

# The Stanich Group LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of The Stanich Group LLC. If you have any questions about the contents of this brochure, please contact us at (646) 693-7451 or by email at: [sara@stanichgroup.com](mailto:sara@stanichgroup.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 The Stanich Group LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Stanich Group LLC's CRD number is: 282447.*

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*Please note that the use of the term "registered investment adviser" and description of The Stanich Group and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.*

Version Date: 2/21/2017

## **Item 2: Material Changes**

There are no Material Changes to report since the previous version of Form ADV Part 2A, dated 06/29/2016.

Changes include: the primary business address, additional assets under management, the addition of a secondary custodian, and the removal of insurance business.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of The Stanich Group, LLC.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number 282447.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at (646) 693-7451

## Item 3: Table of Contents

Item 1: Cover Page	
Item 2: Material Changes	i
Item 3: Table of Contents	ii
Item 4: Advisory Business	2
A. Description of the Advisory Firm	2
B. Types of Advisory Services	2
C. Client Tailored Services and Client Imposed Restrictions	3
D. Wrap Fee Programs	3
E. Assets Under Management	3
Item 5: Fees and Compensation	4
A. Fee Schedule	4
B. Payment of Fees	5
C. Client Responsibility For Third Party Fees	5
D. Prepayment of Fees	5
E. Outside Compensation For the Sale of Securities to Clients	5
Item 6: Performance-Based Fees and Side-By-Side Management	6
Item 7: Types of Clients	6
Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss	6
A. Methods of Analysis and Investment Strategies	6
B. Material Risks Involved	7
C. Risks of Specific Securities Utilized	8
Item 9: Disciplinary Information	9
A. Criminal or Civil Actions	9
B. Administrative Proceedings	9
C. Self-regulatory Organization (SRO) Proceedings	9
Item 10: Other Financial Industry Activities and Affiliations	9
A. Registration as a Broker/Dealer or Broker/Dealer Representative	9
B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor	9
C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests	10
D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections	10
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	10
A. Code of Ethics	10
B. Recommendations Involving Material Financial Interests	10
C. Investing Personal Money in the Same Securities as Clients	11
D. Trading Securities At/Around the Same Time as Clients' Securities	11
Item 12: Brokerage Practices	11
A. Factors Used to Select Custodians and/or Broker/Dealers	11

1.	Research and Other Soft Dollar Benefits	11
2.	Brokerage for Client Referrals	12
3.	Clients Directing Which Broker/Dealer/Custodian to Use	12
B.	Aggregating (Block) Trading for Multiple Client Accounts	12
Item 13: Review of Accounts		12
A.	Frequency and Nature of Periodic Reviews and Who Makes Those Reviews	12
B.	Factors That Will Trigger a Non-Periodic Review of Client Accounts	13
C.	Content and Frequency of Regular Reports Provided to Clients	13
Item 14: Client Referrals and Other Compensation		13
A.	Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)	13
B.	Compensation to Non - Advisory Personnel for Client Referrals	13
Item 15: Custody		13
Item 16: Investment Discretion		14
Item 17: Voting Client Securities (Proxy Voting)		14
Item 18: Financial Information		14
A.	Balance Sheet	14
B.	Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients	14
C.	Bankruptcy Petitions in Previous Ten Years	14

## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

The Stanich Group LLC (hereinafter "TSG") is a Limited Liability Company organized in the State of New York.

The Stanich Group LLC was formed in 2009 in the State of New York. Sara Stanich formed this company while an independent contractor of a broker-dealer (Raymond James Financial Services). The Stanich Group LLC became a registered investment adviser in 2016.

### **B. Types of Advisory Services**

#### ***Portfolio Management Services***

TSG offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. TSG creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

TSG evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. TSG will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

TSG seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its clients and without consideration of TSG's economic, investment or other financial interests. To meet its fiduciary obligations, TSG attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, TSG's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is TSG's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent, including initial public offerings ("IPOs") and other investment opportunities that might have a limited supply, among its clients on a fair and equitable basis over time.

## ***Financial Planning***

Financial plans and financial planning may include, but are not limited to: investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning. TSG will also work with clients going through divorce to prepare detailed budgets, analyze the long term implications of multiple settlement options and produce the financial statements needed to achieve the best possible divorce settlement.

## **Services Limited to Specific Types of Investments**

TSG generally limits its investment advice to mutual funds, fixed income securities, real estate funds (including REITs), equities, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds and non-U.S. securities. TSG may use other securities as well to help diversify a portfolio when applicable.

## **C. Client Tailored Services and Client Imposed Restrictions**

TSG will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by TSG on behalf of the client. TSG may use "model portfolios" together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent TSG from properly servicing the client account, or if the restrictions would require TSG to deviate from its standard suite of services, TSG reserves the right to end the relationship.

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. TSG does not sponsor in any wrap fee programs, but may recommend wrap fee programs offered by Custodians.

## **E. Assets Under Management**

TSG has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$30,0267,000	\$1,233,000	February 2017

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Asset-Based Fees for Portfolio Management*

Total Assets Under Management	Annual Fee
\$100,000 - \$500,000	1.50%
\$500,001 - \$1,000,000	1.25%
\$1,000,001 - \$5,000,000	1.00%
\$5,000,000 – And Up	0.75%

These fees are generally negotiable and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Clients may terminate the agreement without penalty for a full refund of TSG's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract immediately upon written notice.

TSG uses the value of the account as of the last business day of the prior billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is calculated.

#### *Financial Planning Fees*

Clients may terminate the agreement without penalty for a full refund of TSG's fees within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

#### *Fixed Fees*

The negotiated fixed rate for creating client financial plans is between \$1,500 and \$15,000. Fees are charged 50% in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

#### *Hourly Fees*

The negotiated hourly fee for these services is between \$100 and \$400. Fees are charged 50% in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

## **B. Payment of Fees**

### ***Payment of Asset-Based Portfolio Management Fees***

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis, or may be invoiced and billed directly to the client on a quarterly basis. Clients may select the method in which they are billed. Fees are paid in advance.

### ***Payment of Financial Planning Fees***

Financial planning fees are paid via check, ACH, and credit card.

Fixed financial planning fees are paid 50% in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

Hourly financial planning fees are paid 50% in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

## **C. Client Responsibility For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e., custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by TSG. Please see Item 12 of this brochure regarding broker-dealer/custodian.

## **D. Prepayment of Fees**

TSG collects fees in advance. Refunds for fees paid in advance will be returned within fourteen days to the client via check, or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

For hourly fees that are collected in advance, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

## **E. Outside Compensation For the Sale of Securities to Clients**

Neither TSG nor its supervised persons accept any compensation for the sale of

securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

Not applicable.

## **Item 7: Types of Clients**

TSG generally provides advisory services to the following types of clients:

- ❖ Individuals;
- ❖ High-Net-Worth Individuals;
- ❖ Trusts, Estates, or Charitable Organizations

### ***Minimum Account Size for Portfolio Management***

There is an account minimum of \$100,000, which may be waived by TSG in its discretion.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

TSG's methods of analysis include fundamental analysis, cyclical analysis and modern portfolio theory.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Cyclical analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

#### ***Investment Strategies***

TSG uses long term trading and short term trading.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

## **B. Material Risks Involved**

### *Methods of Analysis*

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

**Modern Portfolio Theory** assumes that investors are risk adverse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

### *Investment Strategies*

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Short term trading** risks include liquidity, economic stability, and inflation, in addition to the long term trading risks listed above. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

## **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment

strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

**Real Estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the

state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Non-U.S. securities** present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither TSG nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither TSG nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Sara Beth Stanich has been licensed as an insurance agent, but no longer participates in

the sale of insurance products, and does not receive compensation for the sale of insurance products.

Sara Beth Stanich owns rental real estate.

#### **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

TSG does not utilize nor select third-party investment advisers. All assets are managed by TSG management.

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

#### **A. Code of Ethics**

TSG has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. TSG's Code of Ethics is available free upon request to any client or prospective client.

#### **B. Recommendations Involving Material Financial Interests**

TSG does not recommend that clients buy or sell any security in which a related person to TSG or TSG has a material financial interest.

#### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of TSG may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of TSG to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. TSG will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

#### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of TSG may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for

representatives of TSG to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, TSG will never engage in trading that operates to the client's disadvantage if representatives of TSG buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on TSG's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and TSG may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in TSG's research efforts. TSG will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

TSG has selected Raymond James Financial as their primary custodian. TSG has also selected TD Ameritrade Institutional, Division of TD Ameritrade, Inc., member FINRA/SIPC.

#### ***1. Research and Other Soft Dollar Benefits***

While TSG has no formal soft dollars program in which soft dollars are used to pay for third party services, TSG may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). TSG may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and TSG does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. TSG benefits by not having to produce or pay for the research, products or services, and TSG will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that TSG's acceptance of soft dollar benefits may result in higher commissions charged to the client.

#### ***2. Brokerage for Client Referrals***

TSG receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

TSG will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer.

#### **TD Ameritrade**

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

#### **B. Aggregating (Block) Trading for Multiple Client Accounts**

If TSG buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, TSG would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. TSG would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

## **Item 13: Review of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for TSG's advisory services provided on an ongoing basis are reviewed at least annually by Sara Stanich, President, with regard to clients' respective investment policies and risk tolerance levels. All accounts at TSG are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Sara Stanich, President. There is only one level of review for financial planning, and that is the total review conducted to create the financial plan.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, TSG's services will generally conclude upon delivery of the financial plan.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of TSG's advisory services provided on an ongoing basis will receive a monthly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Each financial planning client will receive the financial plan upon completion. Ongoing financial planning clients would receive reporting or schedule meetings to discuss financial plans as needed.

## **Item 14: Client Referrals and Other Compensation**

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

TSG does not receive any economic benefit, directly or indirectly from any third party for advice rendered to TSG's clients.

## **B. Compensation to Non – Advisory Personnel for Client Referrals**

TSG does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

### **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, TSG will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

### **Item 16: Investment Discretion**

TSG provides discretionary and non-discretionary investment advisory services to clients. The Investment Advisory Contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, TSG generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. In some instances, TSG's discretionary authority in making these determinations may be limited by conditions imposed by a client (in investment guidelines or objectives, or client instructions otherwise provided to TSG).

### **Item 17: Voting Client Securities (Proxy Voting)**

TSG will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

### **Item 18: Financial Information**

#### **A. Balance Sheet**

TSG neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

#### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither TSG nor its management has any financial condition that is likely to reasonably impair TSG's ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

TSG has not been the subject of a bankruptcy petition in the last ten years.