person should take steps to reasonably ensure the electronic form of the information is substantially comparable to the paper form of the same information.

Electronic Delivery of Regulatory Information

The Company or Associated Persons may electronically deliver disclosure documents such as

brochures, brochure supplements, and privacy notices to clients and prospective clients as long as the following practices are followed:

- **Consent, Notice and Access.** Obtain written consent for electronic delivery from the recipient and ensure that the recipient is given notice of electronic delivery and has access to the electronic information.
- **Evidence to Show Delivery.** The Company must have reason to believe that the electronically delivered information will result in the satisfaction of the delivery requirements under applicable securities laws. The Company will evidence satisfaction of its delivery obligations using either of the following methods:
 - Ensuring clients have notice and access to such information and obtaining clients' informed consent to the electronic delivery of the information provided the informed consent specifies the electronic medium through which the information will be delivered, the period during which the consent will be effective, and describes the information that will be delivered; or
 - Obtaining evidence that the intended recipient actually received delivery of the document(s), such as a return receipt or documentation showing the information was accessed, downloaded, or printed.

Disclosure documents being delivered electronically should be sent as read-only PDF files or attachments. Every electronic communication should contain the Company's standard disclosures and should provide the recipient with guidance on how to discontinue receiving important documents electronically.

Electronic Delivery Authorization Forms, receipts or documentation should be retained according to the Company's recordkeeping requirements.

Review

The CCO or a designee shall review the Company's use of electronic communications at regular and frequent intervals to ensure the following:

- **Notice.** That electronic notifications to clients are sent in a timely manner and are adequate to properly convey the message;
- **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; and
- **Security.** That reasonable 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.

Standards for Internet and E-mail Communications

- Electronic Communications are not private or reliable.
- Electronic communications may be widely disseminated. Electronic communications may not be suitable, and should not be used for communications that must remain confidential or private.
- Contents of external messaging should be limited to information that is already in the public domain. There should be no expectation of privacy in electronic communications. Due to the nature of electronic communications systems in general, there is no guarantee that a message or other electronic communication will reach its destination in a timely manner or that it will reach its destination at all.
- Communications must conform to appropriate business standards and the law.
- Users of the Company's electronic communications systems are expected to follow appropriate business communication standards. Use must comply with all applicable international, federal,

state, and local laws. The following guidelines apply:

- Electronic communications should contain the most recent, valid information available.
- Communications received with inappropriate content must be deleted/discarded immediately.
- Unauthorized dissemination of proprietary information is prohibited.
- Unauthorized copying or transmitting software or other materials protected by copyright law is prohibited.
- Non-Company sponsored electronic communications systems should not be used for Company business without prior approval from the CCO.
- Access to each Associated Person's computer, telephone and other electronic communications systems should be reasonably safeguarded. Passwords should be kept in a secure location.
- Personnel must preserve electronic communications sent and received according to Company and regulatory requirements. Company policies for record retention apply to electronic communications in the same manner as they apply to any other written communications.
- Communications with the public may require pre-approval in accordance with other Company policies. If in doubt, it is the Associated Person's responsibility to check with the CCO before disseminating information via electronic or conventional means.
- Electronic communications through the Company's systems are the property of the Company the Company 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.

Licensing

Care must be taken to ensure that electronic communications directed to a person in a particular state comply with the securities law of that state, including without limitations, requirements that the Company has first notice filed in that state or has otherwise qualified for an exemption or exclusion from such requirement. The Company's electronic communications systems must not be used to attempt to effect any transaction in securities, or to render investment advisory services for compensation in any state in which the Company is not properly notice filed.

Complaints

Policy

It is the Company's policy to respond to client complaints promptly. All such information will be treated as confidential and will not be brought to the attention of any third party without the express permission of Legal Counsel or the CCO.

The Company defines a "complaint" as any written or oral statement of a client or any person acting on behalf of a client alleging a grievance involving the activities of those persons under the control of the Company in connection with the management of the client's account.

Responsibility

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

Procedures for Handling Client Complaints

- 1) Associated Persons must notify the CCO immediately upon receipt of a written or oral client complaint, and provide the CCO with all information and documentation in their possession relating to such complaint.
- 2) The CCO will immediately forward a written report of the circumstances surrounding the complaint to the broker dealer's compliance department. The broker dealer will assist the CCO in initiating a review of the factual circumstances surrounding any complaint (written or oral) that has been received. The Company will rely on guidance from the broker dealer and its legal department in formulating a response to the complaint.
- 3) Associated Persons are expected to cooperate fully with the Company, the broker dealer and with regulatory authorities in the investigation of any client complaint.
- 4) The Company shall maintain a separate file for all written, oral, and electronically transmitted client complaints in its Main Office. Records maintained on a client complaint will include the following information:
 - Identification of each complaint;
 - The date each complaint was received;
 - Identification of each person servicing the account;
 - A general description of the matter complained of;
 - Copies of all correspondence involving the complaint; and
 - The written report of the action taken with respect to the complaint.

Former Clients

Where the Company receives a written complaint from a former client (the advisory agreement has been terminated) the CCO will document the complaint and determine whether a response is warranted. The CCO in conjunction with a member of the Company's executive management, if any, shall determine whether legal counsel is required.

Portfolio Management

Suitability

It is the Company's policy to ensure that each client's investments are suitable for that client and consistent with their investment needs, goals, objectives and risk tolerance as well as any restrictions requested by the client (collectively, the "Investment Parameters").

Each Investment Adviser Representative, prior to rendering investment advice to a client, must ensure that their advice is suitable, considering that client's Investment Parameters. The IAR should, at a minimum, base that recommendation on the most current information available to the Company regarding the client's Investment Parameters.

The Company provides discretionary, and in limited circumstances non-discretionary portfolio management on a continuous basis. In either case, portfolio management services will not be rendered prior to the client entering into a written agreement for services, which shall be maintained in the requisite client file.

Subject to a grant of discretionary authority, the Company, through its portfolio managers, shall invest and reinvest the securities, cash or other property held in the client's account in accordance with the client's stated investment objectives as identified by the client during initial interviews and information gathering sessions. The Company's portfolio managers are granted discretion pursuant to authorization provided in the executed agreement for services, which is maintained in the relevant client file.

Where the Company provides non-discretionary services, the portfolio manager will obtain client approval prior to the execution of all trades. The authorization to implement the recommendation may be granted via verbal or written communication from the client, or the client representative. The portfolio manager will document all such approved transactions, and disapproved recommendations.

In either case, a portfolio manager will create the order, route it to the trader who will then execute the trade. The trades will be entered onto the trading platform for execution, assigned to portfolios and then executed through either electronic trading or over the phone.

Research Processes

Research is conducted internally utilizing information obtained from a wide variety of sources, and all professional staff members actively participate in the Company's research effort. Increasingly, the Internet and new databases provide a wealth of ideas and information to enhance the Company's research. The priority is for portfolio managers to build up their knowledge and insights on an industry or company, and to exploit the vast wealth of information that is increasingly available.

Industry research is used to supplement the Company's own research efforts. Our portfolio managers research investments on a continuous basis.

Valuation of Securities

The Company will use information provided by the client's custodian as its main pricing source for purposes of valuing client portfolios, both for fee billing and investment performance calculation.

In the rare instance where the custodian is unable to obtain a price, where the Company strongly believes the custodian is not pricing a security fairly or where a security has halted trading, the Company will determine a fair value for that security. When determining a fair value for a security, the Company will establish a fair valued price for the security based on the Company's knowledge of the security and current market conditions, among any other considerations deemed appropriate. The

Company will also document the rationale used to establish a fair valued price for the security.

Reconciliation

On a quarterly basis, the Company will review clients' custodial statements against the Company's internal records to ensure that advisory fees are properly calculated and charged. Any differences should be resolved prior to the next billing cycle and erroneous balances/fee discrepancies should not be carried forward.

Review Procedures

Client accounts are monitored on a continuous basis with a formal review conducted at least annually. Additional reviews may be provided at the client's request, based on deposits and/or withdrawals in the account, material changes in the client's financial condition, or at the portfolio manager's discretion. The Company will review the underlying portfolio assets, current market conditions, investment results, asset allocation, etc., to ensure investment strategy and expectations remain aligned with the client's stated goals and objectives. The Company will maintain documentation of such review. Personnel currently conducting reviews must be disclosed in Part 2A of the Form ADV.

Account Statements

The custodian holding the client's funds and securities will send the client a confirmation of every securities transaction and a brokerage statement at least quarterly.

The Company does not provide additional written reports.

Third-Party Adviser Initial Due Diligence

The Company will refer and/or recommend the services of third-party advisers to clients for account/portfolio management services. Prior to utilizing any third-party adviser the Company will conduct a due diligence review of the third-party adviser. Due diligence may consist of the following: reviewing Form ADV or other disclosure documents, reviewing the third-party adviser's qualifications, expertise, and strategies, conducting in person or telephonic interviews with the third-party adviser, confirming the registration status of the third-party adviser, requesting and reviewing any disciplinary/regulatory history of the third-party adviser and all persons associated with the third-party adviser, requesting and reviewing any regulatory examination deficiency letters and responses thereto, requesting any reviewing any internal and/or external compliance audit reports and responses thereto, requesting and reviewing the third-party advisers policies and procedures, requesting any client complaints regarding the third-party adviser, reviewing the third-party adviser's custodial relationships.

On Going Due Diligence and Supervision of Third-Party Advisers

The Company's CCO, senior management, and/or investment committee (if any) will be responsible for supervising and conduct on-going due diligence of any third-party adviser utilized by the Company. This will be accomplished by the following:

- Obtaining periodic certification of compliance with the third-party adviser's policies and procedures;
- Requesting and reviewing amendments to the third-party adviser's Form ADV or other disclosure documents;
- Reviewing the performance of the third-party adviser;
- Conducting periodic meetings with compliance personnel and senior management of the third-party adviser;
- Requiring notification of changes in the third-party adviser's portfolio management team or investment strategies;
- Obtaining and reviewing copies of any complaints, pending and/or threatened litigation;

- Obtaining and reviewing any internal and/or external compliance audit reports and responses thereto;
- Requiring the third-party adviser to provide copies of any regulatory deficiency letters and responses thereto and follow-up on any items of concern; and
- Periodically reassess supervisory procedures applicable to the third-party adviser in light of:
 - Changes in a third-party adviser's investment strategy or portfolio managers;
 - Significant changes in the third-party adviser's business;
 - Dramatic changes in market conditions; or
 - Any other event likely to have a significant effect on the third-party adviser's operations.

Once all information has been collected, the Company will review the materials, and determine if the Company will refer and/or recommend the third-party adviser to clients. Records of the review and a final decision will be maintained in the Company's compliance files.

Suitability

Policy

It is the Company's policy to obtain (and maintain) sufficient information regarding the client's financial circumstances so as to enable the Company to determine whether particular advice and/or services are suitable ("investment parameters"). Examples of the type of corresponding documents that investment advisers may determine to implement include client questionnaires, fact sheets, investment objective(s) confirmation letters, and/or investment policy statements.

Responsibility

It is the responsibility of the CCO to ensure that each Company investment adviser representative has obtained sufficient information from a prospective client (on such form(s) as may be prescribed by the Company) to enable the Company to provide services and/or manage the client's assets in accordance with the client's designated investment objective(s) and risk parameters.

Procedures

At the inception of the client relationship, the Company will collect suitability from each client.

Each IAR, prior to rendering investment advice to a client, must ensure that their advice is suitable, considering that client's specific investment parameters. The IAR should, at a minimum, base that recommendation on the most current information available to the Company regarding the client's investment parameters.

At least annually, the Company will request that the client notify the Company if their investment parameters have changed.

Dual Registration

Persons registered as a investment adviser representative ("IAR") of the Company are also registered representatives ("RR") of a registered broker dealer ("a FINRA member firm").

IARs are fiduciaries and, therefore, must act in the best interests of their clients at all times. An IAR's fiduciary duty cannot be disregarded simply because an IAR also happens to be an RR. Therefore, dually registered individuals must be mindful of conflicts of interest. In determining whether an investment advisory fee based account and/or commission based account is appropriate for the client, associated persons shall take into account the types of securities purchased for the account, the anticipated number of transactions for the account, the amount of assets in the account, fee breakpoints, and other relevant factors. In no circumstances will the Company charge advisory fees on assets for which commissions have been paid.

Because associated persons of the Company are registered representatives of a FINRA member firm, such individuals may be restricted in executing transactions for advisory client accounts away from their employing broker dealer. This arrangement is fully disclosed in the Company's Form ADV Part 2A, and clients are made aware of this limitation.

For purposes of supervising the actions of a dually registered individual when such person is acting in the capacity of a registered representative of a FINRA member firm, the obligation to ensure compliance with FINRA rules and regulations as well with compliance under the Securities Act of 1933 rests solely with the broker-dealer with whom the dual registrant is registered.

For purposes of supervising the actions of a dually registered individual when such person is acting in the capacity of an investment adviser representative of the Company, the obligation to ensure compliance with the Investment Advisers Act of 1940 and/or applicable state laws, rules and

regulations governing investment advisers, rests solely with the Company.

IRA Rollover Considerations

The Company's IARs may recommend that clients withdraw the assets from their employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that the Company will manage on the client's behalf. All such recommendations must be consistent with the client's current suitability information and in the client's best interest.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, the IAR should consider the costs and benefits of:

1. Leaving the funds in the employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan.
3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

It is important that the IAR understand the differences between these types of accounts in order to advise clients on whether a rollover is in their best interest. If you have questions contact the CCO before proceeding.

A suitability questionnaire will be utilized.

Account Opening and Closing Procedures

Policy

Employees may open a discretionary account at a client's request provided that procedures governing such accounts are followed. Conversely, terminated client accounts must be removed from our custodial platforms as soon as practicable.

When a new client relationship is established, the Company will gather sufficient information about the client to determine the investment advice that should be provided.

Responsibility

Several individuals may be responsible for various aspects of opening and closing a client account.

Procedures for Opening a New Advisory Account

1. Client accounts will not be managed unless client signs an agreement for the relevant services with the Company.
2. If applicable, the Company and new clients must complete forms to authorize the transfer of client assets to the broker/custodian agreed upon by client and adviser.
3. The Company and new clients must complete new account forms that are required by the broker. The forms must provide the Company with the authorization to trade on behalf of the client (limited power-of-attorney) and may also grant the Company the ability to directly debit advisory fees from the client's custodial account.
4. The Company must obtain and document information from the client for the purpose of determining investment suitability and investment objectives. Typically, a detailed investment questionnaire is completed by the client with help from the advisory representative servicing the account. The investment questionnaire is made a part of the agreement for services.
5. The Company must note and document any client-imposed investment restrictions.
6. The Company must enter data into its system to include the client's account. Additionally, the Company must develop a file for the client, which includes, among other things: the advisory agreement, investment policy statements and correspondence, if any. Files may be electronic in whole or in part. Brokerage Statements & confirms may be kept electronically (and easily accessible if not in client file).
7. The Company must furnish new clients with Part 2 of Form ADV and the Company's Privacy Notice no later than when the client executes the advisory agreement.

Unacceptable Clients

The following types of prospective clients generally will not be accepted by the Company as a client:

1. A person under the age of majority unless represented by a legal guardian
2. A person who has been determined to be legally incompetent unless represented by a legal guardian
3. A person with a fictitious name unless a legal name is also provided
4. A person who refused to disclose necessary information required by account opening documents

Updating Client Information

The Company will maintain current information about each client. The client is responsible for proactively informing the Company regarding changes in their investment needs, goals, objectives, risk tolerance, restrictions, and financial situations.

The Company will, at least annually, request that each client, in writing, provide updated account information, as noted above. Upon written notice of changes in the client's information, the Company will promptly update the client's information.

Summary Procedures for Closing a Terminated Client Account

1. The Company is informed of a client termination by i) receiving ACAT notice from a broker; ii) receiving a letter directly from the client with termination instructions (particularly on any position liquidations); or iii) verbal instructions from the client. If the client communicates this information verbally to the Company, a letter (written or electronic) is sent to the client stating that the Company acknowledges the client's desire to terminate, the date of termination, and fee payment/rebate instructions.
2. Upon notification to the Company all active management of the account assets will stop. The client may have instructed the Company to liquidate certain positions in the account prior to closing. The Company will complete the trades to the best of its ability, taking into account the effects on the price at which the securities will be liquidated.
3. The Company calculates the pro rata fee for the period based upon the client termination date.
4. Documentation showing the specific manner in which the pro rata fee was calculated, how the amount due from/payable to was identified, and a copy of the check/fee reimbursement-transfer (from the Company account to Client account)/wire instructions is maintained in the client file (or electronically on the Company's portfolio management system). The Company shall furnish the terminated client with a final letter (can be electronic) memorializing the termination instructions (as discussed above) and effective date of termination.
5. The Chief Compliance Officer will be responsible for removing the client from the Company's master custodial account.
6. All information relating to the management of a terminated client's account must be maintained in accordance with the Advisers Act (i.e. 5 years from the end of the fiscal year in which the account terminated), and the terminated client's investment returns must remain in the Company's performance composite through the last full quarter in which the account was managed.
7. The Company must cooperate with any account transfer instructions received from the terminated client, and act to complete an account transfer efficiently and expeditiously.

Federal Filing Requirements

Policy

It is the Company's policy to submit all required federal filings.

Responsibility

The CCO is responsible for determining whether or not the Company is subject to federal filing requirements beyond those traditionally filed as a registered investment adviser. The CCO is responsible for overseeing the Company's submission of the appropriate filings.

Filings

The Company may be subject to the reporting requirements under certain provisions of the Securities Exchange Act of 1934 that may include:

1. **Section 13(d)** - Requires a beneficial owner of more than five (5) percent of a class of publicly traded equity securities to file a Form 13D with the Securities and Exchange Commission.
2. **Section 13(g)** - Provides an alternative beneficial ownership reporting scheme to Section 13(d).
3. **Section 13(f)** - Requires an investment adviser with investment discretion over \$100 million or more of certain equity securities to file quarterly reports disclosing such holdings.
4. **Section 16** - Requires an investment adviser who is greater than a ten (10) percent shareholder of a publicly traded company to file certain disclosure reports and be subject to disgorgement of profits from purchases or sales of such equity securities within any six-month period.
5. **Rule 144A** - The 1933 Act provides a non-exclusive safe harbor from a person deemed to be an "underwriter" under the 1933 Act for certain resale of restricted or unregistered securities to specified categories of "qualified institutional buyers" or "QIBs."
6. **Form 3, Form 4, and Form 5** are filings required under the Securities Act for certain insiders.

THE ABOVE DESCRIPTIONS ARE ONLY GENERAL IN NATURE AND MAY REQUIRE CONTINUOUS FILINGS. ANY QUESTIONS REGARDING SECTIONS 13(d), 13(f), 13(g), 16(a) OR RULE 144A AND FORMS 3, 4 AND 5 SHOULD BE DIRECTED TO QUALIFIED LEGAL COUNSEL.

The CCO has determined that the Company is not subject to any of the above itemized reporting requirements.

Best Execution

Policy

As a registered investment adviser, the Company recognizes its fiduciary obligation to seek best execution of clients' transactions. In certain circumstances, the transactions for the Company's clients will be in mutual funds where the price is set by prospectus and does not vary from one firm to another, and generally, mutual funds will be purchased at net asset value if that fund is available at net asset value in the client's account.

Best execution has been defined by the SEC as the "execution of securities transactions for clients in such a manner that the clients' total cost or proceeds in each transaction is the most favorable under the circumstances." The best execution responsibility applies to the circumstances of each particular transaction and an adviser must consider the full range and quality of a broker-dealer's services, including execution capability, commission rates, value of research, financial responsibility and responsiveness, among other things.

Responsibility

The CCO is responsible for implementing and monitoring the Company's best execution policy, practices, disclosures and recordkeeping.

Procedure

The Company will evaluate the quality and cost of services received from broker/dealers on a periodic basis. As part of the evaluations, The Company will consider the quality and cost of services available from alternative broker/dealers. In addition, consideration will be given to time and cost of changing broker-dealers (cost/benefit) and the impact on clients.

To the extent applicable, the Company shall utilize a best execution checklist to document its evaluation of best execution.

The Company may also pull reports from the executing broker dealer's website on best execution as part of its annual evaluation of best execution. This information is generally available through the given broker dealer's trading platform.

Because Associated Persons of the Company are registered representatives of a member firm of the Financial Industry Regulatory Authority, Inc. ("FINRA"), such individuals may be restricted in executing transactions for advisory client accounts away from their employing broker dealer. This arrangement is fully disclosed in the Company's Form ADV Part 2, and clients are made aware of this potential limitation.

Disclosure

The brokerage practices of the Company will be fully disclosed in the Company's Form ADV Part 2, including a summary of factors the Company considers when selecting broker-dealers and determining the reasonableness of their commissions.

Conflicts of Interests

The Company will be sensitive to various conflicts of interest that may arise when selecting broker-dealers to execute client trades, and where necessary, it shall address such conflicts by disclosure.

Books and Records

The Company will maintain records regarding the periodic best execution review, and of any directed brokerage requests both approved and denied.

Trading and Brokerage Policies

Policy

The Company may engage in various types of permitted activities, as discussed herein, related to trading client accounts. In all cases, these activities will be disclosed in the Company's Form ADV Part 2A disclosure brochure.

Responsibility

The CCO is responsible for implementing and administering the Company's procedures on block trading, principle and agency transactions, soft dollars, and trade errors.

Block Trading

At the discretion of the relevant portfolio manager or the CCO, the Company may aggregate buy or sell orders for two or more clients into a single large order, and place the aggregated order with a single broker or dealer for execution. In many instances, aggregation of orders can result in lower commissions, a more favorable net price, or more efficient execution than if each client's order were placed separately. However, there may be instances in which order aggregation results in a less favorable transaction than might have obtained for a client by trading separately. Moreover, when orders are not aggregated, there may be circumstances when purchases or sales of portfolio securities for one or more clients will have an adverse effect on other clients. The Company is not obligated to place all transactions on an aggregated basis, and in determining whether to aggregate orders the Company relies on the judgment of the relevant portfolio manager or the CCO as to what course of action is likely to be fair and in the best interests of the relevant accounts on an overall basis. That is, the Company seeks to avoid putting any client account at an advantage or disadvantage compared to the Company's other client accounts that are buying or selling the same security.

Block trading is permitted where the following conditions are met. Orders of two or more clients may be aggregated only if the Company has determined, on an individual basis that the securities order is:

- in the best interests of each client participating in the order;
- consistent with the Company's duty to obtain best execution; and
- consistent with the terms of the investment advisory agreement of each participating client.

Trade Allocation Procedures for Aggregated Orders

The Company will aggregate orders with respect to a security if such aggregation is consistent with achieving best execution for the various client accounts. When orders are aggregated, each participating account will receive the weighted average share price for all transactions in a particular security effected to fill such orders on a given business day. Transaction costs will be shared pro rata based upon each account's participation in the transaction.

Allocations of orders among client accounts must be made in a fair and equitable manner. As a general rule, allocations among accounts with the same or similar investment objective are made pro rata based upon the size of the accounts. There is no allocation to an account or set of accounts based on account performance or the amount or structure of management fees. However, the following factors may justify an allocation that deviates from the general rule:

- Specific allocations may be chosen based upon an account's existing positions in securities.
- Specific allocations may be chosen because of the cash availability of one or more particular accounts.
- Specific allocations may be chosen based on a partial fill of the block trade.
- Specific allocations may be chosen for tax reasons.

- Specific allocations may be chosen based on required minimum trade lot sizes for foreign securities.

Aggregated orders may include proprietary or related accounts. Such accounts are treated as client accounts and are neither given preferential nor inferior treatment versus other client accounts.

Restrictions on Principal and Agency Cross Transactions

The Company does not engage in principal or agency cross transactions.

Soft Dollar Practices

The Company does not participate in any Soft Dollar arrangements.

Trade Error Procedures

Policy

It is the Company's policy to minimize the occurrence of trade errors and should they occur, detect such an error and take steps to resolve the error in the best interest of the client.

Responsibility

The CCO is responsible for implementing and maintaining the Company's policy on trade errors.

Procedures

An overriding principle in dealing with a trading error made by the Company (or any other party to the trade other than the client) is that the client never pays for losses resulting from such errors. 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 would be considered trading errors for the purposes of these Procedures if the error resulted from a breach in the duty of care that the Company owes to the client under the particular circumstances:

1. The purchase or sale of the wrong security or wrong amount of securities;
 2. The over allocation of a security;
 3. Purchase or sale of a security in violation of client investment guidelines or other failure to follow specific client directives; and
 4. Purchase of securities not legally authorized for the client's account.
- Errors caught and corrected before execution, and ticket re-writes and similar mistakes that incorrectly describe properly executed trades are not considered trade errors.
 - Registered Representatives are responsible for following up on trade requests they submit for processing. If the trade request is not processed correctly the rep must notify the CCO immediately, but no more than 30 days after the submission. Reps can be liable for any trading losses if the trading error isn't reported in a timely manner.

Trade Error Notification Procedures

Procedures to be followed in the event a potential trading error is identified include the following:

- Alert the CCO immediately.
- A determination should be made promptly as to: (a) whether a trading error has occurred, and (b) who is the responsible party.
- Correct the error immediately in the best interest of the client and in a manner consistent with the Policy outlined above.
- In the event of a loss, the Company will reimburse the appropriate party for the full amount of the loss, including transaction costs.
- A memo will be written by the CCO identifying: (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, and (5) the amount of the gain or loss.
- Payments made to clients because of trade error correction are to be recorded in the Company's accounting records.
- The CCO should determine if a pattern of errors exists, that should otherwise be addressed.
- The Company will maintain a record of all trade error reports for a period of five (5) years.

A summary of the Company's trade error procedures will be included in the Company's Form ADV Part 2 disclosure brochure.

Economic Benefits from Securities Transactions

Policy

It is the Company's policy to accept other products or services (other than execution) from a broker-dealer or a third party in connection with client securities transactions only after disclosure to the client as required by federal and/or state securities laws.

Responsibility

The CCO is responsible for ensuring that the Company complies with relevant laws, rules, and regulations before accepting research or other products or services (other than execution) from a broker-dealer or third party in connection with client securities transactions.

Procedures

The CCO shall, at least annually, review the Company's practices regarding receipt of other products or services (other than execution) from a broker-dealer or third party in connection with client securities transactions to ensure that the Company continues to follow this Compliance Manual.

Other Economic Benefits

When the Company receives from a broker-dealer or other financial institution, without cost, any economic benefit because it renders investment management services to clients that, in the aggregate, maintain a certain level of assets at that institution, the Company shall characterize such as an "other economic benefit."

For all such benefits, the CCO shall then determine whether the benefits are in the best interest of the Company's clients. Where the CCO determines that the benefits are not in the best interests of the Company's clients, the CCO should decline the benefits on behalf of the Company. Benefits that are deemed to be in the best interest of the client shall be disclosed in the Company's Disclosure Brochure.

Books and Records

The Company shall maintain records regarding any economic benefits received from a broker-dealer or other financial institution. The Company will document the basis for entering into the arrangement, including the benefits received.

ERISA Considerations

Policy

The Company may provide advisory services to clients that are governed by the Employment Retirement Income Security Act, as amended ("ERISA"). It is the Company's policy to comply with all provisions of ERISA and the Internal Revenue Code, as amended ("IRC") when providing services to such accounts.

Responsibility

The CCO is responsible for ensuring that the Company complies with relevant laws, rules, and regulations governing its activities under ERISA and the IRC.

Procedure

The Company has adopted the following procedures specific to client accounts that are governed by ERISA:

1. On-going awareness and periodic reviews of an ERISA client's investments and portfolio for consistency with the "prudent man rule."
2. On-going awareness and periodic review of any client's written investment policy statement and/or guidelines so as to be current and reflect a client's objectives and guidelines.
3. Verification that the plan fiduciaries have established and maintain and renew on a periodic basis any ERISA bonding that may be required; or if plan documents require the investment manager to maintain required ERISA bonding, the Company will ensure that such bonding is obtained and renewed on a timely basis.
4. If the Company acts as investment manager, general partner or managing member of any private or hedge funds or pooled investment vehicle, the firm will periodically monitor the percentage of ERISA plan and IRA assets in each fund for ERISA 25% Plan Asset Rule purposes.
5. Identify and monitor any party in interest affiliations or relationships existing between the firm and any client ERISA plans to avoid any prohibited transactions.

In providing such services, the Company will review the ERISA plan documents and the proposed agreement between the Company and the plan to:

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

Definition of ERISA Plan

Subject to certain exceptions, an ERISA plan will generally include any qualified retirement plan other than an IRA.

Fiduciary Obligations

Where the Company provides services to ERISA covered accounts in a fiduciary capacity, the Company and its advisory representatives must:

1. act solely in the interest of the participants and their beneficiaries;
2. use any fees received, directly or indirectly, in connection with transactions involving plan assets (i.e., 12b-1 fees) initiated at the discretion or upon the recommendation of the fiduciary

- adviser for the benefit of the plan (i.e., to offset other plan expenses);
3. act with the care, skill, prudence and diligence that a prudent man would use in the same situation;
 4. diversify plan investments to reduce the risk of large losses unless it is clearly prudent not to do so; and
 5. act according to the terms of the plan documents, to the extent the documents are consistent with ERISA.

Investment Policy Statement

Generally, ERISA plans may be formulated to include an Investment Policy Statement which:

1. defines the purpose of the plan;
2. describes suitability; and,
3. establishes risk parameters, return requirements, and portfolio diversification standards.

The CCO or the relevant portfolio manager of the Company will review and be familiar with the Investment Policy Statement of any ERISA plan for which the Company acts as an adviser.

Fidelity Bond

ERISA Section 412 generally requires advisers with discretion over plan assets to ensure that a fiduciary bond is in place to protect the plan against loss from acts of fraud or dishonesty. If the Company renders investment advice to an ERISA plan, but does not have discretionary authority, typically it is not required to be bonded solely because it provides investment advice. A fidelity bond is only required where the Company has discretion, or has the power to exercise physical contact or control over the assets and the power to transfer to itself or a third party, or to negotiate the assets for value on behalf of the plan.

Amount and Terms

Generally, the bond must be for not less than 10 percent of the funds handled, subject to a minimum of \$1,000 and a maximum of \$500,000. The fidelity bond cannot have a deductible, and each ERISA plan must be named as an insured party under the bond. Alternatively, if permitted by the ERISA plan employer, the Company should seek to obtain the necessary coverage under the employer's bond.

Dual Fees

ERISA rules prohibit an adviser to an ERISA plan from imposing a dual fee. Generally, this would prohibit the Company from receiving commissions or mutual fund "trails" from ERISA plan assets where the Company is also receiving an advisory fee. ERISA Prohibited Transaction Exemption 77-4 permits a pension fund adviser to invest ERISA plan assets in an investment company it sponsors only under specific conditions described therein.

Self-Dealing

ERISA plan fiduciaries are prohibited under Section 406(b) of ERISA from participating in any self-dealing transactions. Under this rule, the Company may not, while acting as a fiduciary:

1. Handle any transaction involving plan assets for its own account;
2. Represent any party in any transaction involving plan assets where the party's interests are adverse to the interests of the plan or its beneficiaries; or
3. Receive any personal compensation from any party in connection with a transaction involving plan assets.

Prohibited Transactions

ERISA Section 406(a) discusses certain prohibited transactions between fiduciaries and ERISA plans.

Generally, fiduciaries are prohibited from:

1. Engaging in any sale or exchange of assets between a party in interest and the plan;
2. Involvement in any loan or extension of credit between a party in interest and the plan;
3. Furnishing goods, services, or facilities between a party in interest and the plan; or,
4. Transferring of any plan assets to a party in interest.

ERISA Regulations

Due to the complicated regulations under ERISA and the IRC, prior to rendering investment advice to an account governed by ERISA and/or the IRC, each investment adviser representative must consult with the CCO who shall be responsible for approving the arrangement and, if necessary, consulting with legal counsel.

Cash Payment for Client Solicitation

Policy

It is the Company's policy to not compensate, either directly or indirectly, any person (individual or entity) for client referrals, or the development of new advisory business.

Responsibility

It is the responsibility of the CCO to administer the Company's policies on the use of solicitors.

Procedures

The Company understands that it has an affirmative duty to ensure it takes necessary steps to comply with SEC Rule 206(4)-3 or relevant state law, and the terms of a Written Solicitor's Agreement, should it decide to enter into such arrangements in the future. Moreover, the Company understands that it should be able to demonstrate what steps it has taken to verify compliance with the rule.

Registration Requirements

If required by any state rules and regulations, the Company will also ensure that any person (individual or entity) acting as a solicitor is properly registered as an investment adviser representative of the Company or separately as a registered investment adviser prior to receiving solicitor's compensation.

A "solicitor" is generally defined as any individual, person or entity who, directly or indirectly, receives compensation for soliciting, referring, offering, or otherwise negotiating for the sale or selling of investment advisory services to clients on behalf of an investment adviser.

When making assessments on registration requirements, the Company should always evaluate whether the solicitor's activities may exceed the scope of those included in the definition above. Any activities beyond those mentioned above, as well as acting as a solicitor for more than one investment adviser, may be deemed as personal advisory services and would subject the solicitor to normal investment advisory (representative) registration requirements.

Privacy Policy/Regulation S-P

Policy

The Company views protecting private information regarding its clients and potential clients as a top priority. Pursuant to the requirements of the Gramm-Leach-Bliley Act (the "GLBA") and guidelines established by the Securities Exchange Commission regarding the Privacy of Consumer Financial Information (Regulation S-P), the Company has instituted the following policies and procedures in an effort to ensure that such non-public private information is kept private and secure. This policy also outlines what the Company and its Associated Persons are allowed to use the confidential personal information collected in connection with its advisory activities.

This Privacy Policy covers the practices of the Company and applies to all non-public personally identifiable information, including information contained in consumer reports, of our current and former clients.

Responsibility

The CCO is responsible for safeguarding and protecting the non-public personal information of clients collected by the Company, and to ensure that non-public personal information of the Company's clients is shared only with Associated Persons and others in a way that is consistent with the Company's Privacy Notice and the procedures contained in this Policy.

- Each Associated Person has a duty to protect the non-public personal information of clients collected by the Company.
- Each Associated Person has a duty to ensure that non-public personal information of the Company's clients is shared only with Associated Persons and others in a way that is consistent with the Company's Privacy Notice and the procedures contained in this Policy.
- Each Associated Person has a duty to ensure that access to non-public personal information of the Company's clients is limited as provided in the Privacy Notice and this Policy.
- No Associated Person is authorized to sell, on behalf of the Company or otherwise, non-public information of the Company's clients.

Associated Persons with questions concerning the collection and sharing of, or access to, non-public personal information of the Company's clients must look to the Company's CCO for guidance.

Violations of these policies and procedures will be addressed in a manner consistent with other Company disciplinary guidelines.

Information Practices

The Company collects non-public personal identifying information about its clients and/or potential clients such as name, address, telephone number, social security number or taxpayer ID number, date of birth, employment status, annual income, and net worth. The information is collected when the client completes account opening documents, signs our agreement for services, and through the client's account custodian or other authorized representatives, e.g. attorney, accountant, bank, etc.

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

The Company has a "do not share" policy. We do not disclose non-public personal information to non-affiliated third parties, unless an exception exists, as described below. Since the Company currently operates under a "do not share" policy, it does not need to provide the right for its clients to opt out of sharing with non-affiliated third parties, as long as such entities are exempted as described below. If our information sharing practices change in the future, the Company will implement opt out policies and procedures, and the Company will make appropriate disclosures to our clients.

Types of Permitted Disclosures - The Exceptions

In certain circumstances, Regulation S-P permits the Company to share non-public personal information about its clients with non-affiliated third parties without providing an opportunity for those individuals to opt out. These circumstances include sharing information with a nonaffiliate (1) as necessary to effect, administer, or enforce a transaction that a client requests or authorizes; (2) in connection with processing or servicing a financial product or a service a client authorizes; and (3) in connection with maintaining or servicing a client account with the Company.

Service Providers

From time to time, the Company may have relationships with non-affiliated third parties (such as attorneys, auditors, accountants, brokers, custodians, and other consultants), who, in the ordinary course of providing their services to us, may require access to information containing non-public information. These third-party service providers are necessary for us to provide our investment advisory services. When the Company are not comfortable that service providers (e.g., attorneys, auditors, and other financial institutions) are already bound by duties of confidentiality, the Company require assurances from those service providers that they will maintain the confidentiality of non-public information they obtain from or through us. In addition, the Company selects and retains service providers that the Company believes are capable of maintaining appropriate safeguards for non-public information, and the Company will require contractual agreements from our service providers that they will implement and maintain such safeguards.

Processing and Servicing Transactions

The Company may also share information when it is necessary to effect, administer, or enforce a transaction requested or authorized by clients. In this context, "necessary to effect, administer, or enforce a transaction" includes what is required or is a usual, appropriate, or acceptable method:

- To carry out the transaction or the product or service business 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;
- To administer or service benefits or claims relating to the transaction or the product or service of which it is a part;
- 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 or broker.

Sharing as Permitted or Required by Law

The Company may disclose information to non-affiliated third parties as required or allowed by law. For example, this may include 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.

Disclosure of Information to Affiliated Third Parties

The Company may share information with affiliated parties and shall inform clients, in its privacy notice, of the type of information shared and the category of parties with whom such information is shared.

Privacy Notice

The Company has developed a Privacy Notice, as required under Regulation S-P, to be delivered to clients initially and to current clients on an annual basis. The notice discloses the Company's information collection and sharing practices and other required information. The notice will be revised as necessary any time information practices change.

Privacy Notice Delivery

- **Initial Privacy Notice** - As regulations require, all new clients receive an initial Privacy Notice at the time the client relationship is established (i.e., upon execution of the agreement for services).
- **Annual Privacy Notice** - Pertinent regulations require that disclosure of the Privacy Policy be provided to existing clients on an annual basis. The Company will deliver its annual Privacy Notice in conjunction with the annual offer of its Disclosure Brochure.

Revised Privacy Notice

Regulation S-P requires that the Company amend its Privacy Policy and promptly distribute a revised disclosure to clients, if there is a change in the Company's collection, sharing, or security practices.

Joint Relationships

If two or more individuals jointly obtain a financial product or service from the Company, the Company may satisfy the initial, annual, and revised notice requirements by providing one notice to those individuals jointly.

Written Information Security Program

Policy

It is the Company's policy to protect, and maintain the accuracy of, client personal information. The Company has implemented internal controls and procedures designed to maintain accurate records concerning client personal information. The Company's clients have the right to contact the Company if they believe that Company records contain inaccurate, incomplete, or stale information about them. The Company will respond in a timely manner to requests to correct information.

Responsibility

The CCO is responsible for implementing, supervising and maintaining the information security program.

Procedures

To protect client and personal information, including consumer report information, the Company maintains the following security measures and safeguards for the storage of, access to, and disposal of client personal information, including consumer report information, obtained and/or maintained in hard copy and/or electronically, as well as access and protections of its computer and information systems:

1. limiting access to nonpublic and consumer report information to those Associated Persons who require the information in order to help us provide services;
2. locking rooms and file cabinets where paper records are stored;
3. protecting storage areas against destruction or potential damage from environmental hazards;
4. storing electronic nonpublic and consumer report information on a secure server that is accessible only with a password;
5. maintaining secure backup media;
6. storing archived data off-line and/or in a physically-secure area;
7. supervising the disposal of records containing nonpublic and consumer report information;
8. shredding nonpublic and consumer report information recorded on paper and storing such material in a secure area until it is collected by a recycling service;
9. erasing all data when disposing of computers, diskettes, magnetic tapes, hard drives, or any other electronic media containing nonpublic and consumer report information;
10. disposing of outdated nonpublic and consumer report information promptly;
11. using anti-virus software that updates automatically; and,
12. maintaining up-to-date firewalls.

Cybersecurity

Policy

The Company's cybersecurity policies and procedures are designed to:

1. Identify and control cybersecurity risks;
2. Protect the Company's networks and client information;
3. Curb risks arising from remote customer access and funds transfer requests;
4. Mitigate risks related to vendors and other third parties; and,
5. Detect and report unauthorized activity on our network.

Responsibility

The CCO is responsible for oversight, development, implementation, and administration of this cybersecurity policy.

Relationship to Other Firm Programs

This policy incorporates by reference other policies intended to protect the Company and its clients from cyber threats, including, for example, Regulation S-P and Business Continuity Plan.

Identification of Risks/Cybersecurity Governance

The Company conducts periodic risk assessments to identify cybersecurity threats, vulnerabilities, and potential business consequences. The Company documents the date on which the risk assessment took place. The Company has taken the following steps to identify and control risks:

1. The Company has prepared a list of all computers and devices connected to its network, as well as an inventory of every application supported on our networks.
2. Connections to the Company's network from external sources are catalogued.
3. Log-in and log-out practices are assessed for adequacy, appropriate retention and secure maintenance.

Online Account Access

Many cybersecurity experts have identified account takeovers as the top risk facing investment advisers and their clients. If the Company provides clients with online account access to virtual private networks, we will create books and records to preserve the following information:

1. The name of any third party managing the service;
2. An explanation of the functions that can be performed online, such as withdrawals or other external transfers of funds and/or securities;
3. How the client is authenticated for online account access and transactions;
4. Any software or alternative methods used to detect unusual transaction requests;
5. How clients' PIN numbers are protected; and,
6. Any information provided to customers to reduce cybersecurity risks.

The Company uses either single-factor or two-factor authentication before permitting access to the account. Single-factor authentication is a user name and password. Two-factor authentication requires a client to answer a question or provide additional information before gaining access to the account.

E-mail and Fax Requests to Transfer Funds and/or Securities

The Company verifies e-mail and fax requests to transfer funds and/or securities through the following means:

1. An associated person will attempt to contact the client by phone.
2. If the associated person cannot contact the client by phone, he/she will attempt to communicate with the client's emergency contact.
3. If the request still cannot be verified, the investment adviser representative handling the client's account will review the account history to determine if the circumstances surrounding the transfer are suspicious in view of the client's profile, personal situation, and historical transactions.

If the request cannot be authenticated and is inconsistent with the client's profile, personal situation, and historical transactions, it will not be honored.

Employee Education Program

The Company provides written guidance and periodic training to employees relating to information security risks and their responsibilities. The Company retains books and records to document the agenda of those training sessions and the topics covered. The Company also retains a list of the employees who attended these training sessions.

Employees are instructed regarding how to safeguard resources used for business purposes, such as smart phones and laptop computers.

Smart phones and other electronic devices may not be used to contact clients and prospects without express written authorization from the Company and the communications must be preserved on the Company's server. Encryption software must be enabled when a representative is communicating confidential information.

Antivirus and Antispam Software

The Company utilizes antivirus and antispam software on all fixed workstations and portable electronic devices. Updates are downloaded to the antivirus antispam software on a periodic basis.

The Company regularly updates firewalls. Patches to fix security vulnerabilities are applied in a timely fashion.

Protection of Company Networks

The Company restricts access to network resources to the extent necessary to accomplish their business functions. We detect unauthorized access to the firm's network through the following means:

1. Utilization of software to detect malicious code on the Company's networks and mobile devices;
2. Monitoring the Company's network environment to detect potential cybersecurity events;
3. Monitoring the Company's physical environment to detect potential cybersecurity events;
4. Monitoring the activity of third party service providers with access to the Company's networks;
5. Monitoring the presence of unauthorized users, devices, connections, and software on the Company's networks;
6. Evaluating requests initiated remotely to identify potentially fraudulent requests;
7. Utilization of data loss prevention software;
8. Conducting penetration tests and vulnerability scans; and,
9. Testing the reliability of event detection processes.

The Company retains books and records to document what tests were performed and the date on which they occurred.

Due Diligence of Third-Party Vendors

The Company conducts due diligence of vendors' security through the following means:

1. Reviewing vendors' security policies relating to data privacy;
2. Ensuring that service contracts require data privacy and computer security;

Books and Records

The Company retains books and records regarding:

1. Any actual or attempted hacking of the Company's network or website;
2. Situations where access to the Company's website or network was blocked or impaired by a denial of service attack;
3. Software or hardware malfunctions that led to access to the Company's website or network;
4. Fraudulent e-mail and fax requests;
5. Compromise of a client or vendor's computer used to access the Company's network;
6. Extortion attempts by an individual or group threatening to damage the Company's devices, data, network or website;
7. Any written reports and supporting documentation made available to/by the Company by/for law enforcement authorities, regulatory agencies and financial services firms; and,
8. Written policies and supervisory procedures over cybersecurity that are updated using the analysis of events to improve the Company's defensive measures.

Fraudulent Transfers

Policy

It is the Company's policy not to accept instructions for wire transfers or other transfers via email or other written form without also contacting the client. The Company will take steps to ensure the transfer request is legitimate before acting and facilitating the disbursement.

Responsibility

The CCO, or designee, is responsible for administering the Company's policies on fraudulent transfers.

Definition

A fraudulent transfer is an illegal transfer of property. Fraudsters may directly target investment advisers and their clients by email spoofing to request a fraudulent wire transfer, check transfer, or other transfer of client funds to a third party bank account, which could include forged letters of authorization. The email appears to have been sent from the client, but is actually sent from a fake-but-similar email account (or could even be the client's actual account).

Note: the email may be addressed on a first name basis to whoever the client typically works with; if there's been a wire transfer request in the past, the thief may even simply copy the format of the old email to capture the client's writing style.

Fraud Attempt Steps

- Fraudster hacks into client's email account, searches history and monitors emails, finds adviser
- Fraudster asks adviser for account balance, proactively offers excuse for not being able to talk, inquires about withdrawal procedures
- Fraudster submits an urgent wire request to adviser who in turn submits the wire request to the brokerage firm (custodian)
- Once the transfer is complete, the client cannot get the money back

Identify Warning Signs

- Fraudsters try to create urgent or discomfort to discourage contact
Emails often appear authentic, but poor or stiff grammar is often (not always) a hallmark of fraudulent emails
 - Please execute this request immediately
- Email indicates that client is unreachable via telephone
- Attempts are more often routed to domestic banks (not always)
- Funds are routed to a third-party account as opposed to the client's existing and known bank accounts
- Phone number on request does not match the phone number on file
- Email address(es) for wire transfer are not legitimate
- Request is inconsistent with client's prior history

Procedures

Where an employee receives a request to transfer "money" on deposit in a client's account, the employee must do the following:

- Do not reply to the email request.
- Call the client at the existing phone number of record for verbal confirmation on the disbursement request before wiring money out of the account(s).
 - Verbal verification is required - It is entirely possible to receive a wire transfer request from the client's own email, with the client's own signature, and the client's typical writing

style, except the request is a fraud.

- Do not use a phone number provided in the email.
- The calling party should be familiar with the client and recognize the client's voice.
- If the account has been hacked, inform the client to change their passwords immediately and to contact other financial institutions to ensure their account(s) have not been compromised.
- Verify the client's signature on the wire transfer form by comparing it to prior signed documents.
 - All wire transfers require the client's signature
- The employee must create a contemporaneous record of the call back and maintain a copy in the client's file.
- Alert your supervisor and the CCO immediately of all such requests.
- Alert the service team at the client's account custodian.

Disposal of Client Records and Information

Policy

Records disposal is an important part of the Company's records management obligations to its clients. Disposal of records requires careful management particularly where confidential or sensitive records are concerned.

Responsibility

The CCO, or designee, is responsible for supervising the proper disposal of client records in an appropriate and secure manner.

Procedures

In meeting this obligation, the Company will dispose of client records, as follows:

1. shredding non-public and consumer report information recorded on paper and storing such material in a secure area until it is collected for shredding;
2. destroying or erasing all data when disposing of computers, diskettes, magnetic tapes, hard drives, or any other electronic media containing non-public and consumer report information; and,
3. disposing of outdated non-public and consumer report information promptly.

Identity Theft Protection Program

Policy

The Company's policy is to protect our clients and their accounts from identity theft. This Identity Theft Prevention Program (ITPP) addresses: 1) identifying relevant identity theft Red Flags for our firm, 2) detecting those Red Flags, 3) responding appropriately to any that are detected to prevent and mitigate identity theft, and 4) updating our ITPP periodically to reflect changes in risks.

The Company's identity theft policies, procedures and internal controls will be reviewed and updated periodically to ensure they account for changes both in regulations and in our business.

Approval

Todd Penrod, CCO approved this ITPP.

Responsibility

The Company's CCO is responsible for the oversight, development, implementation and administration of this ITPP.

Definitions

- 1. Financial Institution.** Your firm is a "financial institution" if it provides, either directly or indirectly through your clearing firm, consumer "transaction accounts," which are accounts that allow account holders to make withdrawals for payment or transfer of funds to third parties by telephone transfers, checks, debit cards or similar means. Since "consumer" is defined as an individual, a firm without individuals as clients would not be a financial institution under this definition.
- 2. Creditor.** Your firm is a "creditor" if it regularly extends, renews or continues credit (such as margin) or arranges for its extension, renewal or continuation (such as through a clearing firm). A firm that is not a financial institution because it has only institutional customers can still be a creditor if it extends credit, or arranges to extend credit, for any of its customers.
- 3. Covered Accounts.** If your firm is either a financial institution or a creditor, you must then analyze whether it offers "covered accounts," which are any accounts that either 1) your firm offers primarily for personal, family or household purposes and involve multiple payments (such as credit card, margin, checking or savings accounts), or 2) involve a reasonably foreseeable risk from identity theft to customers or the safety and soundness of your firm.
- 4. Identity Theft.** means a fraud committed or attempted using the identifying information of another person without authority.

Relationship to Other Firm Programs

The CCO has reviewed and taken into account the Company's other policies and procedures required by regulations regarding the protection of our customer information, including our policies and procedures under Regulation S-P, in the formulation of this ITPP.

Identifying Relevant Red Flags

To identify relevant identity theft Red Flags, the Company has assessed the following risk factors:

1. the types of covered accounts it offers,
2. the methods it provides to open or access these accounts, and
3. previous experience with identity theft.

The Company also considered the sources of Red Flags, including identity theft incidents our Company has experienced, changing identity theft techniques that may be likely, and applicable

supervisory guidance. In addition, the Company considered Red Flags from the following five categories:

1. alerts, notifications or warnings from a credit reporting agency;
2. suspicious documents;
3. suspicious personal identifying information;
4. the unusual use of, or other suspicious activity related to, a covered account and; and
5. notice from clients, victims of identity theft, law enforcement authorities or other sources regarding possible identity thefts.

Based on this review of the risk factors, sources, and examples of red flags, we have identified the Company's Red Flags, which are contained in the first column ("Red Flag") of the below "Red Flag Identification and Detection Grid" ("Grid").

Detecting Red Flags

The Company has reviewed our Covered Accounts, how we open and maintain them, and how to detect Red Flags that may have occurred in them. Our detection of those Red Flags is based on our methods of obtaining information about clients and verifying such information, authenticating clients who access the accounts, and monitoring transactions and change of address requests. (For opening Covered Accounts, this may include obtaining identifying information about and verifying the identity of the person opening the account by obtaining documentation verifying the client's identity. For existing Covered Accounts, it can include authenticating clients, monitoring transactions, and verifying the validity of a change of address. Based on this review, we have included in the second column ("Detecting the Red Flag") of the attached Grid how we will detect each of our firm's identified Red Flags.

Preventing and Mitigating Identity Theft

The Company has reviewed our Covered Accounts, how we open and allow access to them, and our previous experience with identity theft, as well as new methods of identity theft we have seen or foresee as likely. Based on this and our review of the SEC's identity theft rules and its suggested responses to mitigate identity theft, as well as other sources, we have developed our procedures below to respond to detected identity theft Red Flags.

Procedures to Prevent and Mitigate Identity Theft

When we have been notified of a Red Flag or our detection procedures show evidence of a Red Flag, we will take the steps outlined below, as appropriate to the type and seriousness of the threat:

New Clients. For Red Flags raised by new clients:

1. Review Information. We will review a new client's information collected as part of the custodial new account application process (e.g., name, date of birth, address, and an identification number such as a Social Security Number or Taxpayer Identification Number).
2. Obtain/Check government identification. We will also obtain/check a current government-issued identification card, such as a driver's license or passport.
3. Seek additional verification. If the potential risk of identity theft indicated by the Red Flag is probable or large in impact, we may also verify the person's identity through non-documentary methods, including, but not limited to: Deny the application. If we find that the client is using an identity other than his or her own, we will decline to accept the client.
 - a. Contacting the client;
 - b. Independently verifying the client's information by comparing it with information from a credit reporting agency, public database or other source;
 - c. Checking references with other affiliated financial institutions; or,
 - d. Obtaining a financial statement.

4. Report. If we find that the client is using an identity other than his or her own, we will report it to appropriate local and state law enforcement; where organized or wide spread crime is suspected, the FBI or Secret Service; and if mail is involved, the US Postal Inspector. We may also report it to the SEC; state regulatory authorities and our custodian.
5. Notification. If we determine personally identifiable information has been accessed, we will prepare any specific notice to customers or other required notice under state law.

Existing Clients. For Red Flags raised by someone seeking to access an existing client account:

1. Monitor. The Company will monitor, limit, or temporarily suspend activity in the account until the situation is resolved.
2. Contact the client. The Company will contact the client using verified contact information, describe what we have found and verify with them that there has been an attempt at identify theft.
3. Account Changes. The Company will facilitate reopening a covered account with a new account number, and facilitate closing an existing covered account.
4. Heightened risk. The Company will determine 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 providing account information to an impostor pretending to represent the firm or to a fraudulent web site.
5. Check similar accounts. The Company will review similar accounts to determine if there have been attempts to access the accounts without authorization.
6. Collect incident information. For a serious threat of unauthorized account access we may collect, if available: Report. If the Company discovers unauthorized account access, the CCO will report it to appropriate local and state law enforcement; where organized or wide spread crime is suspected, the FBI or Secret Service; and if mail is involved, the US Postal Inspector. We may also report it to the SEC; State regulatory authorities, and our clearing firm.
 - a. Custodian Firm name, contact name and telephone number;
 - b. Dates and times of activity;
 - c. Securities involved (name and symbol);
 - d. Details of trades or unexecuted orders;
 - e. Details of any wire transfer activity;
 - f. Client accounts affected by the activity, including name and account number; and,
 - g. Whether the client will be reimbursed and by whom.
7. Notification. If we determine personally identifiable information has been accessed that results in a foreseeable risk for identity theft, we will prepare any specific notice to customers or other required under state law.
8. Review our insurance policy. Since insurance policies may require timely notice or prior consent for any settlement, we will review our insurance policy to ensure that our response to a data breach does not limit or eliminate our insurance coverage.
9. Assist the client. We will work with our clients to minimize the impact of identity theft by taking the following actions, as applicable:
 - a. Recommending a change of password, security codes or other ways to access the threatened account;
 - b. Recommending/Offering to close the account;
 - c. Recommending/Offering to reopen the account with a new account number;
 - d. Instructing the client to go to the FTC Identity Theft Web Site 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.

Custodian and Other Service Providers

We have confirmed that the account custodian(s) and any other service provider that performs activities in connection with our covered accounts, especially other service providers that are not otherwise regulated, comply with reasonable policies and procedures designed to detect, prevent and mitigate identity theft.

Internal Compliance Reporting

Company staff who are involved with developing, implementing and administering our ITPP will report at least annually to our CCO on compliance with the SEC's Red Flags Rules. The report will address the effectiveness of our ITPP in addressing the risk of identity theft in connection with covered account openings, existing accounts, service provider arrangements, significant incidents involving identity theft and management's response and recommendations for material changes to our ITPP.

Updates and Annual Review

The CCO will update this plan whenever we have a material change to our operations or when we experience either a material identity theft from a covered account. The Company will also follow new ways that identities can be compromised and evaluate the risk they pose for our firm. In addition, the CCO will review this ITPP annually, to modify it for any changes in our operations. The CCO will take into account the Company's experiences with identify theft, changes in methods if identity theft, changes in methods to detect, prevent and mitigate identity theft, changes in the types of accounts that the Company offers or maintains and changes in the Company's business arrangements.

Training

The CCO will train Company staff, as necessary, to effectively implement the ITPP. Training may consist of Company meetings to review and discuss the ITPP with Company personnel and to address any questions or concerns about the Company's procedures to prevent and mitigate identity theft.

Red Flag Identification and Detection Grid

Category: Suspicious Documents	
1. Identification presented looks altered/forged.	Associated persons who deal with clients will scrutinize identification presented in person to make sure it is not altered or forged.
2. The identification presenter does not look like the identification's photograph or physical description.	Associated Persons who deal with clients will ensure that the photograph and the physical description on the identification match the person presenting it.
3. Information on identification differs from what the identification presenter is saying.	Associated Persons who deal with clients will ensure that the identification and the statements of the person presenting it are consistent.
4. Information on the identification does not match other information the Company has on file for the presenter.	Associated Persons who deal with clients will ensure that the identification presented and other information we have on file from the account are consistent.
5. New account applications appear to be forged or torn up and reassembled.	Associated Persons who deal with clients will scrutinize each application to make sure it is not altered, forged, or torn up and reassembled.
Category: Suspicious Personal Identifying Information	
6. Inconsistencies exist between information	Associated Persons will check personal identifying

presented and other things we know about the presenter or can find out by checking readily available sources, such as an address that does not match a credit report, or Social Security Number (SSN) has not been issued or is listed on the Social Security Administration's (SSA's) Death Master File.	information presented to us to ensure that the SSN given has been issued but is not listed on the SSA's Master Death File. If we receive a consumer credit report, they will check to see if the addresses on the application and the consumer report match.
7. Inconsistencies exist in the information that the customer gives us, such as a date of birth that does not fall within the number range on the SSA's issuance tables.	Associated Persons will check personal identifying information presented to us 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.
8. Personal identifying information presented has been used on an account our Company knows was fraudulent.	Associated Persons will compare information presented with addresses and phone numbers on accounts or applications we found or were reported were fraudulent.
9. Personal identifying information presented suggests 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.	Associated Persons will validate the information presented when opening an account by looking up addresses on the Internet to ensure they are real and not for a mail drop or a prison, and will call the phone numbers given to ensure they are valid and not for pagers or answering services.
10. The SSN presented was used by someone else opening an account or other customers.	Associated Persons will compare the SSNs presented to see if they were given by others opening accounts or other customers.
11. The address or telephone number presented has been used by many other people opening accounts or other customers.	Associated Persons will compare address and telephone number information to see if they were used by other applicants and customers.
12. A person who omits required information on an application or other form does not provide it when told it is incomplete.	Associated Persons will track when clients have not responded to requests for required information and will follow up with clients to determine why they have not responded.
13. Inconsistencies exist between what is presented and what our firm has on file.	Associated Persons will verify key items from the data presented with information we have on file.
14. A person making an account application or seeking access cannot provide authenticating information beyond what would be found in a wallet or consumer credit report, or cannot answer a challenge question.	Associated Persons will authenticate identities for existing customers by asking challenge questions that have been prearranged with the customer and for clients by asking questions that require information beyond what is readily available from a wallet or a consumer credit report.
Category: Suspicious Account Activity	
15. Soon after our firm gets a change of address request for an account, the Company is asked to add additional access	The Company will verify change of address requests by sending a notice of the change to both the new and old addresses so the client will learn of any

means (such as debit cards or checks) or authorized users for the account.	unauthorized changes and can notify us.
16. An account develops new patterns of activity, such as a material change in spending or electronic fund transfers.	The Company will review our accounts on at least a monthly basis and check for suspicious new patterns of activity such as a big change in spending or electronic fund transfers
17. An account that is inactive for a long time is suddenly used again.	The Company will review our accounts on at least a monthly basis to see if long inactive accounts become very active.
18. Mail our firm sends to a client is returned repeatedly as undeliverable even though the account remains active.	The Company will note any returned mail for an account and immediately check the account's activity.
19. The Company learns that a client is not getting his or her paper account statements.	The Company will record on the account any report that the client is not receiving paper statements and immediately investigate them.
20. The Company is notified that there are unauthorized charges or transactions to the account.	The Company will verify if the notification is legitimate and involves a client account and then investigate the report.
Category: Notice From Other Sources	
21. The Company is told that an account has been opened/used fraudulently by a client, an identity theft victim, or law enforcement.	The Company will verify that the notification is legitimate and involves a client account, and then investigate the report.
22. The Company learns that unauthorized access to the 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 Company will contact the client to learn the details of the unauthorized access to determine if other steps are warranted.

Managing a Privacy Breach

Policy

It is the Company's policy to take reasonable steps to prevent a privacy breach.

Responsibility

It is the responsibility of the CCO to administer the Company's privacy breach procedures.

Procedures

A privacy breach means the loss or unauthorized access, collection, use, disclosure, disposal, storage, or other misuse of personal client information. An example of a privacy breach would be personal information becoming lost or stolen or personal information being mistakenly emailed to the wrong person. Privacy breaches are not limited to malicious actions, such as theft or system hacking, but may arise from internal errors that cause accidental loss or disclosure.

The Company will implement the following procedures in an effort to respond effectively to a data breach.

Report the Breach

Any employee who becomes aware of a suspected or actual privacy breach involving client personal information must immediately inform the CCO.

The CCO will verify the circumstances of the possible breach, and will document whether a breach has or has not occurred.

Containing the Breach and Preliminary Assessment

When a breach has been confirmed, the CCO will take the following actions to limit the scope and impact of the breach.

1. Determining what personal client information has been breached;
2. Working with relevant staff members to promptly contain the breach by, for example, stopping the unauthorized practice, recovering the records, shutting down the system that was breached;
3. Determining if this was a one-time occurrence or an ongoing problem; and,
4. In consultation with the senior management, notify the police if the breach involves, or may involve, any criminal activity.

Evaluating the Risks Associated with the Breach

To determine what other steps are immediately necessary, the CCO, working with other Company staff as necessary, will assess the risks associated with the breach. The following factors will be among those considered in assessing the risks:

1. Personal Client Information Involved
 - a. Generally, the more sensitive the data, the higher the risk. For example, social security numbers and financial information that could be used for identity theft are examples of highly sensitive personal information.
 - b. What possible use is there for the personal information? Can the information be used for fraudulent or otherwise harmful purposes?
2. Cause and Extent of the Breach
 - a. What is the cause of the breach?
 - b. Is there a risk of ongoing or further exposure?
 - c. What was the extent of the unauthorized activity, including the number of likely

- recipients and the risk of further access, use or disclosure?
- d. How many clients were, or are estimated to be, affected by the breach?
- e. Is the information encrypted or otherwise not readily accessible?
- f. What steps have already been taken to minimize the harm?
- 3. Parties Affected by the BreachForeseeable Harm from the Breach
 - a. How many clients were affected by the breach?
 - b. Where other parties affected by the breach: employees, service providers, other individuals/organizations?
- 4.
 - a. Is there any relationship between the unauthorized recipients and the subject data?
 - b. What possible harm to the clients and others will result from the breach?
 - i. Harm that may occur includes: physical safety, identity theft or fraud, or loss of business or employment opportunities, hurt, humiliation, damage to reputation or relationships
 - c. What harm could result to the Company as a result of the breach?
 - i. Loss of trust in the Company
 - ii. Loss of assets
 - iii. Financial exposure

Notification

The key consideration in deciding whether to notify an affected party is whether notification will avoid or mitigate harm to an individual whose personal information has been inappropriately accessed. The CCO will work with relevant staff members to decide the best approach for notification.

Some considerations in determining whether to notify parties affected by the breach include: contractual or regulatory obligations require notification, and whether there is a risk of identity theft or fraud (usually because of the type of information lost, for example, account numbers, passwords, and social security numbers).

If the Company decides to send a notification, such notification will occur as soon as possible following the breach. However, if law enforcement authorities have been contacted, those authorities will assist in determining the timing and scope of the notification.

Generally, notifications will include the following information:

1. Date of the breach.
2. Description of the breach.
3. Description of the information inappropriately accessed.
4. The steps taken to mitigate the harm.
5. Contact information for the CCO.

Notifying authorities or organizations may also be considered, for example:

1. Police: if theft or other crime is suspected.
2. Insurers or others: if required by contractual obligations.
3. Regulatory bodies: if professional or regulatory standards require notification of these bodies.

Prevention

Once prompt steps are taken to mitigate the risks associated with the breach, the CCO will investigate the cause of the breach. As a result of this evaluation, the Company will implement safeguards designed to prevent a further breach. Policies will be reviewed and updated to reflect any needed changes resulting from the security breach.

Documentation

The Company will maintain documentation to evidence compliance with its procedures as outlined above for at least five years from the date the privacy breach was resolved. Documentation will include, minimally:

1. What happened and when, including who discovered and reported the breach;
2. The data involved and the scope of the breach;
3. Individuals impacted by the breach;
4. Staff members involved in the investigation;
5. Who was notified; and,
6. The corrective actions taken, e.g., update to procedures.

Business Continuity and Disaster Recovery Plan

The Company will follow its Business Continuity and Disaster Recovery Plan.

Best Execution Evaluation

Date: _____

Broker-Dealer and Clearing firm: _____

RATING CRITERIA

Commission Rates:

Comparison of commission rates with two other broker-dealers in the marketplace

Trading Errors:

Does Broker Dealer / Clearing Firm effectively and efficiently resolve any trading errors?

Trade confirmations and client reporting:

Does Clearing Firm provide quality client statements?

Trade Execution:

Does Broker Dealer / Clearing Firm execute trades in a timely fashion from the time of order placement and at the prevailing market price including thinly traded securities? *Note: This should be performed by conducting a historical spot check of random trades by examining a third party database*

Block Trading:

Does Broker Dealer / Clearing Firm facilitate block trading in an efficient manner?

Clearance and Settlement Capabilities:

Are Clearing Firm's clearance and settlement capabilities competitive in the industry?

Best Execution Policy:

Do Broker Dealer / Clearing Firm have a comprehensive and adequate policy on best execution?

Reputation and Financial Strength:

Do Broker Dealer / Clearing Firm have a good reputation in the market place and are the firms financially stable?

Is Broker Dealer responsive to any special needs of the Adviser?

Does Broker Dealer provide research or allow soft dollar arrangements?

Trading Platforms:

Are the trading platforms available from Broker Dealer comparable and competitive to other broker-dealers in the market place?

Are the Record Keeping Services provided by Broker Dealer adequate for our needs and those of our clients?

Overall Evaluation:

Based upon the qualitative factors stated above, final opinion as to whether, Broker Dealer / Clearing Firm are providing best execution to our clients.

Personal Use of Social Media Disclosure Form

As an associated person of HBW Advisory Services LLC, I hereby make the following disclosure regarding my personal use of social media:

I currently use the following types of social media:

LinkedIn _____
FaceBook _____
Twitter _____
MySpace _____
Blogs _____
Chat Rooms _____
Other _____

By signature below, I attest that I am not using these forms of social media for business purposes. I am only referring to HBW Advisory Services LLC as my employer. I do not make reference to the Company's advisory services or strategies.

I agree to notify the CCO in writing if I begin using other forms of social media. Accordingly, I intend to use the following social media sites:

I authorize the CCO or a designee to monitor all existing and new accounts for purposes of fulfilling the Company's supervisory obligations.

In addition, I attest that I have not disclosed any non-public information using these social media sites. Furthermore, I attest that personal social media accounts are not being used for business purposes.

(NAME)

(DATE)

Acknowledgement of Receipt and Acceptance

I hereby acknowledge receipt of HBW Advisory Services LLC's Compliance Manual. I hereby represent and affirm that I have read the Compliance Manual in its entirety and fully understand its contents. I assume the responsibilities and obligations assigned to me by the relevant sections of the Compliance Manual and I agree to abide by and accept the policies and procedures contained herein.

If I should have any questions concerning the Compliance Manual, regulations, or other information described therein, I will direct such questions to the Chief Compliance Officer.

I hereby represent that I will report any violations of the policies and procedures contained in the Compliance Manual that come to my attention. I understand that any breach of the policies and procedures contained in the Compliance Manual or any applicable securities laws, rules, and regulations may jeopardize the Firm and its personnel and result in disciplinary action against me including possible termination.

I hereby certify that I am not aware of any facts that would constitute violations of the Compliance Manual, which I have not previously disclosed to the Chief Compliance Officer in writing.

Name (Print): _____

Signature: _____

Date: _____

Outside Business Activities Disclosure Form

Name of Employee: _____
(Type or Print)

It is important that you notify the Company if you are, or plan to be, involved in any outside business activity or employment. This notification must be made prior to engaging in the activity. The Company considers this signed document form as receipt during the period you are an employee of The Firm.

Please complete, sign and date this notification form and return it to the Chief Compliance Officer if you are an existing or future employee of the Company. A copy of this form should be retained for your records and changes should be promptly reported to the Chief Compliance Officer.

- Are you currently involved in any business other than working for the Company? ____
NO ____ YES

- Name of business: _____
Address: _____
Phone Number: _____

- Nature of business (i.e., registered investment adviser, insurance agency, real estate, etc.). _____

- Are you using a Doing Business As Name (d/b/a) in conjunction with this outside activity? ____ NO ____ YES

If so, what is the d/b/a? _____

- Explain the organizational status of this business (i.e., a corporation, partnership, sole proprietorship, LLC, etc.). _____

- Date of employment: _____

- List your title/position: _____

- Duties of your position: _____

- Percentage of your time spent in activities involving the business: _____

- Is this business disclosed on your most current Form U4? ____ NO ____ YES

- Do you have a financial interest in the business? ____ NO ____ YES

If so, what is the total dollar amount of such interest? _____

- How are you compensated by this business? _____

- Estimated annual income from this business? _____

I authorize the Company to investigate my outside business activities and contact any entities or individuals affiliated with such outside business activities. Furthermore, I authorize these entities or individuals to release to the Company any information that it requests about my employment, affiliation and/or activities with this organization.

The foregoing is true and correct.

Printed Employee Name

Employee Signature

Date

Received and Reviewed:

Notes/comments/verifications: _____

Chief Compliance Officer

Date

Summary of Material Changes/ADV Annual Brochure Offer Letter

(To be placed on Adviser's letterhead)

(Date)

NAME
ADDRESS
CITY, STATE ZIP

Dear Client:

Enclosed, is a Summary of Material Changes which outlines material changes to our firm's disclosure brochure, Form ADV Part 2A, since our last annual brochure update on **MM/DD/YYYY**. Pertinent securities laws require us to make available to you every year a complete copy of the latest version of our disclosure "brochure." Additionally, as a registered investment adviser we are required to adopt a code of ethics, and provide a copy of our code of ethics to clients on request. If you wish to receive a copy of our brochure and/or code of ethics, sign and date the bottom of this letter, and return it to our attention via fax at 805-582-1578 or at the above address via US Mail.

Also, contact your investment adviser representative immediately if you have had any changes in your investment objectives or financial circumstances. Any changes could impact how we manage your portfolio and will become part of your client file. You should also contact us at any time during the year if your investment goals and/or financial circumstances change.

As a reminder, should you hold equity securities in your portfolio, you will be responsible for the voting of proxies with regard to those investments. The Company does not vote client proxies.

Finally, enclosed is a copy of our current privacy policy notice, which we are required to deliver to all existing clients annually.

As always, we welcome your questions and comments at any time.

Very truly yours,

HBW Advisory Services LLC

By: _____

_____ I do want you to deliver a complete copy of your current disclosure brochure.

_____ I do want you to deliver a copy of your current code of ethics.

Signed: _____

Dated: _____

Documents to Maintain in Client Files

1. Signed Client Agreement
2. Evidence of Receipt of Disclosure Brochure (Part 2 or equivalent) and Privacy Policy Notice (may be located in signed agreement)
3. Evidence of Discretionary Authority, if any (may be located in signed agreement)
4. Account Opening Documents, duly filled and signed, if any
5. Current Suitability Documents (may be included in signed agreement)
6. List of Restrictions Placed on Account, if any
7. Authorization to Debit Advisory Fees (may be located in signed agreement)
8. Receipt of Client Solicitor's Disclosure (if applicable)
9. Trust Agreement (if applicable)