

SignatureFD, LLC
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SignatureFD, LLC

Brochure
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This brochure provides information about the qualifications and business practices of SignatureFD, LLC (the “Registrant”). If you have any questions about the contents of this brochure, please contact us at (404) 253-7600 or Heather.Fortner@signaturefd.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about SignatureFD, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 Material Changes

Not Applicable

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Item 4 Advisory Business

- A. (SignatureFD, LLC) (the “Registrant”) is a limited liability company formed on June 18, 1997 in the state of Georgia. The Registrant became registered as an Investment Adviser Firm in July 2001. Jeffrey S. Peller is the Registrant’s Managing Member.
- B. As discussed below, the Registrant offers to its clients (individuals, business entities, trusts, estates and charitable organizations, etc.) investment advisory services, and, to the extent specifically requested by a client, financial planning and related consulting services.

INVESTMENT ADVISORY SERVICES

Wealth Management Services

The client can determine to engage the Registrant to provide discretionary wealth management services (financial planning and investment management) on a *fee* basis. The Registrant’s annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under the Registrant’s management (between 0.50% and 1.00%) as follows:

Client’s Assets Under Management	Fee (as a percentage of assets)
First \$5,000,000	1.00%
Above \$5,000,000	0.50%

Financial Planning and Consulting Services (Stand-Alone)

To the extent requested by a client, the Registrant *may* determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. Registrant’s planning and consulting fees are negotiable, but generally range from \$3,000 to \$15,000 on a fixed fee basis, and from \$200 to \$500 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s). Prior to engaging the Registrant to provide planning or consulting services, clients are generally required to enter into a *Financial Planning and Consulting Agreement* with Registrant setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Registrant commencing services. If requested by the client, Registrant may recommend the services of other professionals for implementation purposes, including the Registrant’s representatives and/or Registrant’s affiliated entities in their individual capacities. (**See** disclosure in Item 10). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client’s responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial

situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

MISCELLANEOUS

Investment Management Services (Stand-Alone). In addition to its comprehensive wealth management services, the Registrant, in its exclusive discretion, may determine to provide investment management services on a stand-alone basis. The Registrant's annual investment advisory fee for these services shall be based upon a percentage (%) of the market value of the assets placed under the Registrant's management, as follows:

Client's Assets Under Management	Fee (as a percentage of assets)
First \$500,000	1.25%
Next \$500,000	1.00%
Next \$4,000,000	0.90%
Above \$5,000,000	0.50%

Non-Investment Consulting/Implementation Services. To the extent requested by the client, the Registrant *may* provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. To the extent requested by a client, the Registrant may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.), including the Registrant's representatives and/or Registrant's affiliated entities as discussed below. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client's responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

Mortgage Services. Registrant is a licensed residential mortgage agency and provides mortgage related services to its clients. In addition, certain of Registrant's Principals and representatives, in their individual capacities, are licensed mortgage agents, and may recommend mortgage-related services on a separate fee basis. No investment advisory client is required to engage Registrant, its Principals and/or representatives for mortgage related services.

Insurance Services. Registrant is a licensed accident, sickness, casualty, life and property insurance agency and provides insurance related services to its clients. In addition, certain of Registrant's Principals and representatives, in their individual capacities, are licensed insurance agents, and may recommend insurance-related services on a separate fee basis. No investment advisory client is required to engage Registrant, its Principals and/or representatives for insurance related services.

Private Investment Funds.

SignatureFD Private Assets Fund, L.P.

SignatureFD, LLC is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of SignatureFD Private Asset GP, LLC (“*Private*”). *Private* is the General Partner of SignatureFD Private Asset Fund, LP (the “*Private Fund*”), a private investment fund whose objective is to allow investors to take advantage of long term strategic investment opportunities in the private asset space in a way that maintains flexibility and ample diversification by allocating *Private Fund* assets among multiple investment managers, and other private equity, debt and real estate investments. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Private Fund*. To the extent that Registrant’s individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners of the *Private Fund*. The terms and conditions for participation in the *Private Fund*, including management and/or incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in the *Private Fund* offering documents, which each prospective investor client shall receive and shall be required to complete. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Private Fund*.

SignatureFD Global Opportunities Fund, L.P.

SignatureFD, LLC is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of SignatureFD Global Opportunities GP, LLC (“*Global*”). *Global* is the General Partner of SignatureFD Global Opportunities Fund, LP (the “*Global Fund*”), a private investment fund whose objective is to achieve long-term capital appreciation with a risk and return profile similar to equities by allocating *Global Fund* assets among multiple investment managers, and other long-biased equity type positions. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Global Fund*. To the extent that Registrant’s individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners of the *Global Fund*. The terms and conditions for participation in the *Global Fund*, including management and/or incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in the *Global Fund* offering documents, which each prospective investor client shall receive and shall be required to complete. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Global Fund*.

Fairway Real Asset Fund I, L.P.

SignatureFD, LLC is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of Fairway RA Fund Manager, LLC (“*Fairway*”). *Fairway* is the General Partner of Fairway Real Asset Fund I, LP (the “*Fairway Fund*”), which is a private investment fund that primarily invests in other private investment funds that invest primarily in timber and oil and gas limited partnerships. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Fairway Fund*. To the extent that Registrant’s individual advisory clients qualify, and determine that an investment is appropriate given their

investment objective(s) and financial situation, they may participate as limited partners in the *Fairway Fund*. The terms and conditions for participation in the *Fairway Fund*, including management and incentive fees, conflicts of interest, and risk factors, are set forth in the *Fairway Fund* offering documents which each prospective investor client shall receive. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Fairway Fund*.

Please Note: Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

Please Also Note: Valuation. In the event that the Registrant references private investment funds owned by the client on any supplemental account reports prepared by the Registrant, the value(s) for all such private investment funds shall reflect either the initial purchase and/or the most recent valuation or estimate provided by the fund sponsor. If the valuation reflects the initial purchase price (and/or a value or estimate as of a previous date), the current value(s) (to the extent ascertainable) could be **significantly more or less** than the original purchase price.

Independent Managers. The Registrant may allocate (and/or recommend that the client allocate) a portion of a client's investment assets among unaffiliated independent investment managers in accordance with the client's designated investment objective(s). In such situations, the *Independent Manager[s]* shall have day-to-day responsibility for the active discretionary management of the allocated assets. The Registrant shall continue to render investment advisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors which the Registrant shall consider in recommending *Independent Manager[s]* include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research.

Research Services/Signal Provider. The Registrant may be engaged by other unaffiliated advisors to provide investment research and/or signals (together referred to herein as the "signals"). These services are provided pursuant to a Research Services Agreement, with the unaffiliated advisor. When providing research services/signals, the Registrant is not involved in providing implementation services, as such, the Registrant does not possess transaction authority. Such responsibilities remain exclusively with the unaffiliated advisor. With respect to the research services/signals provided, the Registrant makes no guarantee that any of its services will be profitable. To the contrary, the Registrant's services/signals may result in investment losses.

Trade Error Policy. Registrant shall reimburse accounts for losses resulting from the Registrant's trade errors. All trade errors are reconciled within the Registrant's custodian

firm account, and handled according to each individual custodian's trade error policy guidelines.

Client Obligations. In performing its services, Registrant shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

Disclosure Statement. A copy of the Registrant's written Brochure as set forth on Part 2A of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the *Investment Advisory Agreement or Financial Planning and Consulting Agreement*. Any client who has not received a copy of Registrant's written Brochure at least 48 hours prior to executing the *Investment Advisory Agreement or Financial Planning and Consulting Agreement* shall have five business days subsequent to executing the agreement to terminate the Registrant's services without penalty.

- C. The Registrant shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, the Registrant shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at anytime, impose reasonable restrictions, in writing, on the Registrant's services.
- D. The Registrant does not participate in a wrap fee program.
- E. As of January 1, 2013, the Registrant had \$1,184,900,000 in assets under management on a discretionary basis and \$328,600,000 in assets under management on a non-discretionary basis.

Item 5 Fees and Compensation

- A. The client can determine to engage the Registrant to provide discretionary investment advisory services on a *fee-only* basis.

INVESTMENT ADVISORY SERVICES

Wealth Management Services

If a client determines to engage the Registrant to provide wealth management services (financial planning and investment management) on a *fee* basis, the Registrant's annual investment advisory fee shall be based upon a percentage (%) of the market value of the assets placed under the Registrant's management (between 0.50% and 1.00%) as follows:

Client's Assets Under Management	Fee (as a percentage of assets)
First \$5,000,000	1.00%
Above \$5,000,000	0.50%

Financial Planning and Consulting Services (Stand-Alone)

To the extent specifically requested by a client, the Registrant *may* determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone fee basis. Registrant's planning and consulting fees are negotiable, but generally range from \$3,000 to \$15,000 on a fixed fee basis, and from \$200 to \$500 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

- B. Clients may elect to have the Registrant's advisory fees deducted from their custodial account. Both Registrant's *Investment Advisory Agreement* and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of the Registrant's investment advisory fee and to directly remit that management fee to the Registrant in compliance with regulatory procedures. In the limited event that the Registrant bills the client directly, payment is due upon receipt of the Registrant's invoice. The Registrant shall deduct fees and/or bill clients quarterly in advance, based upon the market value of the assets on the last business day of the previous quarter.
- C. As discussed below, the Registrant shall generally recommend that either Charles Schwab and Co., Inc. ("*Schwab*"), Fidelity, TD Ameritrade ("*TD*"), or Pershing Advisor Solutions ("*Pershing*"), (depending upon an individual client's circumstances, Registrant may also recommend other broker-dealers/custodians, including UBS, Reliance Trust Company, Bank of New York, and First National Bank of Omaha) serve as the broker-dealer/custodian for client investment management assets. Broker-dealers charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to Registrant's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). When beneficial to the client, individual fixed-income and/or equity transactions may be effected through broker-dealers with whom Registrant and/or the client have entered into arrangements for prime brokerage clearing services, including effecting certain client transactions through other SEC registered and FINRA member broker-dealers (in which event, the client generally will incur both the transaction fee charged by the executing broker-dealer and a "trade-away" fee charged by the account custodian).
- D. Registrant's annual investment advisory fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter. The Registrant generally requires a \$20,000 annual minimum fee and/or a minimum asset level of \$2,000,000 for investment advisory services. The Registrant, in its sole discretion, may reduce its investment management fee and/or reduce or waive its minimum asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

The *Investment Advisory Agreement* between the Registrant and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment Advisory Agreement*. Upon termination, the Registrant shall return to the client the pro-rated portion of the advance paid advisory fee based upon the number of

days that services were provided during the billing quarter.

- E. Neither the Registrant, nor its representatives accept compensation from the sale of securities or other investment products.

Item 6 Performance-Based Fees and Side-by-Side Management

Neither the Registrant nor any supervised person of the Registrant accepts performance-based fees.

Item 7 Types of Clients

The Registrant's clients shall generally include individuals, business entities, trusts, estates and charitable organizations. The Registrant generally requires a \$20,000 annual minimum fee and/or a minimum asset level of \$2,000,000 for investment advisory services. The Registrant, in its sole discretion, may reduce its investment management fee and/or reduce or waive its minimum asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

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

- A. The Registrant may utilize the following methods of security analysis:
- Charting - (analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices)
 - Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
 - Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)
 - Cyclical – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

The Registrant may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Trading (securities sold within thirty (30) days)
- Short Sales (contracted sale of borrowed securities with an obligation to make the lender whole)
- Margin Transactions (use of borrowed assets to purchase financial instruments)
- Options (contract for the purchase or sale of a security at a predetermined price during a specific period of time)

Please Note: Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment

or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s).

- B. The Registrant's methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis the Registrant must have access to current/new market information. The Registrant has no control over the dissemination rate of market information; therefore, unbeknownst to the Registrant, certain analyses may be compiled with outdated market information, severely limiting the value of the Registrant's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

The Registrant's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period involves a very short investment time period but will incur higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy.

In addition to the fundamental investment strategies discussed above, the Registrant may also implement and/or recommend short selling, use of margin, and/or options transactions. Each of these strategies has a high level of inherent risk. (See discussion below).

Short selling is an investment strategy with a high level of inherent risk. Short selling, involves the selling of assets that the investor does not own. The investor borrows the assets from a third party lender (i.e. Broker-Dealer) with the obligation of buying identical assets at a later date to return to the third party lender. Individuals who engage in this activity shall only profit from a decline in the price of the assets between the original date of sale and the date of repurchase. Conversely, the short seller will incur a loss if the price of the assets rises. Other costs of shorting may include a fee for borrowing the assets and payment of any dividends paid on the borrowed assets.

Margin is an investment strategy with a high level of inherent risk. A margin transaction occurs when an investor uses borrowed assets to purchase financial instruments. The investor generally obtains the borrowed assets by using other securities as collateral for the borrowed sum. The effect of purchasing a security using margin is to magnify any gains or losses sustained by the purchase of the financial instruments on margin. **Please Note:** To the extent that a client authorizes the use of margin, and margin is thereafter employed by the Registrant in the management of the client's investment portfolio, the market value of the client's account and corresponding fee payable by the client to the

Registrant may be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the potential **conflict of interest** whereby the client's decision to employ margin *may* correspondingly increase the management fee payable to the Registrant. Accordingly, the decision as to whether to employ margin is left totally to the discretion of client.

The use of options transactions as an investment strategy involves a high level of inherent risk. Options transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by the Registrant shall be with the intent of offsetting/"hedging" a potential market risk in a client's portfolio. **Please Note:** Although the intent of the options-related transactions that may be implemented by the Registrant is to hedge against principal risk, certain of the options-related strategies (i.e. straddles, short positions, etc.), may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, a client may direct the Registrant, in writing, not to employ any or all such strategies for his/her/their/its accounts.

- C. Currently, the Registrant primarily allocates client investment assets among various mutual funds and ETFs (exchange traded funds), on a discretionary basis, in accordance with the client's designated investment objective(s). The Registrant may also provide discretionary and/or non-discretionary investment advisory services relative to client assets that are being actively managed by unaffiliated independent managers. (**See Independent Manager[s]** above).

Item 9 Disciplinary Information

The Registrant has not been the subject of any disciplinary actions.

Item 10 Other Financial Industry Activities and Affiliations

- A. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C.
 - 2. **Private Investment Funds.** As disclosed in Item 4.B above, SignatureFD, LLC is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of SignatureFD Private Asset GP, LLC ("*Private*"). *Private* is the General Partner of SignatureFD Private Asset Fund, LP (the "*Private Fund*"), a private investment fund whose objective is to allow investors to take advantage of long term strategic

investment opportunities in the private asset space in a way that maintains flexibility and ample diversification by allocating *Private Fund* assets among multiple investment managers, and other private equity, debt and real estate investments. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Private Fund*. To the extent that Registrant's individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners of the *Private Fund*. The terms and conditions for participation in the *Private Fund*, including management and/or incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in the *Private Fund* offering documents, which each prospective investor client shall receive and shall be required to complete. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Private Fund*.

In addition, the Registrant is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of SignatureFD Global Opportunities GP, LLC ("*Global*"). *Global* is the General Partner of SignatureFD Global Opportunities Fund, LP (the "*Global Fund*"), a private investment fund whose objective is to achieve long-term capital appreciation with a risk and return profile similar to equities by allocating *Global Fund* assets among multiple investment managers, and other long-biased equity type positions. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Global Fund*. To the extent that Registrant's individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners of the *Global Fund*. The terms and conditions for participation in the *Global Fund*, including management and/or incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in the *Global Fund* offering documents, which each prospective investor client shall receive and shall be required to complete. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Global Fund*.

In addition, the Registrant is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of Fairway RA Fund Manager, LLC ("*Fairway*"). *Fairway* is the General Partner of Fairway Real Asset Fund I, LP (the "*Fairway Fund*"), which is a private investment fund that primarily invests in other private investment funds that invest primarily in timber and oil and gas limited partnerships. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Fairway Fund*. To the extent that Registrant's individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners in the *Fairway Fund*. The terms and conditions for participation in the *Fairway Fund*, including management and incentive fees, conflicts of interest, and risk factors, are set forth in the *Fairway Fund* offering documents which each prospective investor client shall receive. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Fairway Fund*.

Please Note: The Registrant may provide investment advice regarding private investment funds. Private investment funds generally involve

various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

Please Note: Valuation. In the event that the Registrant references private investment funds owned by the client on any supplemental account reports prepared by the Registrant, the value(s) for all such private investment funds shall reflect either the initial purchase and/or the most recent valuation or estimate provided by the fund sponsor. If the valuation reflects the initial purchase price (and/or a value or estimate as of a previous date), the current value(s) (to the extent ascertainable) could be **significantly more or less** than the original purchase price.

Conflict of Interest: Because the Registrant, Registrant's affiliates, and/or Registrant's members shall earn compensation from the *Private Fund*, that shall exceed the fee that the Registrant would earn under its standard "assets under management" fee schedule referenced at Item 4.B above, the recommendation that a client become a *Private Fund*, investor presents a ***conflict of interest***. No client is under any obligation to become a *Private Fund*, investor. **The Registrant's Chief Compliance Officer, Heather Robertson Fortner, remains available to address any questions regarding this conflict of interest.**

6. **Certified Public Accountants.** As set forth in Item 4.B above, the Registrant is affiliated with Frazier & Deeter, LLC ("*Frazier*"), a certified public accounting firm with which the Registrant shares offices. Certain passive owner members of the Registrant are actively employed as accountants with *Frazier*. *Frazier* provides accounting and/or tax preparation services, including services for clients of the Registrant. If Registrant's clients require accounting services, the Registrant may recommend the services of *Frazier*, thereby raising a ***conflict of interest***. To the extent that a client requires accounting-related services, the client is under no obligation to engage *Frazier* for such services. In addition, in the event that members of the Registrant and/or *Frazier* recommend the services of the other to their respective clients, the referring member shall usually receive a portion of the fee earned by the recommended firm. **The Registrant's Chief Compliance Officer, Heather Robertson Fortner, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

* An affiliate of *Frazier* is also the owner of FD Capital Advisors, LLC, a separate SEC registered and FINRA member broker-dealer engaged in investment banking activities separate and apart from, and not material to the services provided by, the Registrant.

7. **Attorney.** Registrant's passive member, Andrew Burnett, who is also a member of *Frazier*, is the owner of The Burnett Law Firm ("*Burnett*"). If Registrant's

clients require legal services, including estate planning, the Registrant may recommend the services of *Burnett*, thereby raising a ***conflict of interest***. All such services shall be performed by *Burnett*, in its separate individual professional capacity, independent of the Registrant. **The Registrant's Chief Compliance Officer, Heather Robertson Fortner, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

8. **Licensed Insurance Agency/Agents.** Registrant is a licensed insurance agency. In addition, certain of Registrant's Principals and representatives, in their individual capacities, are licensed insurance agents, and may recommend the purchase of certain insurance-related products on a commission basis.

- **Conflict of Interest:** The recommendation by Registrant or its Principals and/or representatives that a client purchase an insurance commission product presents a ***conflict of interest***, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from Registrant or its Principals and/or representatives. Clients are reminded that they may purchase insurance products recommended by Registrant or its Principals and/or representatives through other, non-affiliated insurance agents. **The Registrant's Chief Compliance Officer, Heather Robertson Fortner, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

9. **Licensed Mortgage Broker.** Registrant is a licensed residential mortgage agency and provides mortgage related services to its clients. In addition, certain of Registrant's Principals and representatives, in their individual capacities, are licensed mortgage agents, and may recommend mortgage-related services on a separate fee basis.

- **Conflict of Interest:** The recommendation by Registrant or its Principals and/or representatives that a client utilize Registrant for mortgage related transactions presents a ***conflict of interest***, as the receipt of transaction based fees may provide an incentive to recommend Registrant's services. No client is under any obligation to utilize these services from Registrant or its Principals and/or representatives. **The Registrant's Chief Compliance Officer, Heather Robertson Fortner, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

- D. The Registrant does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

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

- A. The Registrant maintains an investment policy relative to personal securities transactions. This investment policy is part of Registrant's overall Code of Ethics, which serves to establish a standard of business conduct for all of Registrant's Representatives that is based upon fundamental principles of **openness, integrity, honesty and trust**, a copy of

which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant.

- B. As disclosed in Item 4.B above, SignatureFD, LLC is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of SignatureFD Private Asset GP, LLC (“*Private*”). *Private* is the General Partner of SignatureFD Private Asset Fund, LP (the “*Private Fund*”), a private investment fund whose objective is to allow investors to take advantage of long term strategic investment opportunities in the private asset space in a way that maintains flexibility and ample diversification by allocating *Private Fund* assets among multiple investment managers, and other private equity, debt and real estate investments. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Private Fund*. To the extent that Registrant’s individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners of the *Private Fund*. The terms and conditions for participation in the *Private Fund*, including management and/or incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in the *Private Fund* offering documents, which each prospective investor client shall receive and shall be required to complete. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Private Fund*.

As disclosed in Item 4.B above, the Registrant is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of SignatureFD Global Opportunities GP, LLC (“*Global*”). *Global* is the General Partner of SignatureFD Global Opportunities Fund, LP (the “*Global Fund*”), a private investment fund whose objective is to achieve long-term capital appreciation with a risk and return profile similar to equities by allocating *Global Fund* assets among multiple investment managers, and other long-biased equity type positions. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their investment assets to the *Global Fund*. To the extent that Registrant’s individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners of the *Global Fund*. The terms and conditions for participation in the *Global Fund*, including management and/or incentive fees, conflicts of interest, risk factors, and liquidity constraints, are set forth in the *Global Fund* offering documents, which each prospective investor client shall receive and shall be required to complete. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the *Global Fund*.

In addition, the Registrant is the 100% owner of SignatureFD Fund Management, LLC, which is the 100% owner of Fairway RA Fund Manager, LLC (“*Fairway*”). Fairway is the General Partner of Fairway Real Asset Fund I, LP (the “*Fairway Fund*”), which is a private investment fund that primarily invests in other private investment funds that invest primarily in timber and oil and gas limited partnerships. The Registrant may recommend, on a non-discretionary basis, that qualified clients allocate a portion of their

investment assets to the Fairway Fund. To the extent that Registrant's individual advisory clients qualify, and determine that an investment is appropriate given their investment objective(s) and financial situation, they may participate as limited partners in the Fairway Fund. The terms and conditions for participation in the Fairway Fund, including management and incentive fees, conflicts of interest, and risk factors, are set forth in the Fairway Fund offering documents which each prospective investor client shall receive. The client shall be required to submit the corresponding Subscription Agreement to the General Partner in order to demonstrate qualification for investment in the Fairway Fund.

Conflict of Interest: Because the Registrant, Registrant's affiliates, and/or Registrant's members shall earn compensation from the *Private Fund*, that shall exceed the fee that the Registrant would earn under its standard "assets under management" fee schedule referenced at Item 4.B above, the recommendation that a client become a *Private Fund*, investor presents a ***conflict of interest***. No client is under any obligation to become a *Private Fund*, investor. **The Registrant's Chief Compliance Officer, Heather Robertson Fortner, remains available to address any questions regarding this conflict of interest.**

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- C. The Registrant has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Registrant's "Access Persons". The Registrant's securities transaction policy requires that Access Persons of the Registrant must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date the Registrant selects.
- D. The Registrant and/or representatives of the Registrant *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where the Registrant and/or representatives of the firm are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential ***conflict of interest***. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if the Registrant did not have adequate policies in place to detect such activities. As indicated above in Item 11 C, the Registrant has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Registrant's Access Persons. This requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of the Registrant's clients) and other potentially abusive practices.

Item 12 Brokerage Practices

- A. In the event that the client requests that the Registrant recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct the Registrant to use a specific broker-dealer/custodian), Registrant generally recommends that investment management accounts be maintained at *Schwab*, *Fidelity*,

TD Ameritrade, or Pershing. Prior to engaging Registrant to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with Registrant setting forth the terms and conditions under which Registrant shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that the Registrant considers in recommending any other broker-dealer/custodian to clients include historical relationship with the Registrant, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Registrant's clients shall comply with the Registrant's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Registrant determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealers' services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Registrant's investment management fee. The Registrant's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

1. Schwab Referrals

Registrant receives client referrals from *Schwab* through Registrant's participation in the Schwab Advisor Network™ ("the Service"), designed to help investors find an independent investment advisor. *Schwab* is a broker-dealer independent of and unaffiliated with Registrant. *Schwab* does not supervise Registrant and has no responsibility for Registrant's management of clients' portfolios or Registrant's other advice or services. Registrant pays *Schwab* fees to receive client referrals through the Service. Registrant's participation in the Service may raise potential conflicts of interest described below.

Registrant pays *Schwab* a Participation Fee on all referred clients' accounts that are maintained in custody at Schwab and a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. The Participation Fee paid by Registrant is a percentage of the fees owed by the client to Registrant or a percentage of the value of the assets in the client's account, subject to a minimum Participation Fee. Registrant pays *Schwab* the Participation Fee for so long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to Registrant quarterly and may be increased, decreased or waived by *Schwab* from time to time. The Participation Fee is paid by Registrant and not by the client. Registrant has agreed not to charge clients referred through the Service fees or costs greater than the fees or costs Registrant charges clients with similar portfolios (pursuant to Registrant's standard fee schedule as in effect from time to time) who were not referred through the Service.

Registrant generally pays *Schwab* a Non-Schwab Custody Fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from *Schwab*, unless the client was solely responsible for the decision not to maintain

custody at *Schwab*. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed in custody other than at Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees Registrant generally would pay in a single year. Thus, Registrant will have an incentive to recommend that client accounts be held in custody at *Schwab*.

The Participation and Non-Schwab Custody Fees will be based on assets in accounts of Registrant's clients who were referred by *Schwab* and those referred clients' family members living in the same household. Thus, Registrant will have incentives to encourage household members of clients referred through the Service to maintain custody of their accounts and execute transactions at *Schwab* and to instruct *Schwab* to debit Registrant's fees directly from the accounts.

For accounts of Registrant's clients maintained in custody at *Schwab*, *Schwab* will not charge the client separately for custody but will receive compensation from Registrant's clients in the form of commissions or other transaction-related compensation on securities trades executed through *Schwab*. *Schwab* also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades to be executed through *Schwab* rather than another broker-dealer. Registrant nevertheless acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at *Schwab* may be executed through a different broker-dealer than trades for Registrant's other clients. Thus, trades for accounts custodied at *Schwab* may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

TD Ameritrade

TD Ameritrade is a broker-dealer independent of and unaffiliated with Registrant. *TD Ameritrade* does not supervise Registrant and has no responsibility for Registrant's management of clients' portfolios or Registrant's other advice or services.

Registrant participates in *TD Ameritrade's* institutional customer program ("the Service"), designed to provide advisors with tools (without a cost or at a discount) to assist in managing and administering client accounts (i.e., research related tools and products, portfolio rebalancing technology, iRebal; etc.). Other services provided by *TD Ameritrade* (such as practice management consulting) are intended to help further develop the Registrant's business enterprise. Thus, Registrant will have an incentive to recommend that client accounts be held in custody at *TD Ameritrade*, and Registrant's participation in the Service raises a **conflict of interest**.

The Registrant has also entered into a separate Additional Services Proposal with *TD Ameritrade* pursuant to which *TD Ameritrade* shall provide and/or pay for certain technology support services and products based upon the Registrant's anticipated allocation of client investment assets to *TD Ameritrade*. Thus, Registrant will have an incentive to recommend that client accounts be held in custody at *TD Ameritrade*, and Registrant's participation in the Service raises a **conflict of interest**.

For accounts of Registrant's clients maintained in custody at *TD Ameritrade*, *TD Ameritrade* will not charge the client separately for custody but will receive compensation from Registrant's clients in the form of commissions or other transaction-related compensation on securities trades executed through

TD Ameritrade. *TD Ameritrade* also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades to be executed through *TD Ameritrade* rather than another broker-dealer. Registrant nevertheless acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at *TD Ameritrade* may be executed through a different broker-dealer than trades for Registrant's other clients. Thus, trades for accounts custodied at *TD Ameritrade* may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

Registrant also serves on the *TD Ameritrade* Institutional Operations Panel ("Panel"). The Panel advises *TD Ameritrade* on issues relevant to the independent advisor and their experience with *TD Ameritrade's* service, technology and products. The Panel meets in person on average three to four times per year and conducts periodic conference calls on an as needed basis. Investment advisors are appointed to serve on the Panel for a three year term by *TD Ameritrade* Institutional sales, service and senior management. *TD Ameritrade* does not compensate Panel members. However, *TD Ameritrade* pays or reimburses Registrant for the travel, lodging and meal expenses Registrant incurs in attending Panel meetings. The benefits received by Registrant do not depend on the amount of brokerage transactions directed to *TD Ameritrade* but the receipt of any benefit, in and of itself creates a potential conflict of interest.

The Registrant's Chief Compliance Officer, Heather Robertson Fortner, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding conflict of interest such arrangement may create.

Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian (i.e., *Schwab*, *Fidelity*, *TD Ameritrade*, *Pershing*, etc.), Registrant may receive from a broker-dealer/custodian (i.e., *Schwab*, *Fidelity*, *TD Ameritrade*, *Pershing*, etc.), without cost (and/or at a discount), support services and/or products, certain of which assist the Registrant to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by the Registrant may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Registrant in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that *may* be received may assist the Registrant in managing and administering client accounts. Others do not directly provide such assistance, but rather assist the Registrant to manage and further develop its business enterprise.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at any broker-dealer/custodian as a result of this arrangement.

There is no corresponding commitment made by the Registrant to any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

Event Sponsorships

From time-to-time, the Registrant may host certain events, including charitable events, from which it may solicit sponsorship contributions from the custodians that it recommends for client accounts. The Registrant shall not make any endorsement or recommendation of such custodian or any of its products or services in conjunctions with the event.

The Registrant's Chief Compliance Officer, Heather Robertson Fortner, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

2. As set forth above, Registrant may receive client referrals from Schwab for its participation in the Schwab Advisor Network™.

The Registrant's Chief Compliance Officer, Heather Robertson Fortner, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding conflict of interest such arrangement may create.

3. The Registrant does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

Please Note: In the event that the client directs Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant.

The Registrant's Chief Compliance Officer, Heather Robertson Fortner, remains available to address any questions that a client or prospective client may have regarding the above arrangement.

- B. To the extent that the Registrant provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless the Registrant decides to purchase or sell the same securities for several clients at approximately the same time. The Registrant may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission

rates or to allocate equitably among the Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. The Registrant shall not receive any additional compensation or remuneration as a result of such aggregation.

Item 13 Review of Accounts

- A. For those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's Principals and/or representatives. All investment supervisory clients are advised that it remains their responsibility to advise the Registrant of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with the Registrant on an annual basis.
- B. The Registrant *may* conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

Item 14 Client Referrals and Other Compensation

- A. As referenced in Item 12.A.1 above, the Registrant may receive an indirect economic benefit from *Schwab* and *TD Ameritrade*. The Registrant, without cost (and/or at a discount), may receive support services and/or products from *Schwab* and *TD Ameritrade*.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *Schwab* and *TD Ameritrade* as a result of this arrangement. There is no corresponding commitment made by the Registrant to *Schwab* and *TD Ameritrade* or any other any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

The Registrant's Chief Compliance Officer, Heather Robertson Fortner, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.

- B. If a client is introduced to the Registrant by either an unaffiliated or an affiliated solicitor, Registrant *may* pay that solicitor a referral fee in accordance with the requirements of

Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from the Registrant's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to the Registrant by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of his/her/its solicitor relationship, and shall provide each prospective client with a copy of the Registrant's written Brochure with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between the Registrant and the solicitor, including the compensation to be received by the solicitor from the Registrant.

Item 15 Custody

The Registrant shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

Although the Registrant does not offer custody services for clients directly as a "qualified custodian", Registrant's affiliate, *Frazier*, and Registrant provide certain services that may cause Registrant to be deemed to have custody of client assets under amended rule 206(4)-2 of the Investment Advisers Act. In these cases, clients have engaged *Frazier* (or an employee or partner of *Frazier*) or Registrant to act as co-trustee of a client trust or executor of a client's estate, or to assist clients to pay bills or otherwise assist in administering personal finances. Accordingly, these clients may authorize *Frazier* or its employee/partner, or Registrant, to write checks or withdraw funds from their accounts, which causes Registrant to be deemed to have custody of the client's account. In order to comply with the requirements of amended rule 206(4)-2, Registrant's general policy is to require each client's funds (including those over which Registrant may be deemed to have custody) to be maintained at a "qualified custodian" (as such term is defined in amended rule 206(4)-2(c)) that sends at least quarterly account statements to the client or the client's designated representative. Copies of account statements are also sent to Registrant and available to Registrant electronically. Registrant has formed a reasonable belief based on the availability of these statements that the "qualified custodian" is providing account statements directly to clients at least quarterly. Registrant encourages all clients to check account balances and activity when they receive account statements and to contact Registrant with any questions.

In certain limited circumstances, *Frazier* or one of its employees or partners, may serve as the client's designated representative to receive account statements. In these cases, Registrant will ensure that the client receives statements showing asset positions and balances directly from Registrant on at least a quarterly basis, in addition to the statement provided by the "qualified custodian." Registrant will include on statements they provide to clients, in accordance with amended rule 260(4)-2(a)(2), a legend urging clients to compare information provided in its statements with those provided by the "qualified custodian."

In addition, Registrant will be subject to a surprise audit by an independent auditor at least once annually, with respect to accounts for which Registrant is deemed to have custody.

Please Note: To the extent that the Registrant provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by the Registrant with the account statements received from the account custodian. **Please Also Note:** The account custodian does not verify the accuracy of the Registrant's advisory fee calculation.

Item 16 Investment Discretion

The client can determine to engage the Registrant to provide investment advisory services on a discretionary basis. Prior to the Registrant assuming discretionary authority over a client's account, client shall be required to execute an *Investment Advisory Agreement*, naming the Registrant as client's attorney and agent in fact, granting the Registrant full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Clients who engage the Registrant on a discretionary basis may, at anytime, impose restrictions, **in writing**, on the Registrant's discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the Registrant's use of margin, etc.).

Item 17 Voting Client Securities

- A. Except for client assets managed by unaffiliated investment managers that maintain proxy voting authority, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact the Registrant to discuss any questions they may have with a particular solicitation.

Item 18 Financial Information

- A. The Registrant does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. The Registrant is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. The Registrant has not been the subject of a bankruptcy petition.

ANY QUESTIONS: The Registrant's Chief Compliance Officer, Heather Robertson Fortner, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.