Turner Capital Investments, LLC

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Form ADV Part 2A Brochure

This brochure provides information about the qualifications and business practices of Turner Capital Investments, LLC. If you have questions about the contents of this brochure, please contact us at: 1-855-678-8200 or amy.goodwin@turnercapitalinvestments.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.

Turner Capital Investments, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Investment Adviser provides you with information from which you determine whether to hire or retain an Investment Adviser.

Additional information about Turner Capital Investments, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes - Item 2

The purpose of this page is to inform you of any material changes since the previous version of this brochure:

On March 29, 2022, we submitted our annual updating amendment filing for fiscal year 2021. We have updated Item 4 of our Form ADV Part 2A Brochure to disclose discretionary assets under management of approximately $113,613,743. We did not have any non-discretionary assets under management.

We review and update our brochure at least annually to make sure that it remains current. If you would like to receive a copy of our most recent Form ADV Part 2 Brochure, please contact us at: 1-855-678-8200 or amy.goodwin@turnercapitalinvestments.com

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Advisory Business - Item 4

Turner Capital Investments, LLC ("TCI" or "the firm") is a registered investment adviser based in Austin, Texas. The firm has been providing investment advisory services since 2008. Michael Turner is the owner and managing member of TCI having experience in trading, investing, and risk management in the securities industry since 1997.

How We Design Client Programs
Advisory services offered to TCI clients is predicated on strategies that take into account various aspects of the client's personal circumstances, particularly the client's investment goals, time horizon, age and risk tolerance based on information and investment criteria provided to TCI by the client.

Each client will receive individualized investment treatment, as follows:

- Each client account, unless the client qualifies for "Personalized Portfolio Management" (see below) AND has elected to not follow one or more of the current TCI strategies, must follow one and only one of the TCI strategies, per account.
- Each client's account is managed according to the TCI strategy that the client has chosen to follow. The client can elect to move out of a strategy and into cash at any time, but it is important to understand that even when a client's account is in cash, there is no change in TCI's management fee collection process. The client risk profile that TCI has on file must support the level of downside risk associated with the TCI strategy that the client desires to follow.
- TCI obtains sufficient client information to be able to provide individualized investment advice to the client, but generally, this is limited to the client's investment objectives and the TCI strategy that the client desires to follow;
- TCI is reasonably available to consult with the client;
- Each client is able to impose reasonable investment restrictions on the management of their account(s);
- Each client receives a monthly statement, from the custodian of his or her account(s), with a description of all account activity; and
- Each client retains ownership of the securities and funds in the client's account(s), e.g. the ability to withdraw securities, vote securities, among others.

TCI client portfolios are generally non-diversified since the strategy that the client has selected to follow is generally non-diversified. TCI takes a focused approach to asset allocation and we focus exclusively on stocks, ETFs, covered call options and put options, depending on the TCI strategy that the client desires to follow. We do not attempt to keep client accounts balanced within asset classes, bonds or mutual funds. While we do monitor the percentage allocation of client capital among various equity sectors, no particular rule or methodology is used to limit client capital among equity sectors. Investors who seek a more diversified approach to investing in the stock market should not consider TCI for money management services.

Laddered Fixed Income Portfolios
TCI offers discretionary investment management services for SMAs structured as laddered fixed income portfolios ("LFI"). TCI manages the LFI according to a customized fixed income strategy that is individually tailored to meet the cash flow needs of each SMA according to the SMA's investment guidelines. The SMA may also place investment guidelines and/or restrictions on the account.

Personalized Portfolio Management:
TCI offers clients with a minimum aggregate account size of $5,000,000 or more, the ability to have a customized, portfolio management service. Such accounts are managed in accordance with investment objectives, guidelines, and restrictions established by the client and in consultation with TCI investment staff. The Personalized Portfolio Management service emphasizes individualized attention to the client's investment goals and objectives.

Wrap Fee Programs
We do not sponsor, manage, or participate in any wrap fee programs.

Assets Under Management
As of December 31, 2021, TCI had discretionary assets under management of approximately $113,613,743, and non-discretionary assets under management of approximately $0.

Fees and Compensation - Item 5

Portfolio Management Fees
For portfolio management services, TCI charges a negotiable annual fee based on a percentage of assets under management.

The TCI annual management fee structure is as follows:

- 2.00% for aggregated accounts under $250,000
- 1.50% for aggregated accounts of $250,000 to $1,000,000
- 1.25% for aggregated accounts of $1,000,000 to $3,000,000
- 1.00% for aggregated accounts of $3,000,000 to $5,000,000
- 0.80% for aggregated accounts over $5,000,000

Laddered Fixed Income Portfolios
The advisory fee for Laddered Fixed Income Portfolios is as follows:

- 1.00% for aggregated LFI accounts under $499,999
- 0.80% for aggregated LFI accounts over $500,000

TCI's minimum aggregated account size is $250,000, but under special consideration, TCI can accept new clients with less than $250,000 but not less than $100,000. TCI allows multiple accounts within an account association and/or relationship to be aggregated for fee paying purposes. We combine the account valuations to assist the client in meeting fee breakpoints and therefore lowering the overall fee level.

The fees and expenses in connection with these advisory services may be higher or lower than the cost of similar services offered through other financial firms or the fees associated with other financial services.

Portfolio management fees are assessed monthly in advance and are based on the account valuation on the last day of the prior month. Clients are not assessed a management fee in the calendar month that the client account(s) is (are) funded. Likewise, TCI does not prorate management fees for the exit month in which the client discontinues to use TCI for account management.

Additional Fees and Expenses
TCI management fee is exclusive of, and in addition to, brokerage commissions, transaction fees, and other related costs and expenses. Clients are responsible for brokerage costs incurred. However, TCI will not receive any portion of the commissions, fees, and costs. Please see Item 12 – Brokerage Practices for further information on brokerage arrangements.

Billing on Cash Positions: The firm treats cash and cash equivalents as an asset class. Accordingly, unless otherwise agreed in writing, all cash and cash equivalent positions (e.g., money market funds, etc.) are included as part of assets under management for purposes of calculating the firm's advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), the firm may maintain cash and/or cash equivalent positions for defensive, liquidity, or other purposes. While assets are maintained in cash or cash equivalents, such amounts could miss market advances and, depending upon current yields, at any point in time, the firm's advisory fee could exceed the interest paid by the client's cash or cash equivalent positions.

Periods of Portfolio Inactivity: The firm has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, the firm will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including but not limited to investment performance, fund manager tenure, style drift, account additions/withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods of time when the firm determines that changes to a client's portfolio are neither necessary nor prudent. Notwithstanding, unless otherwise agreed in writing, the firm's annual investment advisory fee will continue to apply during these periods, and there can be no assurance that investment decisions made by the firm will be profitable or equal any specific performance level(s).

All fees paid to TCI for investment advisory services are separate and distinct from the fees and expenses charged to shareholders by exchange traded funds. These fees and expenses are described in each fund's prospectus. These fees generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge. A client could invest in such funds directly, without the services of TCI. In which case, the client would not receive the services provided by TCI, which are designed, among other things, to assist the client in determining which fund or funds are most appropriate to their financial condition and objectives. Accordingly, clients should review the fees charged by the funds and the fees charged by TCI to fully understand the total amount of fees charged and to evaluate the cost of advisory services being provided.

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

TCI does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). TCI is compensated from the fees based on assets under management.

Types of Clients - Item 7

TCI intends to provide advice and services to affluent individuals, as well as corporations, partnerships, trusts and other legal entities. A minimum of $250,000 of assets under management is generally required to open a relationship with TCI. For Personalized Portfolio Management services, the minimum required to open and maintain an advisory account(s) is $5,000,000. The minimum investment amount may be negotiable under certain circumstances, including the total relationship with TCI and the size of the account(s).

We generally offer investment advisory services to individuals, high net worth individuals, and business entities.

At this time, TCI requires an aggregated account minimum of $250,000 to establish an advisory relationship. Although, in our sole discretion, we may negotiate the aggregated account minimum. For Personalized Portfolio Management the minimum required to open and maintain an advisory account is $5,000,000.

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

TCI's investment strategies are very actively managed and market directional. We change investment strategies based on market trends. TCI uses the following approach to trading and managing client portfolios:

- Trading decisions and investments (including, but may not be limited to, equities, exchange traded funds, cash, and cash equivalents) held in client accounts are at the complete discretion of the portfolio manager but, in general, follow the profile and objectives of the TCI strategy that the client has selected to follow.

Below is a table of the various elements of each strategy and the commonality of these elements among the strategies:

Profile of the Turner Capital Investment Strategies

Portfolio Component	Diversified Income	ETF Total Market	Tactical Growth	Turner Quant Advantage	Leveraged Index
Investment Bias	Income and Moderate Growth	Moderate Growth	Strong Growth	Strong Growth	Aggressive Growth
Actively Traded	Yes				
Stop Loss Risk Mitigation Strategy	Stops generally at 2 standard deviations below recent close	Trend-based exit based on the 10-wma, 20-wma, 40-wma and investment bias at the time. Shares are sold based on when a holding's share price moves across each of the aforementioned weekly moving averages (wma's).			
Aggressiveness (Scale: 10 is most aggressive)	2	6	7.5	8	10
Bull Market Objective	May hold cash, dividend paying stocks/ETFs, covered calls and naked puts.	Holds mostly sector, industry and commodity ETFs.	Holds fundamentally strong, technically up-trending growth stocks and cash.	Holds fundamentally strong, technically up-trending growth stocks and cash.	Holds mostly 2x index ETFs.
Bear Market Objective	May hold cash, dividend paying stocks/ETFs, covered calls and naked puts.	Holds 1x inverse index and sector ETFs.	Holds 1x and 2x inverse index ETFs and cash.	Holds 2x inverse index ETFs and cash.	Holds mostly 2x inverse index ETFs
Neutral and/or Transition Market Objective	May hold cash, dividend paying stocks/ETFs, covered calls and naked puts.	Holds mostly cash.	Holds mostly cash.	Holds mostly cash.	Holds mostly cash.
Drawdown Potential**	Generally less than 4%	Generally less than 8%	Generally less than 10%	Generally less than 15%	Generally less than 20%
Benchmark	S&P 500	S&P 500	S&P 500	S&P 500	S&P 500

** The percentages are subject to change with market conditions.

Laddered Fixed Income Portfolios
With respect to the Laddered Fixed Income Portfolios (LFI), TCI maintains a laddered fixed income strategy that can be tailored to the cash flow needs of the individual SMA client. The strategy uses short-term instruments that are either insured by a US government agency (i.e. FDIC) or backed by the full faith and credit of the US government (i.e. US Treasury Bills, Notes, and Bonds). The return of the strategy depends on the current short-term rates available at the time the ladder is initiated.

Though the short-term investments used in the LFI strategy are guaranteed by a US government agency or by the full faith and credit of the US government, should the investor need to exit the investments before the stated maturity dates, there is no guarantee that 100% of the initial amounts invested can be returned to the investor.

Investor Profile – Clients who decide to use TCI in the management of the client's capital must:

- Understand that only risk capital should be used, and
- Agree to only use risk capital that the client can afford to lose and should such loss occur, it would not change the lifestyle of the client, and
- Be willing to accept greater risk of loss of capital than investing in the S&P 500 Index and where applicable, the Morningstar US Dividend Growth Index, and
- Understand that certain investment strategies may not be appropriate for certain individuals based on age and risk tolerance.

Clients should keep in mind that depending on when the client's account was funded and TCI began investing the capital, the client's account(s) results may vary from other TCI clients who are in the same strategy solely due to the basis in holdings that are time-sensitive to the time opening trades were made.

A client should not place his/her funds into a TCI managed account unless the client understands the extent of the strategy selected by the client to follow and its associated potential exposure to risk. Trading in the stock market is not suitable for all investors. Clients should carefully consider whether trading in the stock market is appropriate in light of the client's experience, objectives, financial resources and other relevant circumstances. Generally, the strategies used by TCI are not appropriate for someone of limited resources and limited investment or trading experience and low risk tolerance.

Risk of Loss
There are always risks to investing. Clients should be aware that all investments carry various types of risk, including the potential loss of principal that clients should be prepared to bear. It is impossible to name all possible types of risks. Among the risks are the following:

Political Risks. Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.

General Market Risks. Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason, and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.

Strategy Risk. When investments are made through a strategy, rather than individualized investment considerations, there is always the possibility that individualized investment choices would have produced a more positive result for a client than an approach where investments are made for a group of individuals with common characteristics.

Tax Risks Related to Short Term Trading. Clients should note that TCI may engage in short-term trading transactions. These transactions may result in short term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long term strategies. TCI does not make trading decisions based on tax consequences. All clients are advised to consult with their tax professionals regarding the transactions that TCI executes in client accounts.

Purchasing Power Risk. Purchasing power risk is the risk that the client investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.

Information Risk. All investment professionals rely on research in order to make conclusions about investment options. This research is always a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Even an adviser who says they rely solely on proprietary research must still collect data from third parties. This data, or outside research is chosen for its perceived reliability, but there is no guarantee that the data or research will be completely accurate. Failure in data accuracy or research will translate to a compromised ability by the adviser to reach satisfactory investment conclusions.

Options. The use of options transactions as an investment strategy involves a higher level of inherent risk. However, TCI only employs covered call option trades and, less frequently, uncovered put options trades. These types of option trades are not without risk, but these types of option trades are considered by TCI to be well within the limited risk profile of the investment strategy.

Risks Related to Investment Term & Liquidity. Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If a client requires us to liquidate their portfolio during one of these periods, the client will not realize as much value as the client would have had the investment had the opportunity to regain its value. Further, some investments are made with the intention of the investment appreciating over an extended period of time. Liquidating these investments prior to their intended time horizon may result in losses.

Algorithms and Models. When the TCI investment manager utilizes our proprietary mathematical algorithms that identify trigger points for the purpose of indicating a "buy" or "sell" signal, these trigger points are limited in that they are based on solely the data input into the algorithm. There is an unlimited amount of data that can be considered in making any given decision as to whether to buy or sell any given security. An algorithm, by design, ignores some data in favor of others. There is a risk that the data selected for the algorithm will not create a positive result, whereas other data, had it been considered, may do so.

Concentrated Position Risk: At times, an account may hold a relatively small number of securities positions, each representing a relatively large portion of assets in the account. As a result, the account will be subject to greater volatility than a more sector diversified strategy. Investments in issuers within an industry or economic sector that experiences adverse economic, business, political conditions or other concerns will impact the value of such a portfolio more than if the portfolio's investments were not so concentrated. A change in the value of a single investment within the portfolio will affect the overall value of the portfolio and will cause greater losses than it would in a portfolio that holds more diversified investments.

Exchange Traded Funds: The shares of an ETF commonly represent an interest in a group of securities that track an underlying benchmark or index. A leveraged ETF generally seeks to deliver multiples of the daily performance of the index or benchmark that it tracks. An inverse ETF generally seeks to deliver the opposite of the daily performance of the index or benchmark that it tracks. Inverse ETFs often are marketed as a way for investors to profit from, or at least hedge their exposure to, downward-moving markets. Some ETFs are both inverse and leveraged, meaning that they seek a return that is a multiple of the inverse performance of the underlying index. To accomplish their objectives, leveraged and inverse ETFs use a range of investment strategies, including swaps, futures contracts and other derivative instruments. Most leveraged and inverse ETFs reset each day, which means they are designed to achieve their stated objective on a daily basis. With the effects of compounding, over longer timeframes the results can differ significantly from their objective. Because inverse ETFs reset each day, leveraged and inverse ETFs typically are sometimes considered inappropriate as an intermediate or long-term investment by traditional investment strategies and/or firms. They may be appropriate, however, if recommended as part of a sophisticated trading or hedging strategy that will be closely monitored by a financial professional.

Cybersecurity Risks: Our firm and our service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes, and practices designed to protect networks, systems, computers, programs, and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate; however, unintentional events may have similar effects. Cyber-attacks may cause losses to clients by interfering with the processing of transactions, affecting the ability to calculate net asset value or impeding or sabotaging trading. Clients may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose our firm to civil liability as well as regulatory inquiry and/or action. In addition, clients could be exposed to additional losses as a result of unauthorized use of their personal information. While our firm has established a business continuity plan and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cyber security risks are also present for issuers of securities, investment companies and other investment advisers in which we invest, which could result in material adverse consequences for such entities and may cause a client's investment in such entities to lose value.

Pandemic Risk: Large-scale outbreaks of infectious disease can greatly increase morbidity and mortality over a wide geographic area, crossing international boundaries, and causing significant economic, social, and political disruption. It is difficult to predict the long-term impact of such events because they are dependent on a variety of factors including the global response of regulators and governments to address and mitigate the worldwide effects of such events. Workforce reductions, travel restrictions, governmental responses and policies and macroeconomic factors will negatively impact investment returns.

All securities trading is speculative in nature and involves the potential for substantial risk of loss. For that reason, the client should understand that they should only place funds into a TCI managed account that the client can afford to lose. All trading decisions made in the client’s TCI managed account could result in a substantial loss of value of the client’s account.

THERE IS NO GUARANTEE THAT THE SYSTEMS, INDICATORS, OR TRADING SIGNALS OR STRATEGIES USED BY TCI WILL RESULT IN PROFITS OR THAT SAID INVESTMENT STRATEGIES WILL NOT RESULT IN SUBSTANTIAL LOSSES IN THE CLIENT’s ACCOUNT.

Disciplinary Information - Item 9

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the client’s evaluation of TCI or the integrity of TCI’s management.

A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction.
TCI does not have anything to report for this item.

B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.
TCI does not have anything to report for this item.

C. A self-regulatory organization proceeding.
TCI does not have anything to report for this item.

Other Financial Industry Activities or Affiliations - Item 10

TCI and Mr. Turner do not have any other industry affiliations and are not registered with nor have an application pending to register: as a broker-dealer or registered representative of a broker-dealer; as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person with any of the foregoing entities; or with another investment adviser.

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

Code of Ethics

TCI has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes TCI's policies and procedures developed to protect client's interests in relation to the following topics:

- The duty at all times to place the interests of clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the Code;
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of TCI's Code of Ethics is available upon request to our firm at 1-855-678-8200.

Participation or Interest in Client Transactions and Personal Trading

TCI, its affiliates, or its associated persons may buy or sell securities identical to those recommended to customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client. TCI, its affiliates, or its associated persons may purchase or sell securities for their own account that may be materially different from those recommended to clients.

At the present time, no officers, directors, or employees participate as board members or service providers of publicly traded companies. At such time as any officers, directors, and employees of TCI participate as board members or service providers of publicly traded companies and may be compensated by such companies for their services, TCI will revise this Brochure to so indicate. At that time, TCI may recommend the purchase or sale of securities of these companies as appropriate. TCI has policies and procedures in place to ensure the interests of its clients are placed above those of TCI, its affiliates and its associated persons. For example, there are: (i) restrictions as to when TCI and its associated persons may purchase or sell securities recommended by TCI; (ii) policies in place to prevent the misappropriation of material non-public information; (iii) policies and procedures to manage conflict of interest; and (iv) such other policies and procedures reasonably designed to comply with federal and state securities laws.

It is the expressed policy of TCI that no person employed by it may purchase or sell any security prior to a transaction(s) being implemented for a client account, and therefore preventing such employees from benefitting from transactions placed on behalf of client accounts.

As these situations represent a conflict of interest, TCI has established the following restrictions in order to ensure its fiduciary responsibilities:

1. Directors, officers or employees of TCI shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No associated person of TCI shall put his or her own interest above that of TCI's clients.
2. TCI maintains a list of all securities holdings for itself, and its associated persons, with access to its securities recommendations. These holdings are reviewed on a regular basis by an appropriate officer/individual of TCI.
3. TCI emphasizes the unrestricted right of the client to decline to implement any advice rendered, except in situations where TCI is granted discretionary authority of the client's account.
4. TCI requires that all employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
5. Any employee not in observance of the above may be subject to termination.

Brokerage Practices - Item 12

For TCI's portfolio management programs, we recommend and request clients to implement trades and maintain custody of assets through discount brokers. We will recommend the services of Charles Schwab & Co., Inc. ("Schwab") and/or TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade"). These firms are independent and unaffiliated SEC-registered broker-dealers and members of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). These firms offer us services that include custody of securities, trade execution, clearance, and settlement of transactions.

How we select brokers/custodians
We seek to recommend a custodian/broker that will hold client assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors, including both quantitative (Ex: costs) and qualitative (execution, reputation, service) factors. We do not consider whether Schwab or TD Ameritrade or any other broker-dealer/custodian, refers clients to TCI as part of our evaluation of these broker-dealers.

Research and Other Soft Dollar Benefits Received from Schwab
Services that Benefit You: Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services that May Not Directly Benefit You: Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

Services that Generally Benefit Only Us: Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:
- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.

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

Research and Other Soft Dollar Benefits received from TD Ameritrade
There is no direct link between TCI's use of TD Ameritrade and the investment advice it gives to its clients, although TCI 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 TCI 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 discounts on compliance, marketing, research, technology, and practice management products or services provided to TCI by third party vendors.

Some of the products and services made available by TD Ameritrade through the program may benefit TCI but may not benefit its client accounts. These products or services assist TCI in managing and administering client accounts. Other services made available by TD Ameritrade are intended to help TCI manage and further develop its business enterprise. The benefits received by TCI 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, TCI endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by TCI or its related persons in and of itself creates a potential conflict of interest and influences TCI's choice of TD Ameritrade for custody and brokerage services.

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

Directed Brokerage
TCI does not allow clients to direct brokerage.

Aggregation of Orders (Block Trading)
TCI typically enters purchase and sell orders for all accounts within a given strategy as a block trade which provides the ability to aggregate securities transactions for execution and then TCI allocates the appropriate shares to

client accounts. The number of shares allocated is based on the percentage of the portfolio that is attributable to the client account. This enables TCI to enter one order for all client accounts simultaneously and then to provide all client accounts with the same execution price, which is the average of all of the execution prices.

Review of Accounts - Item 13

Michael Turner is the owner, manager, and Chief Investment Strategist of TCI. As such he is responsible for supervision of all associated persons. The Strategies and client accounts will be reviewed by Mr. Turner, or other appropriately qualified associated person, typically on a daily basis in the course of providing Advisory services. Mr. Turner may consult with TCI's compliance consultant, or independent legal counsel, who will be available to review accounts with Mr. Turner for compliance with applicable state and federal regulations. Mr. Turner will be making suitability determinations based upon information known or obtained from such client. The Strategies and client accounts usually will be reviewed on a daily basis by Mr. Turner as appropriate based upon the client's objectives, financial situation and investment experience. The Strategies and account reviews also may be triggered by performance variance, changing developments with respect to specific holdings, changing market conditions or changing client circumstances.

Schwab and TD Ameritrade maintain actual custody of client assets. The client should receive account statements from Schwab and TD Ameritrade on no less than a quarterly basis. The client should review the account statements they receive from Schwab and TD Ameritrade. TCI does not provide account statements.

Client Referrals and Other Compensation - Item 14

TCI engages promoters to whom it pays a portion of the advisory fees paid by clients referred to it by those promoters. Such compensation will be paid pursuant to a written agreement with the promoter. These agreements may be terminated by either party from time to time. The cost of any such fees will be borne entirely by TCI and not by any affected client. In such cases, TCI complies with the requirements of Rule 206(4)-1 under the Investment Advisers Act of 1940, and the state securities regulations in those states in which it is registered, to the extent required by applicable law.

TCI has a brokerage and clearing arrangement with Schwab and TD Ameritrade for which the firm receives additional benefits from. These additional benefits are listed under Item 12 above.

Custody - Item 15

TCI's investment management clients' assets are held at an unaffiliated qualified custodian. Although TCI does not hold these assets, it is deemed to have custody for purposes of amended Rule 206(4)-2 of the Advisors Act due to the authority granted in the client's custodial agreement to deduct its management fees directly from client accounts and in certain situations where TCI accepts standing letters of authorization from clients to transfer assets to third parties. TCI maintains safeguards in accordance with regulatory requirements regarding custody of client assets. Clients will receive statements and copies of all trade confirmations directly from Schwab and TD Ameritrade. We encourage clients to carefully review the statements and confirmations sent to them by their custodian.

Investment Discretion - Item 16

Clients will enter into a written trading authorization with the broker at which client's funds will be held providing TCI authorization as the client's attorney-in-fact to buy, sell, trade or otherwise dispose of financial instruments through the broker. TCI will exercise such discretion in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, TCI will observe the investment policies, limitations and restrictions of the clients for which it advises. TCI's authority to trade securities for registered investment companies may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Client investment guidelines and restrictions must be provided to TCI in writing. If TCI deems the guidelines and restrictions provided by client to be detrimental to TCI's ability to appropriately manage the client's selected portfolio(s) in keeping with the portfolio guidelines, TCI will discuss the issue with the client and reserves the right to terminate the client relationship.

Voting Client Securities - Item 17

As a matter of firm policy and practice, TCI does not have any authority to and does not vote proxies on behalf of advisory clients. Clients should receive their proxies or other solicitations directly from their custodian or a transfer agent. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. TCI may provide advice to clients regarding the clients' voting of proxies.

Financial Information - Item 18

TCI has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding. TCI does not charge more than $1,200 in fees per client, six months or more in advance.

Requirements of State-Registered Advisers - Item 19

Not applicable.