Compliance Policies & Procedures Manual

For

Fusion Investment Advisors

Effective July 15th, 2022

Contents

INTRODUCTION

Purpose

Coppell Advisory Solutions, LLC, dba Fusion Investment Advisors and Fusion Capital Management (Fusion or the **Company**) conducts its business with high ethical and professional standards consistent with applicable statutes, rules, and regulations. In so doing, the Company recognizes its fiduciary duty to its clients and strives to conduct its business with the highest integrity. It is the responsibility of all employees of the Company to ensure that these standards are fully met. To this end, the Company has adopted this Compliance Policies and Procedures Manual **(Manual)** to familiarize all employees, Investment Adviser Representatives **(IARs)**, owners, directors, officers, and any other person associated with the investment adviser (collectively referred to as **Associated Persons**) with the internal policies and procedures of the Company. This Manual is also intended to ensure both compliance with applicable rules and regulations of the Securities and Exchange Commission **(SEC)** and appropriate state jurisdictions, as well as the proper supervision of advisory activities.

All Associated Persons are responsible for understanding and complying with all applicable federal and state laws, rules, and regulations in addition to the Company's internal policies and procedures contained in this Manual. Upon association or employment with the Company, and annually thereafter, all Associated Persons must sign a statement of acknowledgement that they have read, understand, and agree to abide by the provisions of this Manual.

The information provided in this Manual serves as a guide to be followed by all Associated Persons and should not be viewed as all-inclusive of all statutes, rules, and regulations that govern the activities of Fusion. Associated Persons should conduct their activities in a manner that not only achieves technical compliance with this Manual, but also abides by its spirit and principles.

Associated Persons of the Company, who are licensed to sell securities through broker/dealers are also subject to the supervision of and branch procedures issued by such broker/dealers.

Company Overview

The Company provides portfolio management services to its clients on an on-going basis. This service is individually tailored to meet clients' investment goals, risk tolerance, and time horizon. Through this service, the Company has discretionary/non-discretionary authority over assets in the client's portfolio. The Company's portfolio management clients include individuals, high net worth individuals, trusts, and various corporate entities.

The Company also offers financial planning services to its clients as a separate or ancillary service. Through in-depth, individualized and tailored analysis, the Company assists clients with identifying strategies and risk tolerance, setting financial goals, building portfolios, selecting asset managers, philanthropic giving, and legacy development. The Company's portfolio management clients include individuals, high net worth individuals, trusts, and various corporate entities.

Chief Compliance Officer Designation

The Company designates Morgan Wendlandt, as Chief Compliance Officer **(CCO)** to be responsible for compliance with federal and state statutes, rules and regulations, the Company's internal policies and procedures, and the overall supervision of Associated Persons. The CCO has full power and authority on behalf of the Company to develop and enforce appropriate compliance policies and procedures for the Company.

Compliance Responsibilities

The CCO is responsible for all aspects of the Company's compliance program and the supervisory systems implementing the program. In addition, the CCO will assess the effectiveness of the Company's compliance program and review its supervisory systems at least annually for revision as necessary. The CCO may designate one or more persons to carry out these responsibilities but remains, at all times, ultimately responsible.

The general duties, responsibilities, and obligations associated with supervising the compliance activities and personnel of the Company include the following (to the extent currently applicable to the Company's advisory business):

1. Reviewing new accounts to assure proper documentation (e.g., completed investment management agreements, client profile forms, etc.);
2. Ensuring that investment management agreements comply with the Investment Advisers Act of 1940, as amended (Advisers Act) and applicable state and federal regulations;
3. Periodically reviewing client files for all required documentation;
4. Reviewing client account activity for compliance with client investment objectives;
5. Reviewing and pre-approving all advertising/marketing, including performance data;
6. Monitoring marketing of advisory services, including the use of solicitors (if applicable);
7. Delivering privacy notices prior to or at the time the account is opened;
8. Maintaining adequate safeguards to protect client information;
9. Maintaining risk monitoring systems for applicable trading strategies;
10. Monitoring valuation of client assets and basis for assessing fees to ensure compliance with Company policies and procedures;
11. Periodically compare advisory fees listed on fee calculation spreadsheets (whether calculated internally or by a third party) to confirm they correspond with advisory fees listed in client agreements;
12. Ensuring adequate disclosure of the Company's proxy voting policies and adherence to Company proxy voting procedures;
13. Ensuring compliance with the Company's procedures relating to soft dollar arrangements, if applicable;
14. Ensuring compliance with the Company's procedures relating to portfolio management and trading practices;
15. Ensuring that ADV Part 2 brochures, Part 3 (Form CRS), and applicable supplements, are delivered to all clients and prospective clients as required;
16. Ensuring that clients are updated promptly regarding changes to material disclosures and that ADV Part 2 and Part 3 (Form CRS) updates are provided to each client, when required;
17. Reviewing client complaints and managing the Company's responses;
18. Maintaining current information on Form ADV Part 2 brochures, Part 3 (Form CRS), and supplements as applicable;
19. Maintaining current information on Form ADV Part 1 and ensuring required annual updating amendments are filed within 90 days of the Company's fiscal year end;
20. Ensuring that all required Company registrations and reports to federal and state regulatory bodies are made on a timely basis;
21. Ensuring that the Company and all relevant personnel are properly registered at all times, unless exempt;
22. Creating and maintaining required books and records in a format that protects them from unauthorized alteration or destruction;
23. Conducting initial training of newly hired employees about the Company's compliance policies;
24. Conducting an annual compliance meeting and on-going and targeted compliance training for all Associated Persons;
25. Conducting a background check of all potential new employees;

26. Monitoring compliance of all Associated Persons with the prohibition on insider trading;
27. Ensuring compliance with the Adviser's Act rule on custody of client funds and securities;
28. Ensuring that the Company has an adequate disaster recovery and business continuity plan;
29. Monitoring personal trading of Associated Persons and proprietary trading of the Company;
30. Conducting an annual review of the Company's policies and procedures to determine the adequacy and effectiveness of the implementation of the compliance program;
31. Reviewing and updating this Manual as necessary;
32. Coordinating, overseeing, and responding to any inquiries made by a regulatory authority or examination;
33. Reviewing, testing, and implementing the Company's disaster recovery plan;
34. Taking appropriate remedial actions to address violations of the Company's compliance procedures;
35. Ensuring that relevant Company personnel have access to the Company's most current disclosure documents;
36. Ensuring that marketing materials are accurate and not misleading;
37. Reviewing and supervising best execution; and
38. Approving and monitoring outside business activities.

The CCO will utilize the services of other staff members **(designees)** of the Company as needed to assist the CCO in the on-going management of the Company's compliance program. The designees will report directly to the CCO. The CCO reports directly to Bryce Engel, CEO. Ultimate responsibility for ensuring that the Company and its Associated Persons comply with the provisions of this Manual and federal and state securities laws rests with the Company's management.

Annual Review

Rule 206(4)-7 under the Advisers Act, requires that the Company test and evaluate its policies and procedures, and conduct an annual documented review of its policies and procedures to determine their adequacy and effectiveness. The purpose of the Annual Review is to determine that all compliance policies and procedures of the Company are working effectively and that there is adequate compliance oversight of the Company and its Associated Persons and activities. The review will also help the Company identify areas where more resources or attention are required. To the extent applicable, the Annual Review will include, but will not be limited to, the following areas:

- Adherence to Fiduciary Duty;
- Safeguarding of client assets, including custody requirements;
- Due diligence of third party advisers and/or sub advisers (if applicable);
- Accurate creation and secure maintenance of required records;
- Document Retention, which includes electronic documents and email;
- Advertising and Marketing, including website review;
- Portfolio management and trading practices, including best execution;
- Trade Allocations and Trade Errors;
- Proxy Voting and Class Action Lawsuits (as applicable);
- Adequacy of Code of Ethics and personal securities trading procedures;
- Privacy Policy and safeguarding the privacy of client records and information;
- Adequacy of Disaster Recovery and Business Continuity Plans;
- Cybersecurity policies and procedures;
- Registrations, notice filings, and changes to registration requirements; and
- Accuracy of disclosures found in the Form ADV.

Compliance Manual Amendments

The CCO is responsible for developing, disseminating, and updating compliance policies with regard to changes to the business of the Company and regulatory developments that govern or affect the conduct of the Company and its clients, as well as overseeing the training of staff in these matters. In addition to the Company's Annual Review referenced above, the CCO may conduct more frequent reviews of the Company's compliance program upon the occurrence of events that may necessitate more immediate changes. Each component of this Manual will be reviewed in light of significant changes and factors relevant to the Company's business, such as:

- Legislative and regulatory developments, including published regulatory guidance such as No Action Letters
- Changes in business practices
- Changes in registrations held by the Company or its Associated Persons
- Variations in the Company's client base and/or investment strategies and products
- The growth of the Company's assets under management
- Changes in personnel or roles/responsibilities
- Associated Persons' conduct
- Ongoing risk assessments

Whistleblower Policy

Recognizing the Company's and its Associated Persons' shared commitment to clients, all Associated Persons are required to conduct themselves with the utmost loyalty and integrity in their dealings with clients, investors, stakeholders, and one another. Improper conduct on the part of any Associated Person puts the Company and its personnel at risk. Therefore, while managers and senior management ultimately have supervisory responsibility and authority, these individuals cannot stop or remedy misconduct unless they know about it. Accordingly, all Associated Persons are expected to and required to report their concerns about potentially illegal conduct as well as violations of the company's policies.

Reporting Persons Protected

This policy and the related procedures offer protection from retaliation against officers, employees, and agents who make any complaint with respect to perceived violations (referred to herein as a "Reporting Person"), provided the complaint is made in good faith. "Good faith" means that the Reporting Person has a reasonably held belief that the complaint made is true and has not been made either for personal gain or for any ulterior motive.

The Company will not discharge, demote, suspend, threaten, harass, or in any manner discriminate or otherwise retaliate against any Reporting Person in the terms or conditions of his or her employment with the Company based upon such Reporting Person's submitting in good faith any complaint regarding a perceived violation. Any acts of retaliation against a Reporting Person will be treated by the Company as a serious violation of the Company's policy and could result in dismissal.

Scope of Complaints

The Company encourages Associated Persons, consultants, and investors to report irregularities and other suspected wrongdoings, including, without limitation, the following:

- Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company or any of its clients' accounts;
- Fraud or deliberate error in preparation and dissemination of any financial, marketing, informational, or other information or communication with regulators and/or the public;
- Deficiencies in or noncompliance with the Company's internal controls and procedures;

- Misrepresentation or false statement made by or to an Associated Person of the Company regarding any matters in violation of state and/or federal securities laws; or
- Deviation from full and fair reporting of the Company's financial condition.

Procedures

It is imperative that Associated Persons have the opportunity to report any concerns or suspicion of improper activity at the Company (whether by an Associated Persons or other party) confidentially and without retaliation.

- Reports of violations or suspected violations must be reported (anonymously or non-anonymously) to the CCO who will document the complaint, conduct an investigation, and memorialize the investigation's findings, including any remedial action taken. If the suspected violation involves the CCO, it may be reported to a senior member of management instead, who will be responsible for handling the complaint in the same manner as described above.
- A person must be acting in good faith in reporting a complaint or concern under this policy and must have reasonable grounds for believing a deliberate misrepresentation has been made regarding accounting or audit matters or a breach of this Manual or the Company's Code of Ethics.
- The Company will take seriously any report regarding a potential violation of Company policy or other improper or illegal activity, and recognizes the importance of keeping the identity of the reporting person from being widely known. Associated Persons are to be assured that the Company will appropriately manage all such reported concerns or suspicions of improper activity in a timely and professional manner, confidentially and without retaliation.

SEC Whistleblower Program

The Dodd-Frank Wall Street Reform and Consumer Protection Act provided the SEC with the authority to pay financial rewards to whistleblowers who provide new and timely information about any securities law violation. To be considered for such a reward, the SEC requires that the whistleblower voluntarily provide the SEC with original information that leads to the successful enforcement by the SEC of a federal court or administrative action in which the SEC obtains monetary sanctions totaling more than $1 million. A whistleblower who provides such information to the SEC is protected from retaliation by the Company if the whistleblower possesses a reasonable belief that the information provided relates to a possible securities violation.

Annual Certification

All Associated Persons, at the time of hire and annually thereafter, are required to certify their receipt and understanding of the various policies and procedures incorporated in the Compliance Manual.

Questions Concerning the Manual

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

REGISTRATION AND LICENSING

Registration

Fusion is registered as an investment adviser with the SEC – SEC file number 801-72171 – and the Company has filed the requisite notice in states where required. Unless otherwise permitted, Fusion may not solicit or render investment advice for any client domiciled in a state where the Company has not properly filed notice.

In general, a notice filing is required in a state where the Company:

- has a place of business;
- holds itself out as an investment adviser;
- has more than five clients (the statutory minimum varies from state-to-state); or
- has IARs with a place of business in that state.

The CCO will monitor whether the Company anticipates engaging any client located in Louisiana, New Hampshire, Nebraska, or Texas, as these states do not currently have a statutory minimum.

The CCO will ensure that the Company has at all times properly notice filed where required.

Registration of Investment Adviser Representatives ("IARs")

IARs are individuals associated with Fusion, who render investment advice on behalf of the Company. There are currently no federal regulations that require examinations or minimum qualifications of IARs. However, most states require either the FINRA-sponsored General Securities Representative Exam (Series 7) and the Uniform Combined State Law Exam (Series 66), or the Uniform Investment Adviser Exam (Series 65), or a qualifying professional designation, such as CFA, CFP®, ChFC®, PFS, or CIC, etc.

The CCO will ensure that the Company's IARs are registered as required by applicable federal and state rules and regulations. State registration requirements for IARs vary by state and may include:

- Form U-4 for the IAR (submitted via the IARD system)
- fingerprints
- proof of examinations or professional designations, and/or
- filing fees to be submitted directly to the state (submitted via the IARD system).

It is the responsibility of the CCO to be aware of the particular requirements of the states in which the Company operates and to ensure that the Company and its IARs are properly registered, licensed, and/or qualified to conduct business pursuant to all applicable laws and regulations of those states. Currently, Louisiana and Texas require IAR registrations regardless of whether the Company maintains a place of business in those states.

No persons associated with the Company may provide investment advice to any client until they have received notice from the CCO that they are either exempt from registration or that they have been granted an IAR registration/approval from relevant states as required.

Dual Registration

In some cases a person registered as an IAR of Fusion may also be registered as a registered representative ("RR") of a registered broker-dealer or as an IAR with another investment adviser. Some states strictly prohibit "dual

registration" except when the companies with whom the person is registered are affiliated. Fusion will check applicable state laws to make sure rules pertaining to dual registration are being followed.

FINRA Registered Representatives

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

Other Licenses

Similarly, persons registered as IARs may also hold licenses with other entities to sell insurance-related or other products. These licensing requirements should be checked over carefully at the outset to make sure that regulatory requirements are being met. This extends to payment of fees and commissions to the proper entities as well as the licensing/consent issues.

Company Policy

It will be the policy of Fusion NOT to permit dual registration with another investment adviser or a broker-dealer without the prior written consent of the CCO. All requests for dual registration must be in writing. Failure to comply with this requirement may result in immediate termination. Upon approval, the CCO shall create evidence of the approval.

Professional Designations

If an IAR has relied on a professional designation to qualify for registration, the Company will maintain documentation and proof of completion of the professional designation. Additionally, the CCO will review the designation issuing authority's website during the annual registrations review to verify that the IAR has maintained the designation in good standing.

Parking Registrations

Fusion does not permit individuals who are not employed by the Company to "park" their licenses under Fusion's investment adviser registration. In addition, licenses are retained only for Fusion employees when the employee's business activities require registration. Fusion may, however, maintain registration for legal, compliance, or other non-sales employees as permitted under the rules.

Registration Amendments

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

Outside Business Activities

All outside business activity, both securities and non-securities related, must be pre-approved by the CCO prior to the IAR engaging in such activity. The individual's Form U4 must be updated via the IARD system promptly. The CCO will determine if such outside business activity presents a potential conflict of interest and will decide whether additional disclosure should be made to clients via an amendment to the Company's Form ADV.

Registration Withdrawals

The CCO will file (or direct the filing of) a Form U-5 on WebCRD to terminate an IAR's registration(s) upon receipt of notification that such IAR:

- no longer meets the definition of "investment adviser representative;"
- is no longer required to be registered in particular jurisdiction(s); or
- has terminated his or her employment with the Company.

The Company will deliver a copy of the Form U-5 filing to the terminated IAR, no later than 30 days after the employee's change of status or termination. In the event the CCO determines that registration is no longer required in one or more states, but is still required in at least one state, the CCO will submit (or direct the submission of) a partial Form U-5 to request withdrawal from relevant states only.

Annual Registration Renewal

The Company must pay its annual registration renewal fees prior to year's end through the Company's IARD Renewal Account. The Company has engaged RIA Compliance Group, LLC to assist with its registration renewal process.

Filing Fees

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

Withdrawal of SEC Registration

If Fusion reports on its annual updating amendment assets under management less than $90 million, Fusion must withdraw from registration with the SEC by filing the Form ADV-W electronically through the IARD within 180 days of the Company's fiscal year end – unless Fusion can rely on another exemption for purposes of maintaining its federal registration. The withdrawal will be effective immediately upon filing. If the Company is continuing business as a state-registered adviser, the Form ADV-W will also permit the Company to request "partial withdrawal." The ADV-W should not be filed until Fusion has been approved or granted registration with any states in which Fusion conducts investment advisory services and registration is required.

Regulatory Inquiries, Examinations, or Investigations

The Company will fully cooperate with any inquiry, examination, or investigation by any state, federal, or self-regulatory organization with proper jurisdiction. The CCO is responsible for managing communications with and document delivery to regulators, but may engage legal counsel or outside compliance consulting assistance regarding such matters. Any communication with regulatory bodies must be immediately directed to the CCO. No access to the office, information, or documentation can be provided unless the CCO is present (or if the CCO approves, if regulatory requests are made remotely). If the CCO cannot be physically present for an unannounced, on-site examination, a date change should be requested. Company personnel must maintain respect and professionalism when dealing with examiners. Company personnel should refrain from personal or casual conversations with or in the presence of examiners. The CCO should be present for any interviews by examiners with Company personnel.

Prior to providing any information or documentation to anyone presenting themselves as regulatory staff, proper identification must be established. Duly authorized regulatory personnel should present official credentials from the appropriate regulatory body including a photo ID. A business card is not sufficient. In the event further confirmation is needed, do not call the phone number on a letter or business card presented. Instead, the CCO will confirm the contact information through an alternate source and then contact the appropriate regulatory division directly to confirm the validity of the request and the identification of the examiner before providing information or documentation.

The Company will document for its files, the records provided and the CCO should request confidential treatment of all Company documentation provided.

In the event of a valid on-site regulatory examination, the CCO will provide regulators with access to business books, documents, and other advisory records promptly in the format and timeframe requested. The CCO will provide personnel with office space and facilities to conduct on-site examinations, and assistance in the inspection of assets and confirmation of liabilities.

In the event of a valid remote regulatory examination, the CCO will provide regulators with electronic access to requested materials and will respond to requests in a timely manner.

The CCO should be available and should check in with the examiners periodically throughout the examination. Notes documenting all discussions with the examiners should be taken and any deficiencies raised during the examination process should be corrected promptly. The CCO should request an exit interview upon completion of the examination.

ONBOARDING INVESTMENT ADVISER REPRESENTATIVES

Duty to Supervise

Section 203(e)(6) of the Investment Advisers Act authorizes the SEC to take appropriate action against an investment adviser if the adviser or any person associated with the adviser "has failed reasonably to supervise, with a view to preventing violations of the provisions of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940, the rules or regulations under any of those statutes or the rules of the Municipal Securities Rulemaking Board." The Section further provides that "no person shall be deemed to have failed reasonably to supervise any person if:

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

The Company's management recognizes its duty to supervise the actions of its Associated Persons and IARs. The Company's Code of Ethics, Manual and this policy are designed to assist management in carrying out this task by providing guidance in completing advisory activities and setting forth the ethical issues to be considered by the Company.

Policy

The Company's designated supervisors under the direction of the CCO will reasonably supervise the activities of its Associated Persons and IARs. An IAR may begin offering investment advisory services to the Company's clients only after the following items have been received and/or completed:

1. A background check has been performed and reviewed.
2. Where required, each IAR of the Company shall be registered through the CRD system. A copy of the IAR's U4 shall be obtained and reviewed by the CCO for any regulatory disclosure, employment history, and verification of licensing. The CCO will determine whether or not to hire the prospective IAR based upon his/her resume, CRD, and licensure. The CCO will also require a written explanation of any disclosures found on the U4. A copy of the U4 shall be maintained in the employment file of the IAR. The CCO or his/her designee will be responsible for maintaining employee registration, amendments, and updates.
3. A fully completed and executed Investment Advisory Representative agreement has been received.
4. The Company will prepare a *brochure supplement* (ADV Part 2B) for the following *supervised persons*:
   a) Any *supervised person* who formulates investment advice for a *client* and has direct *client* contact; and
   b) Any *supervised person* who has *discretionary authority* over a *client's* assets, even if the *supervised person* has no direct *client* contact. See SEC rule 204-3(b)(2) and similar state rules.

   Note: No supplement is required for a *supervised person* who has no direct *client* contact and has *discretionary authority* over a *client*'s assets only as part of a team. In addition, if discretionary advice is provided by a team comprised of more than five *supervised persons*, *brochure supplements* need only be provided for the five *supervised persons* with the most significant responsibility for the day-to-day discretionary advice provided to the *client*. See SEC rule 204-3(b) and similar state rules.

5. The Company will distribute the Manual, Code of Ethics, and Disaster Recovery – Business Continuity Plan documents to the IAR. The IAR will be required to review and understand all Company policies and procedures.
6. All IARs must submit the following reports as described below. Copies of the Reporting Forms are included with the Manual and/or the Code of Ethics or can be obtained from the CCO:
    a) Initial Holdings Reports. No later than 10 calendar days after an individual becomes a licensed IAR that individual must file an Initial Holdings Report with the Chief Compliance Officer.
    b) Political Contributions. All IARs must declare any political contribution in excess of $350 per candidate per election given during the preceding 24 months. (Rule 206(4)-5 under the Advisers Act). Contributions that in the aggregate do not exceed $150 per election per official will not violate the Rule, even if the contributor is not entitled to vote for the official. Under the exceptions, primary and general elections are considered separate elections.
    c) Outside Business Activities. Any employment or other outside activity by an IAR may result in possible conflicts of interests for the individual and/or for the Company and should be reviewed and approved by the CCO. Outside activities which must be reviewed and approved include such activities as the following:
        - being employed or compensated by any other entity, including broker-dealers and all lines of insurance;
        - all dba names (i.e., “doing business as” names/companies) ;
        - being active in any other business, without exception, including part-time, evening or weekend employment;
        - serving as an officer, director, partner, etc., in any other entity, including publicly traded companies;
        - ownership interest in any non-publicly traded company or other private investments;
        - any public speaking or writing activities; or
        - engaging or participating in any investment or business transaction or venture with any client.
    d) Social Media. Each IAR who currently uses or plans to utilize social media to promote the Company must disclose to the CCO in writing regarding what forms of social media are currently being utilized or are intended to be used.
    e) Signed Acknowledgement and Receipt of the Manual.
    f) Signed Agreement to Abide by the Code of Ethics.

Recordkeeping

The Company will establish a file for each IAR. These files will contain at a minimum the following documents:

- The IAR’s originally executed Form U4.
- Proof of registration as printed from the IARD system for any state(s) in which the IAR conducts business.
- If the IAR is relying on a professional designation to meet licensing requirements, the licensing file will maintain documentation and proof of completion and good standing of the professional designation.

All attestations will be kept in the Company’s compliance files.

DISCLOSURE REQUIREMENTS

Introduction

The Advisers Act requires Fusion to disclose information regarding its business practices to regulators and clients, both existing and prospective. Fusion will use Form ADV, including all applicable schedules and supplements, to meet its disclosure obligations. Form ADV discloses, among other information, the Company's services, fee structure, background information on the individuals providing advisory services, and potential conflicts of interests. Fusion must continue to amend its Form ADV documents when any information contained in the Form ADV becomes materially inaccurate. It is the responsibility of the CCO to review the Company's Form ADV on an ongoing basis to ensure that all information contained in the Form ADV documents is current and accurate. Fusion will maintain current copies of the Form ADV documents in its office, and provide them to SEC staff upon request.

Form ADV Sections

Form ADV Part 1:

Part 1A asks a number of questions about Fusion, its business practices, the persons who own and control the Company, and the persons who provide investment advice on behalf of the Company. All investment advisers registering with the SEC or any of the state securities authorities must complete Part 1A. Part 1A also contains several supplemental schedules. The items of Part 1A indicate which supplemental schedules must be completed.

Form ADV Part 2:

Part 2A requires the Company to create narrative brochures containing information about the Company. The requirements in Part 2A apply to all investment advisers registered with or applying for registration with the SEC or any of the state securities authorities. The Company sponsors a wrap fee program and is required to prepare an Appendix 1 wrap fee program brochure. Please refer to the Wrap Fee Program Section of this Manual.

Part 2B requires the Company to create brochure supplements containing information about certain supervised persons. The requirements in Part 2B apply to all investment advisers registered with or applying for registration with the SEC or any of the state securities authorities.

Form ADV Part 3 (Form CRS): requires the Company to provide a brief client relationship summary to retail investors (otherwise defined as clients who are natural persons). The client relationship summary is intended to inform retail investors about: the types of client relationships and services the firm offers; the fees, costs, conflicts of interest, and required standard of conduct associated with those relationships and services; whether the firm and its financial professionals currently have reportable legal or disciplinary history; and how to obtain additional information about the firm.

Electronic Posting of ADV Part 3: The Company must post the current version of its client relationship summary prominently on its public website, if it has one, in a location and format that is easily accessible for clients. If the Company does not have a public website, it must include in its client relationship summary a toll-free number that clients may call to request documents.

Amendments to Form ADV

Annual Updating Amendments: The Company must amend Parts 1 and 2 of its Form ADV each year by filing an annual updating amendment within 90 days after the end of its fiscal year. When submitting the annual updating amendment, the Company must update its responses to all items, including corresponding sections of all applicable schedules. A summary of material changes made in Part 2A will be listed under Item 2 of Part 2A. The Company has engaged RIA Compliance Group, LLC to assist with its annual updating amendment filing.

Other-Than-Annual Amendments: The Company must amend its Form ADV, including corresponding sections of all applicable schedules, by filing additional amendments (other-than-annual amendments) promptly if:

- information provided in response to Items 1 (except 1.O. and Section 1.F. of Schedule D), 3, 9 (except 9.A.(2), 9.B.(2), 9.E., and 9.F.), or 11 of Part 1A becomes inaccurate in any way;
- information provided in response to Items 4, 8, or 10 of Part 1A becomes materially inaccurate; or
- information provided in Form ADV Part 2A becomes materially inaccurate (see note below for exceptions)

Notes: Part 1: If submitting an other-than-annual amendment, the Company is not required to update its responses to Items 2, 5, 6, 7, 9.A.(2), 9.B.(2), 9.E., 9.F., or 12 of Part 1A, Section 1.F. of Schedule D even if the responses to those items have become inaccurate.

Part 2: The Company must amend its brochure supplements (Form ADV, Part 2B) promptly if any information in them becomes materially inaccurate. If submitting an other-than-annual amendment to the brochure, The Company is not required to update the summary of material changes as required by Item 2. The Company is not required to update the brochure between annual amendments solely because the amount of client assets under management has changed or because the fee schedule has changed. However, if the Company is updating the brochure for a separate reason in between annual amendments, and the amount of client assets under management listed in response to Item 4.E or the fee schedule listed in response to Item 5.A has become materially inaccurate, the Company should update those items as part of the interim amendment.

Part 3: The Company must update its Part 3 (Form CRS) within 30 days whenever any information in Part 3 becomes materially inaccurate. The Company must append a Summary of Material Changes.

Delivery of Brochures and Supplements

Delivery Requirements

Initial Delivery - the Company will provide a copy of its current disclosure brochure (Part 2A) and Part 3 (Form CRS) before or at the time the investment advisory relationship commences between the client and the Company. The Company will provide a copy of the current brochure supplement (Part 2B) for a supervised person before or at the time that person begins to provide advisory services to the client; provided, however, that if investment advice for a client is provided by a team comprised of more than five supervised persons, a current brochure supplement need only be delivered to that client for the five supervised persons with the most significant responsibility for the day-to-day advice provided to that client. For purposes of this section, a supervised person will provide advisory services to a client if that supervised person will: formulate investment advice for the client and have direct client contact; or make discretionary investment decisions for the client, even if the supervised person will have no direct client contact.

Proof of delivery of the Company's disclosure brochure, client relationship summary, and relevant supplemental documents, is evidenced by the client signing the advisory agreement. Note: If the relationship summary is delivered on paper and not as a standalone document, the Company should ensure that it is the first among any documents that are delivered at that time.

Interim Delivery - As a fiduciary, the Company has an ongoing obligation to inform its clients of any material information that could affect the advisory relationship. When filing an "other-than-annual" amendment, the Company must evaluate whether there are any interim amendments that would be considered material. Even if those changes do not trigger delivery of an interim amendment, you must disclose material changes to clients in between annual updating amendments.

If the Company amends its brochure to add a disciplinary event or to change material information already disclosed in response to Item 9 of Part 2A, it **must** deliver an updated brochure (or a document describing the material facts relating to the amended disciplinary event) to its existing clients promptly (i.e., within 30 days of the material change).

If the Company amends Item 3 of a supervised person's brochure supplement to add disciplinary information for the supervised person, the Company must deliver an updated brochure supplement containing this information to the requisite clients(i.e., within 30 days of the material change). The Company must also update any other part of a supervised person's brochure supplement whenever it becomes materially inaccurate.

The Company must also deliver the Part 3 to an existing client before or at the time (1) a new account is opened that is different from the client's existing account(s); or (2) when changes are made to the client's existing account(s) that would materially change the nature and scope of the Company's relationship with the client. For example, the Company must deliver a relationship summary before or at the time it recommends that the client transfers from an investment advisory account to a brokerage account, transfers from a brokerage account to an investment advisory account, or moves assets from one type of account to another in a transaction not in the normal, customary or already agreed course of dealing. Additionally, the Company must deliver the relationship summary within 30 days upon a client's request.

Part 3 (Form CRS) Material Amendments - The Company must deliver an updated Part 3 (Form CRS), along with a Summary of Material Changes appended to a clean copy of the Form CRS, to clients of the firm within 60 days after material updates have been made, without charge.

Annual Delivery - On an annual basis, within 120 days of the end of its fiscal year, the Company will provide to each client either a) a copy of its current (updated) brochure that includes or is accompanied by a summary of material changes (see above); or b) a summary of material changes made to the brochure as required by Item 2 of Form ADV, Part 2A that offers to provide the current brochure without charge, accompanied by the website address (if available) and an e-mail address (if available) and telephone number by which a client may obtain the current brochure. A website address must also be provided for obtaining information about the Company through the Investment Adviser Public Disclosure **(IAPD)** system. The Company will maintain a list of all clients that participated in the annual mailing/offer, and evidence of the date the offer or delivery was made.

No Delivery Required - During any given year, if the Company has not filed any interim amendments to its brochure since the last annual amendment and the brochure continues to be accurate in all material respects, the Company is not required to prepare, deliver, or offer a summary of material changes (or a current copy of its brochure) to existing clients.

It may be possible to make the offer to deliver and the actual delivery of Part 2 and/or Part 3 (Form CRS) of the Form ADV via e-mail provided that:

- The client is capable of receiving delivery in such a manner;
- The Company receives written consent from the client that the client wishes to receive such disclosures via e-mail including written notification by the client of his/her email address.
- The Company requests a return receipt confirmation and receives such confirmation from the client, and;
- The Company keeps a copy of the "read" confirmation in the client's file.

Privacy Notice

At the inception of the client relationship, the Company will deliver a copy of its privacy notice, as addressed in the Privacy Policy section of this Manual.

Proxy Voting Disclosures

At the inception of the client relationship, the Company will provide the client with information on its proxy voting policies, as addressed in the Proxy Voting section of this Manual.

Rule 204-1 Disclosure Requirements

Associated Persons will report any potential disciplinary or financial events as described below to the CCO. The CCO will assess whether such events are required to be disclosed under Rule 204-1 and will make such disclosures as necessary.

Financial Disclosure

Fusion must disclose any facts or circumstances concerning a financial condition of the Company that is reasonably likely to impair the ability of Fusion to meet contractual commitments to clients, if the Company has discretionary authority, express or implied, or custody over such client's funds or securities, or requires prepayment of advisory fees of more than $1,200 from such client, six months or more in advance.

Such disclosures must be provided to clients promptly, and to prospective clients no later than the time of entering into such contract. If any material facts arise subsequent to any client entering into an agreement with Fusion, which are required to be disclosed to client, Fusion will provide such client with written notification of any such facts.

Examples of financial information that must be disclosed include:

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

Legal or Disciplinary Disclosure

A legal or disciplinary event that is material to a client's evaluation of Fusion's integrity or ability to meet contractual commitments to clients must be disclosed to clients promptly, and to prospective clients no later than at the time of entering into such contract. If any material facts arise subsequent to any client entering into an agreement with Fusion, which are required to be disclosed to client, Fusion will provide such client with written notification of any such facts. The following are the types of material facts that must be disclosed:

1. **Court Proceedings (Criminal and Civil)**

Civil or criminal penalties may apply if any of the following occur:

- The Company or an associated person of the Company has been permanently or temporarily enjoined from engaging in investment-related activities;
- The Company or an associated person of the Company has been convicted of or has plead guilty or *nolo contendere* to a felony or misdemeanor involving an investment-related business; fraud; making false statements or omissions; wrongful taking of property; bribery; forgery; counterfeiting; or, extortion; and
- The Company or an Associated Person of the Company was found to have been involved in a violation of an investment-related statute or regulation.

2. **Administrative Proceedings**

- The Company or an Associated Person of the Company was found by the SEC or other federal or state regulatory agency to have caused an investment-related business to lose its authorization to conduct business; or
- The Company or an Associated Person of the Company was found by the SEC or other federal or state regulatory agency to have violated an investment-related statute or regulation and was subject to an order denying, suspending, or revoking, or otherwise significantly limiting its ability to do business or engage in investment-related activities.

3. **Self-Regulatory Organization (SRO) Proceedings**

- The Company or an Associated Person of the Company was found in an SRO proceeding to have caused an investment-related business to lose its authorization to do business; or
- The Company or an Associated Person of the Company was found in an SRO proceeding to have been involved in a violation of the SRO's rules and was the subject of an order by the SRO barring or suspending the person from membership or association with other members, or expelling the person from membership; receiving a fine in excess of $2,500; or otherwise significantly limiting its investment-related activities.

The preceding legal or disciplinary events are presumed to be material for a period of ten years from the time of the events if they were not resolved in the Company's or Associated Person's favor, or subsequently reversed, suspended or vacated.

Other Federal Filings

Fusion may be subject to the following reporting requirements under certain provisions of the Securities Exchange Act of 1934. The below descriptions are only general in nature and may require continuous filings. **Any questions regarding Schedules 13D and 13G; Forms 3, 4, 5, 13F, and 13H; Section 16(a); and Rule 144A should be directed to qualified legal counsel.**

Schedule 13D - Requires a beneficial owner of more than five percent (5%) of a class of publicly traded equity securities to file a report with the issuer, the SEC and those national securities exchanges where the securities trade within ten days of the transaction resulting in beneficial ownership exceeding five percent (5%) identifying, among other things, the source and amount of funds used for the acquisition and the purpose of the acquisition.

The concept of beneficial ownership is defined broadly, and an investment adviser may be deemed to be the beneficial owner of shares held in client accounts (and shares held in proprietary accounts) if the investment adviser has or shares either of the following: (i) voting power, which includes the power to vote or direct the voting of the shares; or (ii) investment power, which includes the power to dispose or direct the disposition of such security. The rules under Section 13(d) require that a Schedule 13D be amended promptly to reflect material changes in the information included therein.

Form 13F - Requires an investment adviser with investment discretion over a cumulative total of $100 million or more of certain equity securities to file quarterly reports disclosing such holdings. The quarterly reports must be submitted on Form 13F. The reporting requirement commences in the last quarter of the calendar year in which an institutional investment adviser first has discretion over $100 million or more in so-called "section 13(f) securities" (i.e., generally equity securities traded on exchanges or NASDAQ and certain convertible debt securities). Because the information included on Form 13F is often highly sensitive and may reflect an investment adviser's investment strategies or may otherwise be of great use to competitors, the rules and regulations under Section 13(f) provide for keeping this information confidential under certain circumstances.

Schedule 13G - Provides an alternative beneficial ownership reporting scheme for acquisitions by "qualified institutional investors," including certain investment advisers and registered investment companies, who acquire securities in the ordinary course of their business, and not for the purpose of changing or influencing control of the issuer. "Qualified institutional investors" may file Schedule 13G, as opposed to Schedule 13D, when their beneficial ownership of a company's outstanding stock exceeds five percent (5%), if the "qualified institutional investor" has not acquired more than twenty percent (20%) of the class of securities. "Qualified institutional investors" must file a Schedule 13G within 45 days after the end of the calendar year where ownership exceeds five percent (5%).

Form 13H - Requires an investment adviser that exercises investment discretion over transactions in Regulation NMS securities that equal or exceed: (i) two million shares or $20 million during any day; or (ii) twenty million shares or $200 million during any month, to register with the SEC using a Form 13H. The SEC then assigns a unique identification number to each large trader. The Company must then provide this identification number to its broker-dealers. Brokerage firms are required to retain transaction records for each large trader and must report that information to the SEC if requested to do so. Filings are made using the Commission's Electronic Data Gathering, Analysis, and Retrieval ("EDGAR") system.

Section 16(a) - Requires an investment adviser who is greater than a ten percent (10%) shareholder of a publicly traded company to file certain disclosure reports and be subject to disgorgement of profits from purchases or sales of such equity securities within any six-month period. The purpose of Section 16(a) is generally aimed at preventing "insiders" defined as directors and officers and those who own a significant percentage of a company, 10% or more, from profiting on "short term" trading (less than 6 months) in securities in their company.

The SEC, however, has included a number of exemptions from Section 16 for investment advisers who buy securities for a client without the purpose or effect of changing or influencing control of the securities issuer.

Rule 144A - The 1933 Act provides a non-exclusive safe harbor from a person deemed to be an "underwriter" under the 1933 Act for certain resale of restricted or unregistered securities to specified categories of "qualified institutional buyers" **(QIBs)**. A registered investment adviser qualifies as a QIB if it is acting for its own account or the accounts of other QIBs and it in the aggregate owns and invests on a discretionary basis at least $100 million in securities of unaffiliated issuers. In addition, “144 securities transactions,” which are placed with a broker to execute a sale or directly with a market maker, may require the filing of Form 144.

Form 3 - In general, insiders must file an initial Form 3 within ten days of becoming subject to Section 16.

Form 4 - Form 4 is used to report any non-exempt transaction in an issuer's equity securities and any exercise and conversions of derivative securities - whether exempt or not. This form must be filed by the end of the second day after the execution of the transaction.

Form 5 - Form 5 is used to report exempt transactions and other transactions not previously reported. Joint filing is permitted in cases where more than one person subject to Section 16 is considered the beneficial owner of the same equity securities.

The CCO has determined that Fusion is required to submit certain quarterly on-going filings with the SEC. The CCO is responsible for overseeing the Company’s submission of the appropriate filings.

BOOKS AND RECORDS

Recordkeeping Requirements

All registered investment advisers, such as Fusion, are required to create and preserve records relating to its activities, transactions for client accounts, personal securities transactions of its Associated Persons, and other documentation relating to their business activities.

Preservation of Records

It is important that the Company's records be true, accurate, and current, and that they be kept well organized at all times. Fusion is subject to surprise examination of its books and records by the SEC and other governmental authorities.

Pursuant to SEC Rule 204-2 of the Advisers Act, Fusion is required to keep and maintain certain books and records and it is a violation of law to forge, falsify, tamper with, obliterate, or prematurely destroy these records. Doing so could subject any Associated Person involved to criminal penalties, regulatory sanctions and/or termination of employment.

Any questions about these matters should be directed to the CCO.

Entity Records

The Company is organized as a limited liability company, and it will maintain all relevant documents pursuant to its legal structure. Articles of Organization, operating agreement of the Company, and other corporate/entity documents must be maintained continuously in the Company's office until termination of the business, and in an easily accessible place, of which the SEC has been notified for three years after termination of the entity.

Specific Books and Records to be Maintained

Unless otherwise noted, Fusion must maintain the following records for a period of at least five years from the end of the calendar year in which the record was last in effect. The records must be retained in the Company's office during the first two years and must be easily accessible for the remaining three years.

Company Accounting Records

Journals	A journal or journals, including cash receipts and disbursements records, and any other records of original entry forming the basis of entries in any ledger
Ledgers	General and auxiliary ledgers, or other comparable records, reflecting assets, liabilities, reserve, capital, income and expense accounts
Banking Information	Check books, bank statements, canceled checks, balance sheets, cash reconciliations;
Accounts Payable	All bills or statements, paid and unpaid, relating to the business of Fusion as an investment adviser
Financial Statements	Trial balances, financial statements and internal audit working papers

Securities Transactions

Trade Records	A memorandum of each order given by the Company for the purchase or sale of a security. The memorandum may be an order ticket that is date-stamped or otherwise marked to comply with the requirements as follows: • show the terms and conditions of the order (buy or sell); • show any instruction, modification or cancellation; • identify the person connected with the Company who recommended the transaction to the client; • identify the person who placed the order; • show the account for which the transaction was entered; • show the date of entry; • identify the bank, broker or dealer by or through whom such order was executed; and • identify orders entered into pursuant to the exercise of the Company's discretionary authority.
Personal Trades	A record of every transaction in a security in which Fusion holds a direct or indirect ownership interest (holdings/posting page)
Trade Errors	Trade error file and supporting documentation on reconciliation (maintain even if empty)

Client Records

Client Accounts	A list of advisory clients and accounts over which Fusion has discretion
Evidence of Discretionary Authority	Discretionary power authorization forms (executed) (May be acknowledged in agreement)
Written Communications with Clients	Written communications received from clients (originals)
	Written communications sent to clients (copies)
Client Complaints	Client complaint file (maintain even if empty)
Client Contracts	Written agreements entered into by Fusion which shall be maintained for a period of not less than five years after termination of the relationship

Disclosure Documents

Form ADV	Form ADV Part 2A, Part 2B brochure supplements, Part 3 (Form CRS), and every amendment, as applicable
Initial Delivery	Evidence of initial delivery of current ADV Part 2A and Part 3 (Form CRS) before or at the time the investment advisory relationship commences between the client and the Company. Evidence of initial delivery of Part 2B Supplement for each supervised person before or at

	the time that supervised person begins to provide advisory services to the client
Annual Delivery	Evidence of Annual delivery of current ADV Part 2, and/or the summary of material changes to the brochure as required by Item 2 of Form ADV Part 2 (including a copy of the document(s) delivered, the date delivered, the method of delivery, and to whom it was delivered)
Interim Delivery	Evidence of any interim delivery of the Form ADV Part 2A, Part 2B brochure supplement(s), and Part 3 (Form CRS)
Privacy Notice	Documentation of initial and interim delivery and receipt of Privacy Notice

Endorsements

Endorsement Agreements	Copy of Written Endorsement Agreements

Written Policies and Procedures

Compliance Manual	Copies of Fusion's policies and procedures and any amendments thereto, along with documentation evidencing Fusion's annual review of policies and procedures
Code of Ethics	Copies of Fusion's Code of Ethics currently in effect, or that was in effect any time within the last five years, including: (a) records of any violations of the Code of Ethics and any actions taken as a result of the violations; (b) records of all written acknowledgements of receipt of the Code of Ethics for each person who is currently or has been within the last five years a supervised person of Fusion; (c) annual records of all written acknowledgements of compliance with the Code of Ethics for each person who is currently or has been within the last five years a supervised person of Fusion; and (d) a list of all "access persons" together with records of all "access persons" during the last five years (e) a record of any decision and supporting reasons for approving the acquisition of securities by "access persons" in initial public offerings and limited offerings for at least five years after the end of the fiscal year in which approval was granted; (f) a record of any decisions that grant employees or "access persons" a waiver from or exception to the Code.
Personal Securities Transaction Reports	Records of all Personal Securities Transactions for access persons of the Company

Advertising and Marketing Materials

Ads, Newsletters, Brochures, Websites, etc.	Advertisements, including copies of Fusion's website and social media profile(s), if applicable
Performance Calculations	All accounts, books, records and documents necessary to form the basis for calculation of performance or rate of return of (i) managed accounts, (ii) managed funds, or (iii) securities recommendations in any Company communications distributed to prospects or clients

Portfolio Management Records

Trade Blotters	For investment supervisory services, separate records showing the securities purchased and sold for each client, and the date, amount and price of each purchase and sale
	The Company shall maintain, for all managed accounts, to the extent that the information is reasonably available or obtainable: records showing separately for each client the securities purchased and sold, and the date, amount and price of each such purchase and sale and for each security in which any such client has a current position, information from which the Company can promptly furnish the name of each such client, and the current amount or interest of such client

Proxy Voting Records

Proxy Statements	A copy of each proxy statement inadvertently received regarding client securities/class action materials and the documentation of forwarding them to clients.

Electronic Media

1. Permitted Use. Under revised Rule 204-2, Fusion is permitted to maintain all records electronically. Rule 204-2 was expanded to include all records that are required to be maintained and preserved by any rule under the Advisers Act. In addition to, or as a substitute for, storing documents in paper format, records required to be maintained and preserved electronically.
2. Requirements. When using an electronic storage format, Fusion must:
    - Maintain a duplicate backup copy of electronically stored books and records at an off-site location;
    - Arrange and index the records to permit prompt location of a particular record;
    - At all times be ready to promptly provide a copy or printout to an examiner;
    - Verify the quality and accuracy of the storage media recording process;
    - Maintain the capacity to readily download indexes and records preserved on the media; and
    - Maintain available facilities for the immediate and easily readable projection or production of the records.
3. Access and Regulatory requests. The Company should be prepared upon request by any regulatory authority to promptly provide (i) legible, true, and complete copies of these records in the medium and format in which they are stored, as well as printouts of such records; and (ii) a means to access, view, and print the records.

4. Security. Personnel with access to client records must not leave computers unattended unless they are turned off or secured in some appropriate manner. In addition, the CCO will take the necessary steps to ensure that whenever an Associated Person leaves Fusion, any password or code used to gain access to that Associated Person's computer system or e-mail is deleted or changed.

E-Mail Retention

E-mails that pertain to any advice or recommendations made, transactions executed, orders received, and any other communications with clients must be maintained. When storing e-mail communications, the Company will arrange and index such communication like any other electronically stored record. This will be done in such a manner that permits easy location, access, and retrieval. Copies of client e-mails are maintained electronically and kept for a period at least five years. The Company uses third party software (Erado and Rackspace) for email archiving and monitoring.

The CCO will provide promptly any of the following, if requested by any regulatory authority:

- A legible, true, and complete copy of an e-mail in the medium and format in which it is stored;
- A legible, true, and complete printout of the e-mail; and
- Means to access, view, and print the e-mail.

CLIENT CONTRACT REQUIREMENTS

Written Agreement Policy

The SEC does not require that advisers utilize written client contracts. However, if the Company utilizes a written client contract, it must comply with the mandatory requirements below.

It is the Company's policy to require a written agreement with each client when providing services. All services provided by or through the Company will be in writing and in a form that has been approved by the CCO. At a minimum, all advisory contracts should include terms related to the following topics:

- The scope of the Company's authority over the client's account and limitations on any such authority, including investment restrictions
- Appropriate non-assignment clause
- Standards of care and limitations of liability
- Responsibility for brokerage matters
- Any terms limiting brokerage authority or ability to place trades
- Proxy voting authority
- Fee schedule and billing terms
- Acknowledgement by client of receipt of the Company's ADV Part 2, Part 3, and Privacy Notice
- Fees and allocation of charges and expenses (and refunding of fees)
- Other expected fees and expenses to be paid by the client

When developing an agreement for services, whether advisory, planning, consulting, or otherwise, the CCO shall consider:

- new legal and regulatory requirements not yet incorporated into this Manual;
- position statements taken by the SEC staff;
- any potential conflict of interest that may need disclosure; and
- other factors that may be deemed appropriate under the circumstances.

Additionally, the CCO must ensure that all agreements are updated whenever there is a change in the Company's business that conflicts with or renders any portion of the agreement inaccurate.

Assignment

Section 205(a)(2) of the Advisers Act requires that each investment advisory contract entered into by an adviser provide that the contract may not be assigned without the client's consent.

Section 202(a)(1) of the Act defines "assignment" generally to include any direct or indirect transfer of an investment advisory contract by an adviser or any transfer of a controlling block of an adviser's outstanding voting securities. Rule 202(a)(1)-1 under the Act, however, provides that a transaction that does not result in a change of actual control or management of the adviser (e.g., reorganization for purposes of changing an adviser's state of incorporation) would not be deemed an assignment for these purposes.

Disclosure of Partnership Changes

Contracts must provide that the Company will notify clients of any changes in the equitable membership of the Company within a reasonable time after the change.

Performance Fees

Section 205(a)(1) of the Advisers Act prohibits an investment adviser from receiving any type of advisory fee calculated as a percentage of capital gains or capital appreciation of the funds in the client's account.

The Advisers Act contains exceptions from this prohibition for contracts with:

- Clients with at least $1,100,000 under management with the adviser immediately after entering into a contract or clients with more than $2,200,000 of net worth, excluding the value of the client's primary residence and the debt secured by the residence, up to the fair market value of the residence, at the time the contract is entered into ("qualified clients");
- Clients who are "qualified purchasers" under section 2(a)(51)(A) of the Investment Company Act at the time the contract is entered into;
- Certain knowledgeable employees of the Company; and
- Clients that are not U.S. residents.

Voidable Contracts

Section 215(a) of the Advisers Act provides that any contractual provision of an investment advisory contract that waives compliance with the Act, or any rule thereof, shall be void. Section 215(b) also provides that an investment adviser cannot enforce a contract that violates any provision of the Act.

Hedge Clauses

The SEC has taken the position that any legend, hedge clause, or other provision which is likely to lead a client to believe that he or she has in any way waived any available right of action he may have against the investment adviser may violate the anti-fraud provisions of Section 205 of the Advisers Act. The SEC also has examined on a case-by-case basis whether a particular provision in a contract constitutes a hedge clause. *See*, Advisers Act Release No. 40-58; McEldowney Financial Services, SEC No-Action (Apr. 10, 1951), Fed. Sec. L. Rep. (CCH) ¶ 78,373.

CORRESPONDENCE

Introduction

All communications by the Company are subject to the anti-fraud provisions of the Investment Advisers Act. Specifically, Sections 206 (1) and (2) of the Act state that, “It shall be unlawful for any investment adviser, by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly:

1. to employ any device, scheme, or artifice to defraud any client or prospective client; and
2. to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.”

Examples of communications that would be subject to the above provisions include incoming and outgoing written and other communications, to clients or prospective clients, regardless of the method of transmission (mail, facsimile, personal delivery, courier services, e-mail, etc.). Correspondence also includes any type of information originated by an Associated Person of Fusion and provided to one or more clients or prospective clients. Interactive conversations such as personal meetings and telephone conversations generally are not considered correspondence.

Policy

The following policies will apply to all incoming and outgoing business-related communications:

- All incoming and outgoing communications with clients, prospective clients and others shall be truthful, accurate, balanced, and not misleading.
- No business-related correspondence of any kind, including electronic correspondence, may be sent, or received through any of the Associated Person’s personal devices without the pre-approval of the CCO.
- Associated Persons are not permitted to use personal email accounts, personal social media accounts, or personal SMS messaging to correspond with clients regarding business related matters.
- Use of Fusion’s letterhead and other official stationery is limited to business related matters.
- The copying or distribution of copyrighted material in violation of copyright law is prohibited.
- Correspondence containing "Personally Identifiable Information" shall be transmitted and retained pursuant to the Company's Privacy Policies.
- **Associated Persons are expressly prohibited from deleting any business-related emails.**

All incoming and outgoing correspondence may be subject to, at any time and without notice, monitoring, and review by the CCO or other designee. Correspondence subject to this policy includes emails, letters, facsimiles, courier deliveries and other forms of communication, including communications marked "personal," "confidential," or words to this effect.

The Company will maintain originals of all written communications received and copies of all written communications sent to any party, including non-clients, relating to the business of providing investment services in compliance with Rule 204-2(a)(7) of the Act.

ADVERTISING AND MARKETING

Introduction

Effective May 4, 2021, the Securities and Exchange Commission (the "Commission" or the "SEC") adopted amendments under the Investment Advisers Act of 1940 (the "Advisers Act" or the "Act") to update rules that govern investment adviser marketing. Amended Rule 206(4)-1, under the Advisers Act, addresses advisers marketing their services to clients and investors (the "marketing rule"). The marketing rule amends existing rule 206(4)-1 (the "advertising rule") and has created a merged rule that replaces both the advertising and cash solicitation rules. Accordingly, the marketing rule contains principles-based provisions designed to accommodate the continual evolution and interplay of technology and advice. The rule also contains tailored restrictions and requirements for certain types of advertisements, such as performance advertising, testimonials and endorsements, and third-party ratings.

Definitions

Advertisement: Under the marketing rule, the definition of an advertisement includes two prongs. The first prong includes any direct or indirect communication an investment adviser makes that:

a) offers the investment adviser's investment advisory services with regard to securities to prospective clients or investors in a private fund advised by the investment adviser ("private fund investors"), or
b) offers new investment advisory services with regard to securities to current clients or private fund investors.

The first prong captures traditional advertising but does not include one-on-one communications, unless the communication includes hypothetical performance information that is not provided:

a) in response to an unsolicited investor request or
b) to a private fund investor.

It also excludes:

a) extemporaneous, live, oral communications; and
b) information contained in a statutory or regulatory notice, filing, or other required communication, provided that such information is reasonably designed to satisfy the requirements of such notice, filing, or other required communication.

The second prong of the advertising definition covers compensated testimonials and endorsements. This prong includes oral communications and one-on-one communications in order to capture traditional one-on-one solicitation activity, in addition to solicitations for non-cash compensation. It excludes certain information contained in a statutory or regulatory notice, filing, or other required communication. The second prong of the final marketing rule's definition of advertisement is triggered by any form of compensation - whether cash or non-cash - that an adviser provides, directly or indirectly, for an endorsement or testimonial.

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

Endorsement: Any statement by a person other than a current client or investor in a private fund advised by the investment adviser that:

a) Indicates approval, support, or recommendation of the investment adviser or its supervised persons or describes that person's experience with the investment adviser or its supervised persons*;*

b) Directly or indirectly solicits any current or prospective client or investor to be a client of, or an investor in a private fund advised by, the investment adviser; or
c) Refers any current or prospective client or investor to be a client of, or an investor in a private fund advised by, the investment adviser.

Promoter: A “promoter” in regard to the marketing rule, is a person providing a testimonial or endorsement, whether compensated or uncompensated. (Traditionally, “solicitors” were referred to those who engaged in compensated solicitation activity under the solicitation rule).

Provider: The term "provider" is used at times when discussing a person providing an uncompensated testimonial or endorsement.

Supervised person: Any partner, officer, director (or other person occupying a similar status or performing similar functions), or employee of an investment adviser, or other person who provides investment advice on behalf of the investment adviser and is subject to the supervision and control of the investment adviser.

Testimonial: Any statement by a current client or investor in a private fund advised by the investment adviser:
a) About the client or investor's experience with the investment adviser or its supervised persons;
b) That directly or indirectly solicits any current or prospective client or investor to be a client of, or an investor in a private fund advised by, the investment adviser; or
c) That refers any current or prospective client or investor to be a client of, or an investor in a private fund advised by, the investment adviser.

General Prohibitions

The marketing rule codifies general prohibitions of certain marketing practices in order to prevent fraudulent, deceptive, or manipulative acts. These prohibitions are principles-based and are associated with a significant risk of being false or misleading. The general prohibitions will apply to all advertisements to the extent that Fusion directly or indirectly distributes such advertisement. Specifically, in any advertisement, the Company may not:

(1) Include any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statement made, in the light of the circumstances under which it was made, not misleading;
(2) Include a material statement of fact that the adviser does not have a reasonable basis for believing it will be able to substantiate upon demand by the Commission;
(3) Include information that would reasonably be likely to cause an untrue or misleading implication or inference to be drawn concerning a material fact relating to the investment adviser;
(4) Discuss any potential benefits to clients or investors connected with or resulting from the investment adviser's services or methods of operation without providing fair and balanced treatment of any material risks or material limitations associated with the potential benefits;
(5) Include a reference to specific investment advice provided by the investment adviser where such investment advice is not presented in a manner that is fair and balanced;
(6) Include or exclude performance results, or present performance time periods, in a manner that is not fair and balanced; or
(7) Otherwise be materially misleading.

To establish a violation of the marketing rule, the SEC will not need to demonstrate that an investment adviser acted intentionally, knowingly, or willfully; negligence is sufficient[1].

The Company's use of graphs, charts, or formulas to represent, directly or indirectly, which could be used to determine which securities to buy or sell, or when to buy or sell them without disclosing the limitations and difficulties could be deemed false or misleading. Depending on the disclosures provided and the extent to which the Company does provide investment advice solely based on such materials, it may be false or misleading to represent, directly or indirectly, in an advertisement that any graph, chart, or formula can by itself be used to determine which securities to buy or sell.

Marketing Review Procedures

The Company requires that all marketing material have a *reasonable basis* to substantiate material claims of fact. The Company's substantiation requirement is limited to matters of material fact rather than a material claim or statement. Material statements of fact, as opposed to opinions, should be verifiable. For instance, material facts might include a statement that each of its portfolio managers holds a particular certification or that it offers a certain type or number of investment products. Claims about performance would also be statements about material facts. Conversely, statements that clearly provide an opinion would not be statements of material fact.

All marketing documents must be reviewed and approved by the CCO prior to use. Documentation of all such marketing pieces and their approvals will be maintained in the Company's compliance files at both the home office and any relevant branch office locations, if any. Once the base template of an advertising/marketing document is approved, future changes to the document that are purely cosmetic in nature do not require advance approval of the CCO.

Prohibited References

The Company will not engage in performance advertising as provided in Rule 206(4)-1 of the Act.

Activities that Constitute a Testimonial or Endorsement

Marketing material or advertisements that include statements that solicit investors for, or refer investors to, an investment adviser is considered a testimonial or an endorsement. Providers of these services include the following:

- Lead-generation firms or adviser referral networks (collectively, "operators") would fall into the scope of the marketing rule. Such as networks operated by non-investors where an adviser compensates the operator to solicit investors for, or refer investors to, the adviser.
- Operators such as for-profit or non-profit entities that make third-party advisory services (such as model portfolio providers) accessible to investors, even if the operators do not promote or recommend particular services or products accessible on any platform.
- A blogger's website review of an adviser's advisory service due to the indication of approval, support, or a recommendation of the investment adviser, or because it describes its experience with the adviser.

[1] *See SEC v. Steadman,* 967 F.2d 636,647 (D.C. Cir. 1992). In adopting rule 206(4)-8, the court in *Steadman* analogized section 206(4) of the Advisers Act to section 17(a)(3) of the Securities Act, which the Supreme Court had held did not require a finding of scienter *(citing Aaron v. SEC,* 446 U.S. 680 (1980)). *See also Steadman* at 643, n.5. In discussing section l 7(a)(3) and its lack of a scienter requirement, the *Steadman* court observed that, similarly, a violation of section 206(2) of the Advisers Act could rest on a finding of simple negligence. *See also* Fiduciary Interpretation, *supra* footnote 88, at n.20.

Additionally, if the adviser directly or indirectly compensates the blogger for its review, for example by paying the blogger based on the amount of assets deposited in new accounts from client referrals or the number of accounts opened, the testimonial or endorsement is considered an advertisement under the definition's second prong.

Generally, an operator's website will likely meet the definition of an endorsement. An operator that touts the advisers included in its network, and/or guarantees that the advisers meet the network's eligibility criteria, and/or typically offers to "match" an investor with one or more advisers compensating it to participate in the service. Therefore, these operators are deemed to engage in solicitation or referral activities.

Depending on the facts and circumstances, a lawyer or other service provider that refers an investor to an adviser, even infrequently, may also meet the rule's definition of testimonial or endorsement.

However, an adviser who pays a third-party marketing service or news publication to prepare content for and/or disseminate a communication, generally would not treat this communication as an endorsement under the second prong of the definition of "advertisement." Similarly, a non-investor selling an adviser a list containing the names and contact information of prospective investors typically would not meet the definition of endorsement.

Conditions Applicable to Testimonials and Endorsements

The Company's use of testimonials and endorsements is subject to certain conditions and requirements. These conditions include disclosure requirements to ensure prospective clients and investors are aware of the conflicts of interest associated with testimonials and endorsements. The conditions also include a requirement that the Company have a reasonable basis to believe that the testimonial or endorsement complies with the marketing rule. Compensated testimonials and endorsements present a heightened risk for conflicts and misleading investors; therefore, the Company is prohibited from using compensated testimonials and endorsements made by certain "bad actors" and other ineligible persons[2].

The Company is required to have a written agreement with persons giving a testimonial or endorsement for compensation above the *de minimis* threshold ($1,000 or less, or the equivalent value in non-cash compensation, during the preceding 12 months).

Exemptions to the Conditions

The Company is exempt from meeting the conditions listed above for compensated testimonials and endorsements where:

i. A testimonial or endorsement disseminated for no compensation or de minimis compensation.
ii. A testimonial or endorsement by the investment adviser's partners, officers, directors, or employees, or a person that controls, is controlled by, or is under common control with the investment adviser, or is a partner, officer, director or employee of such a person.
iii. A testimonial or endorsement by a broker or dealer that is a recommendation subject to Regulation Best Interest or provided to a person that is not a retail customer (as that term is defined in Regulation Best Interest).

[2] Bad actors and other ineligible persons refers to a *disqualifying Securities and Exchange Commission action* regarding an opinion or order barring, suspending, or prohibiting the person from acting in any capacity under the Federal securities laws. See Rule 206(4)-l(e)(9).

iv. A testimonial or endorsement by a person that is covered by rule 506(d) of Regulation D under the Securities Act of 1933.

Required Disclosures

The Company requires advertisements that include any testimonials or endorsements to provide disclosures of certain information. Specifically, the Company is required to disclose or have a reasonable belief that the person giving the testimonial or endorsement discloses the following at the time the testimonial or endorsement is disseminated:

1. Disclose clearly and prominently:
   a) That the testimonial was given by a current client, and the endorsement was given by a person other than a current client, as applicable;
   b) That cash or non-cash compensation was provided for the testimonial or endorsement, if applicable; and
   c) A brief statement of any material conflicts of interest on the part of the person giving the testimonial or endorsement resulting from the Company's relationship with such person;
2. The material terms of any compensation arrangement including a description of the compensation provided or to be provided, directly or indirectly, to the person for the testimonial or endorsement; and
3. A description of any material conflicts of interest on the part of the person giving the testimonial or endorsement resulting from the investment adviser's relationship with such person and/or any compensation arrangement

Registration Status of Promoters

A promoter may, depending on the facts and circumstances, be acting as an investment adviser within the meaning of section 202(a)(11) of the Act. Investment adviser status and registration questions require analysis of the applicable facts and circumstances, including, for example, whether a person is "advising" others within the meaning of section 202(a)(11) of the Act:

Section 202(a)(11) of the Act defines an investment adviser as any person or firm that:

- for compensation;
- is engaged in the business of;
- providing advice to others or issuing reports or analyses regarding securities.

A person must satisfy all three elements to fall within the definition of “investment adviser.”

If the promoter is a supervised person of the adviser for which it is providing a testimonial or endorsement, the promoter does not need to separately register with the SEC as an investment adviser solely as a result of his or her activities as a promoter.

The Company will evaluate each promoter of its advisory services to determine whether or not the promoter meets the definition of an investment under Section 202(a)(11) above.

The Company must determine whether a promoter is subject to certain state law and certain FINRA rules, including any applicable state licensing requirements applicable to individuals.

It is the responsibility of the CCO to maintain documentation of registration status.

Testimonial or Endorsement Procedures

Fusion will ensure that advertisements that include testimonial(s) or endorsement(s) and/or any solicitation arrangement that provides for direct or indirect compensation comply with the following four conditions, as applicable:

- disclosure, including certain clear and prominent disclosures, as well as other more detailed disclosures;
- adviser oversight and compliance;
- a written agreement between the adviser and a third-party providing the testimonial or endorsement; and
- no disqualification.

Fusion must have a reasonable belief that the required information is disclosed by a promoter or operator. The Company will either provide the required disclosures to a promoter and seek to confirm that the promoter has provided those disclosures or will include provisions in the written agreement requiring any promoter to provide the required disclosures. In regard to bloggers or social media influencers, the Company will provide the required disclosures and confirm that the information is provided appropriately on the respective web pages.

Adviser Websites and Social Media

"Social media" is an umbrella term that encompasses various activities that integrate technology, social interaction, and content creation. Social media may use many technologies, including, but not limited to, blogs, microblogs, wikis, photos and video sharing, podcasts, social networking, and virtual worlds.

The SEC has set forth guidelines for the use of social media by investment advisory firms. The Company will endeavor to comply with the guidance provided by the SEC in that risk alert. Associated persons and promoters may use social media sites, such as Facebook, LinkedIn, Twitter, and blogs, for business purposes subject to the following conditions.

Proprietary Social Media Accounts and Websites

All content posted on the Company's proprietary social media and website(s) shall be viewed as advertising. As such, all content on social media and website(s) must comply with the Company's Advertising and Marketing Policy. No person may use the Company's proprietary social media or website(s) unless he or she is specifically authorized to do so in writing by the CCO and the content was reviewed by the Company's CCO or a designee prior to posting.

Before content is posted on a social media or web site, the Company's CCO or a designee will conduct a review to ensure that:

- Content is not false or misleading in any way;
- There are no direct or indirect references to the Company's performance;
- Content is consistent with Form ADV and advisory contracts;
- No specific recommendations are made;
- No legal or tax advice is offered; and
- Content does not violate any of the prohibitions described in the Advertising and Marketing Policy

The Company may permit the use of "like," "share," or "endorse" features on a third-party website or social media platform, provided the Company does not take affirmative steps to involve itself in the preparation or presentation of the comments, to endorse or approve the comments, or to edit posted comments.

Modification Policy

It is the Company's policy to not modify the presentation of third party content or comments posted by others. The Company will not delete or suppress negative comments, prioritize the display of positive comments, or sort third-party content in such a way that more favorable content appears more prominently.

It is also the policy of the Company, when necessary, to edit profane, defamatory or offensive statements, threatening language, materials that contain viruses or other harmful components, spam, unlawful content, materials that infringe on intellectual property rights or correction of a factual error. This type of editing is not construed to favor or disfavor Fusion.

Due to these policies, Fusion would not be viewed as endorsing or approving third party content or comments.

The following sample disclosure may be used with social media where third-party posts are permitted:

Posts and comments must refrain from recommending specific investments. The Company will delete comments deemed to be offensive or inappropriate.

Information presented is believed to be factual and up-to-date, but we do not guarantee its accuracy and it should not be regarded as a complete analysis of any subjects discussed. A professional advisor should be consulted before making any investment decisions. All opinions reflect the judgment of the author as of the date of the post and are subject to change. We are not responsible for comments made by third parties. Information provided is not an offer to buy or sell or a solicitation of any offer to buy or sell any securities mentioned.

Review Procedures

In addition to reviewing content before it is posted, the CCO or a designee will conduct periodic reviews of social media sites. Each associated person and promoter must attest each year that he or she is only using approved social media sites for business purposes.

Approved Personal Social Media Accounts

Personal social media accounts may not be used to advertise or promote the Company's advisory services or to solicit advisory clients without written CCO pre-approval. In seeking pre-approval, the Associated Person must provide sufficient details about their social media accounts, including the type of social media they intend to use as well as their account names. If approved, the CCO will provide the approval in writing and will maintain a log of all such approvals. All social media posts must abide by the Company's Advertising Policy, including its CCO pre-approval requirement.

Unapproved Personal Social Media Accounts

Personal social media accounts that have not been approved by the CCO may not promote the Company or its advisory services in any way. Notwithstanding the foregoing, Associated Persons and promoters are permitted to mention their association with the Company in social media profiles.

Violations of the Company's Social Media Policy are subject to the same disciplinary action that may be imposed for any deviation from the Company's compliance policies and procedures. Whether posting on a proprietary social media account, an approved social media account, or an unapproved social media account, all Associated Persons and promoters should take care as to not engage in any conduct that would reflect unfavorably on the Company.

On an annual basis, all Associated Persons and promoters are required to complete a social media attestation form regardless of whether or not they use any personal social media accounts to promote the Company or its advisory business.

One-on-One Communications

The first prong of the definition of "advertisement" generally does not include one-on-one communications. The exception to this is if the communication includes hypothetical performance information that was not provided in response to an unsolicited investor request or to a private fund investor. If hypothetical performance information is conveyed in a one-on-one presentation the communication is considered advertising and is required to be treated as such.

Prong two of the definition of "advertisement" does not contain the same exclusion for one-on-one communications as prong one. Therefore, one-on-one communications with regard to compensated testimonials and endorsements are considered advertisements. These communications are required to follow the procedures set forth under Testimonial or Endorsement Procedures above.

Procedure

Communications will be viewed as "one-on-one" if the communication is between a single adviser and a single client, even if the client is an entity with multiple natural person representatives who receive the communication. Further, communications will be deemed one-on-one if directed to one or more clients that share the same household, such as a married couple that lives together. In addition, communications designed to retain existing clients are not deemed as advertisements under the marketing rule.

The CCO will determine if and when the Company's one-on-one communications constitute advertising under the marketing rule. The CCO will document his assessment of the communication and ensure that any one-on-one communications deemed to be advertisements are in compliance with the marketing rule.

Third Party Ratings

The Company may use third-party ratings if the third-party rating:

- Has a reasonable basis for believing that any questionnaire or survey used in the preparation of the *third-party rating* is structured to make it equally easy for a participant to provide favorable and unfavorable responses, and is not designed or prepared to produce any predetermined result; and
- Clearly and prominently discloses, or the investment adviser reasonably believes that the third-party rating clearly and prominently discloses:
  a. The date on which the rating was given and the period of time upon which the rating was based;
  b. The identity of the third party that created and tabulated the rating; and
  c. If applicable, that compensation has been provided directly or indirectly by the adviser in connection with obtaining or using the *third-party rating.*

The third-party rating must not be false or misleading. The following are factors to consider in determining whether an advertisement containing a third-party rating is false or misleading:

- Whether the ad discloses the criteria on which the rating was based;
- Whether the Company advertises a favorable rating without disclosing any facts that the Company knows would call into question the validity of the rating or the appropriateness of using it in advertisements;

- Whether the Company advertises any favorable rating without also disclosing any unfavorable ones;
- Whether the advertisement states or implies that the Company was the highest rated in a category and was not;
- Whether the ad clearly and prominently discloses the category for which the rating was calculated, the number of investment advisers surveyed in that category, and the percentage of advisers receiving that rating;
- Whether the ad discloses that the rating may not reflect any one client's experience with the Company;
- Whether the ad discloses that the rating may not be indicative of the Company's future performance; and
- Whether the ad discloses prominently who created and conducted the survey and whether the Company paid a fee to be included.

The Company should also disclose to clients and prospective clients that third-party rankings and recognition from rating services or publications is no guarantee of future investment success and that working with a highly rated investment adviser does not ensure that a client or prospective client will experience a higher level of performance or results.

The CCO will review and document the Company's basis for participation in a questionnaire or survey for the consideration of a rating from a third party. The CCO will also ensure that the accompanying disclosures of any third-party ranking used in an advertisement meet the requirements and are displayed clearly and prominently.

COMPLAINTS

Supervisory Responsibility

In the normal course of business, Fusion may receive complaints from clients regarding services or related matters. Fusion has a responsibility to respond to client complaints and take remedial actions as necessary. The CCO is responsible for ensuring that all written client complaints are handled in accordance with all applicable laws, rules, and regulations and in keeping with the provisions of this section.

Definition

The Company defines "complaint" as any statement alleging any specific, inappropriate conduct on the part of Fusion. A client complaint must be initiated by the client and must involve a grievance expressed by the client. It may be difficult to judge whether or not a communication from a client constitutes a complaint as defined. A mere statement of dissatisfaction from a client about an investment or about investment performance in most cases does not constitute a complaint. All questions regarding whether a complaint has been made should be brought to the attention of the CCO.

Procedure for Client Complaints

- Associated Persons must immediately notify the CCO, who has discretion to notify outside counsel.
- If the complaint was delivered orally, the CCO must prepare a short memorandum describing the complaint based on facts obtained from knowledgeable employees.
- The Company will acknowledge the complaint in writing with the client and/or the client's counsel.
- The Company will make every effort to settle the complaint, taking into account the advice of outside counsel. Any offers of settlement or actual settlements must be made only with the knowledge, participation, and written approval of the CCO.
- The CCO will create a written record of the complaint, including all correspondence and memoranda and file this record in the complaint file.
- Associated Persons are expected to cooperate fully with Fusion and with regulatory authorities in the investigation of any client complaint.

CUSTODY OF FUNDS AND SECURITIES

Rule 206(4)-2 of the Advisers Act provides for extensive requirements regarding possession or custody of client funds or securities. "Custody" means, “holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them.” An investment adviser has custody if a related person holds, directly or indirectly, client funds or securities, or has any authority to obtain possession of them, in connection with advisory services provided to clients. A related person is a person “directly or indirectly controlling or controlled by the Company and any person under common control with the Company.” Custody generally includes:

- Possession of client funds or securities (including stock certificates, precious metals, etc.), unless received inadvertently and returned to the sender promptly, but in any case within three business days of receiving them;
- Any arrangement, including trustee arrangements and general power of attorney, under which a related person is authorized or permitted to withdraw client funds or securities maintained with a custodian upon such person’s instruction to the custodian;
- Any arrangement where the Company and its Associated Persons have client account login information and are able to change the client’s address of record or request third party transfer of funds or securities without the client’s written confirmation; and
- Any capacity, such as general partner of a limited partnership; managing member of a limited liability company, or a comparable position, for another type of pooled investment vehicle; that gives a related person or supervised person legal ownership of or access to client funds or securities.

If a related person is appointed as trustee as a result of a family or personal relationship with the grantor or beneficiary of the trust, and not as a result of employment with the Company, the Company will not be deemed to have custody of such client's funds or securities.

The Company has custody over client funds or securities (“client assets”) as a result of debiting fees directly from client accounts held at a qualified custodian. Additionally, the Company has custody because certain clients have granted the Company standing letters of authorization for third party transfers. The Company is required to disclose in Form ADV Part 1A, Item 9 the total number of clients and total amount of assets for which the Company is deemed to have custody.

Appointment of Qualified Custodian

The CCO must ensure that a qualified custodian maintains those funds and securities either: (i) in a separate account for each client under that client's name; or (ii) In accounts that contain only the clients' funds and securities, with the Company’s name as agent or trustee for the clients.

Definition of Qualified Custodians

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

Notice of Qualified Custodian

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

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

Deduction of Advisory Fees from Client Accounts

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

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

Inadvertent Receipt of Funds or Securities

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

- When the Company inadvertently receives funds/securities, a photocopy of the check or securities received will be made and placed in the client's file.
- A ledger will be created with the following information: (A) Issuer; (B) Type of security and series; (C) Date of issue; (D) For debt instruments, the denomination; (E) Certificate number, including alphabetical prefix or suffix; (F) Name in which registered; (G) Date given to the adviser; (H) Date sent to client or sender; (I) Form of delivery to client or sender, or sender; (J) Mail confirmation number, if applicable, or confirmation by client or sender of the fund's or security's return; (K) Client name; (L) Account number (if applicable); and (M) Amount involved.
- Within three business days of receipt the Company will return the funds/securities to the sender with a letter of instruction regarding how and where the sender should forward funds/securities in the future. The Company will return such funds or securities by US Mail (registered, return receipt requested) or by courier service.
- The Company will keep a copy of the cover letter and the return receipt/delivery notice in the client's file.

Receipt of Third-Party Checks

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

Third-Party Transfers

Where the client provides the Company with a letter of instruction or other similar asset transfer authorization arrangement established by a client with a qualified custodian to directly transfer funds or securities to a third party, the Company is deemed to have custody. However, the SEC has published guidance stating that an adviser is not

required to obtain a surprise examination where it acts pursuant to such an arrangement under the following circumstances:

1. The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
2. The client authorizes the Company, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
3. The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer.
4. The client has the ability to terminate or change the instruction to the client's qualified custodian.
5. The Company has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
6. The Company maintains records showing that the third party is not a related party of the Company or located at the same address as the investment adviser.
7. The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Upon receipt of a letter of instruction or other similar third-party asset transfer authorization, the CCO, or a designee, will review the document to verify that the third-party recipient is not a related party of the Company or located at the same address as the Company. On a periodic basis, the CCO will obtain a third-party transfer report from the custodian to verify that the above procedure has been followed.

The Company is required to disclose in Form ADV Part 1A, Item 9 the total number of clients and total amount of assets for which the Company is deemed to have custody.

Transfers to Like-Name Accounts

Where the Company has limited authority to transfer a client's funds or securities between accounts owned by the client and maintained at one or more qualified custodians, the client must authorize the adviser in writing to make such transfers. A copy of that authorization must be provided to the qualified custodians. The written authorization signed by the client that is provided to the sending custodian must state with particularity the name and account numbers on sending and receiving accounts (including the ABA routing number(s) or name(s) of the receiving custodian) so that the sending custodian has a record that the client has identified the accounts for which the transfer is being effected as belonging to the client. That authorization does not need to be provided to the receiving custodian.

However, where the Company has limited authority to transfer client assets between the client's accounts held at the same qualified custodian or between affiliated qualified custodians and both custodians have access to the sending and receiving account numbers and client account name (e.g., to make first-party journal entries), the Company does not trigger custody and is not required to include further specification of client accounts in the authorization.

Account Statements

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

There is a special rule for limited partnerships and limited liability companies: If the Company is a general partner of a limited partnership (or managing member of a limited liability company, or holds a comparable position for another type of pooled investment vehicle), the account statements required under this Section must be sent to each limited partner (or member or other beneficial owner). Note: Sending account statements solely to limited partners (or members or other beneficial owners) that themselves are limited partnerships (or other type of pooled investment vehicles) who are the Company's related persons will not satisfy this requirement.

Use of an Independent Representative

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

Definition of Independent Representative

An independent representative is defined as a person that:

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

PORTFOLIO MANAGEMENT

Fiduciary Duty

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

Fiduciary duties in the context of portfolio management include the following:

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

Procedures for Opening a New Advisory Account

In establishing a new client relationship, the Company will complete the following steps:

1. All clients will be required to enter into a written agreement with the Company.
2. The Company will furnish new clients with the applicable sections of Part 2 and Part 3 of Form ADV and the Company's Privacy Notice, no later than at the time the client executes the advisory agreement.
3. Where applicable, the Company and the client will complete the necessary forms to open a new brokerage/custodial account or to designate the Company as the adviser on the account.
4. The Company and the client will complete all necessary brokerage and custodial forms, including a trading authorization (limited power-of-attorney) form and a form to grant the Company the ability to directly debit advisory fees from the client's custodial account.
5. The Company will note and document any reasonable client-imposed investment restrictions.
6. Where the client has provided trusted contact info to the custodian, The Company will rely on that information (See further policies and procedures under Risks Related to Senior Investors or Other Vulnerable Clients below).
7. The Company will enter all relevant client information into its customer relationship management system and the Company’s proprietary Fusion Elements Technology (“Fusion Elements”) software.
8. The Company will complete an anti-money laundering review using Fusion Elements.
9. The Company will create a file for the client that includes, among other things, the advisory agreement, documentation to determine suitability, account opening documents, and correspondence. Files may be electronic in whole or in part. Brokerage statements & confirms may be kept electronically.

Determining Suitability

In establishing a new client relationship, the Company will obtain the following investment parameters about the prospective client and record such information on a suitability questionnaire:

1. Client’s birth year and employment status, including occupation;

2. Client's investment objectives;
3. Level of the client's risk tolerance;
4. Time horizon;
5. Client's income and net worth, excluding the value of the client's primary residence;
6. Target asset mix;
7. Whether the account be reallocated if market shifts and if so, how often;
8. Client's preferred asset mix;
9. Client restrictions on investments, issuer, industry, and or geographic area.

Each Associated Person, prior to rendering investment advice to a client, must ensure that their advice is suitable, considering that client's investment parameters. The Associated Person should, at a minimum, base that recommendation on the most current information available to the Company regarding the client's investment parameters. Associated Persons are required to contact their clients on a periodic basis (at intervals not greater than 36 months) to update the suitability information provided by each client.

Conflicts of Interest

The Company must be sensitive to various conflicts of interest that may arise when selecting programs, account types (i.e., wrap vs. non-wrap accounts), broker-dealers to execute client trades, and when recommending affiliated service providers to advisory clients for non-advisory services. Where necessary, the Company will address such conflicts by disclosure in Form ADV Part 2 and Part 3.

Additionally, when recommending a service provider, clients are to be informed that they are not required or otherwise obligated to utilize the services of any recommended service provider.

Moreover, the Company and its Associated Persons must have a reasonable basis for determining or recommending an investment transaction or an investment strategy. Prior to implementing transactions, selecting a program, or making a recommendation, each Associated Person must:

- Review and understand the client's financial situation, objectives, and risk tolerance;
- Follow an investment strategy with respect to that client, which is approved by the Company and that is appropriate for the client in light of the information obtained;
- Communicate to the client the basis for the recommendations; and
- For "non-discretionary" accounts, obtain the client's specific consent.

Recommendations made by Associated Persons will be periodically reviewed by that person's supervisor or the CCO to ensure that such recommendations are consistent with the best interests and/or instructions of the client. If any inconsistencies are noted, the supervisor/CCO will work directly with the Associated Person to determine whether there was an oversight, mistake, or reason for the particular recommendation or action in the client's account. If remedial action is necessary, the CCO will ensure that appropriate documentation of any remedial actions taken is noted in the client file and the Associated Person's personnel file as applicable.

Risks Related to Senior Investors

The Company recognizes that seniors and other vulnerable clients are at a higher risk for financial exploitation. Financial exploitation is identified as the wrongful or unauthorized taking, withholding, appropriation, or use of money, assets, or property of a specified adult; or any act or omission by a person, including through the use of a power of attorney, guardianship, or conservatorship of a specified adult, to:

1. Obtain control over the specified adult's money, assets, or property through deception, intimidation, or undue influence to deprive him or her of the ownership, use, benefit, or possession of the money, assets, or property; or

2. Convert the specified adult's money, assets, or property to deprive him or her of the ownership, use, benefit, or possession of the money, assets, or property.

In an effort to enhance protections for clients who are seniors or other vulnerable clients, Associated Persons shall request that clients age 65 and over or other vulnerable clients provide trusted contact information to be used in the event that signs of diminished capacity or financial exploitation are observed. In case a client refuses to provide such information, Associated Persons are required to maintain documentation of the client's decision.

Associated Persons are required to document cases where diminished capacity or financial exploitation or abuse is suspected and alert the CCO to assist with handling the situation. Where diminished capacity or financial abuse is suspected, the Company is prohibited from making securities recommendations to the client until it is clear that there is no cause for concern. The Company's compliance personnel should be alerted regarding the situation and they should become involved as necessary. Legal counsel may be sought if deemed necessary by CCO. Where the client has provided trusted contact information, the Company will maintain ongoing communication with the client's trusted contact. The Company will also contact the client to follow up on the client's health. Where the Company establishes contact with a person who has power of attorney due to a client having diminished mental or physical capacity, the Company will implement the following steps:

1. The Associated Person will review the client's account, identify changes in account activities, and report to CCO.
2. The Company will arrange for the Custodian to send copies of all statements to the client and the person with the power of attorney.
3. The Company will make a best effort to verify of authenticity of signatures.

Where financial exploitation is suspected, the CCO will assess whether the Company should place a hold on transactions involving the account of a vulnerable adult. The CCO will submit the reporting form provided by the Texas State Securities Board to report critical information about the suspected financial exploitation, as required under Section 45 of the Texas Securities Act. A copy of the form can be found online at: https://www.ssb.texas.gov/sites/default/files/ReportOfFinancialExploitation_Form_Nov2017.pdf

Unacceptable Clients

The Company reserves its right to decline its services as it deems fit and necessary. Accordingly, the Company will not accept the following as clients:

- Persons who refuse to disclose necessary information required by account opening documents;
- Persons who only provide a fictitious name, unless a legal name is also provided;
- Persons who do not pass the custodian's AML review;
- Individuals under the age of majority or who has been determined to be legally incompetent, unless the person is represented by a legal guardian.

Documents to Maintain in Client Folders

The Company will maintain the following document in each client's file:

1. Signed client contracts;
2. Client Profiles and/or Suitability documents (may be included in signed contracts);
3. Evidence of Receipt of Form ADV Part 2 (brochure and brochure supplement, as applicable), Part 3 (Form CRS), and Privacy Notice (may be located in signed contracts);
4. Evidence of Discretionary Authority (may be located in signed contract);

5. Account Opening Documents, duly filled and signed;
6. List of restrictions placed on account (may be included in signed contracts);
7. Authorization to Debit Advisory Fees (may be included in signed contracts);
8. Receipt of Client Solicitor's Disclosure (if applicable);
9. Sections of a Trust Agreement that are necessary to service the client's trust (if applicable).

The CCO will review client folders on a periodic basis to ensure completeness.

Managing the Client's Account

Each Associated Person is responsible for devoting the requisite amount of attention to professionally manage each of his/her client accounts in accordance with the investment requirements and objectives of the client. In managing accounts, each Associated Person is required to maintain regular communications with clients.

Associated Persons are required to keep clients apprised of relevant changes in the economy, market conditions and the Company's investment views and expectations for the economy and the markets.

Where the Company provides discretionary asset management services, the Company, through its Associated Persons, shall invest and reinvest the securities, cash or other property held in the client's account in accordance with the client's stated investment objectives as identified by the client during information gathering sessions and the Suitability Questionnaire. The Company is granted discretion in accordance with authorization provided in the executed agreements for services, which are maintained in the relevant client's file.

Where the Company provides non-discretionary services, the Associated Person will obtain client approval prior to the execution of all trades. The authorization to implement the recommendation may be granted via verbal or written communication from the client, or the client's representative. The Associated Person must document in writing the client's approval or disapproval of all recommended trades.

Within 30 days of an IAR's termination, accounts managed by the terminated IAR will be placed under management of another IAR of the Company.

Trading Procedures

The Company will be using Fusion Elements for its portfolio management and trading. Appropriate documentation of all trades is maintained in electronic and / or hard copy form. For custodians that provide electronic data downloads, transaction data will be downloaded and imported into Fusion Elements, within a reasonable time period, which is generally at the end of each business day. For accounts maintained at custodians that do not provide data download capability, balances will be manually updated, no less than monthly, using statements from custodians received by mail or electronic means.

Reconciliation Procedures

The Company will engage in the following procedures to complete its reconciliation process:

1. For accounts held in custody at a broker providing daily data downloads, accounts are generally reconciled each day using the reconciliation function in Fusion Elements. At a minimum, this process will occur at least quarterly, immediately prior to calculation of management fees.
2. For accounts held at firms not providing daily downloads, a monthly statement or position analysis will be obtained via mail or internet means, and the account value reconciled with the value maintained in Fusion's system. This will be done immediately prior to calculation of any management fees.

If either method described above reveals a discrepancy between the share totals / values indicated by the custodian and Fusion's portfolio management system, Fusion's CCO will investigate and correct the problem as soon as possible.

Fusion will maintain written evidence of successful reconciliation reports. Any reconciliation discrepancies, which cannot be quickly corrected, will be annotated by the CCO.

Research Processes

Research is conducted internally utilizing information obtained from a wide variety of sources, and all professional staff members actively participate in the Company's research effort. Fusion maintains research/investment information on each company or mutual fund that is recommended for investment. This information will range from copies or electronic links to copies of corporate reports, prospectuses, or other information, which justified the purchase of a security as well as its continued ownership. Generally, files will not be constructed for certain fixed income securities such as Treasury securities and investment grade corporate, state and municipal debt.

Fusion's investment personnel may hold both formal and informal meetings to discuss investment ideas, economic developments, current events, investment strategies, issues related to portfolio holdings, etc.

Additionally, third party research may be used to supplement the Company's own research efforts. Examples of third-party research resources include, but are not limited to Bloomberg, Morningstar, the custodian's proprietary research, etc.

Valuation of Securities

While the Company uses custodian pricing, management is responsible for assuring that securities in client portfolios are valued at market value for those securities where market value is readily available and at "fair value" for all other securities as determined in good faith by the Company or its designee. When determining a fair value for a security, Fusion will establish a fair valued price for the security based on the Company's knowledge of the security and current market conditions, among any other considerations deemed appropriate. The Company will also document the rationale used to establish a fair valued price for the security. The CCO is designated by management to carry out the Company's policies and procedures relating to the valuation of securities.

Review Procedures

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

Model Portfolios

It is the Company's policy to allocate discretionary portfolio management assets to certain proprietary model portfolios and/or model portfolios developed by third parties where the portfolio manager believes such investments are in the best interest of the client.

Compliance with SEC Rule 3a-4

There may be certain circumstances when the management by an investment advisor of client assets in model portfolios could cause the investment advisor to fall under the definition of "Investment Company" under the Investment Company Act of 1940. In order to avoid this classification and for purposes of satisfying the safe harbor

from the definition of "investment company" set forth in Rule 3a-4 of the Investment Company Act of 1940, Fusion and its employees must comply with the following requirements:

1. Each client account must be managed on the basis of that client's individual financial situation, investment objectives and instructions;
2. The advisory representatives must obtain information from each client that is necessary to manage the client's account individually;
3. The advisory representatives must be available to consult with clients about their personal circumstances and portfolios;
4. Each client must have the ability to impose reasonable restrictions on the management of their account;
5. Each client must be provided with a quarterly statement containing a description of all activity in the client's account;
6. Each client must retain the indicia of ownership of all securities and funds in the account, including the rights to withdraw securities or cash, vote (or choose a proxy vote) on securities in the account, proceed directly as a security holder against the issuer, be provided with timely confirmations of each securities transaction;
7. In the event that a third party is designated to perform certain obligations set forth in these procedures, then Fusion must obtain, from that third party, a written agreement to perform those services;
8. Fusion must preserve and maintain the policies, procedures, agreements and other documents relating to its investment advisory operations; and
9. Fusion must furnish to the SEC and/or state securities division, upon demand, copies of all specified documents.

Account Statements

The custodian holding the client's funds and securities will send the client, at least quarterly, a confirmation of every securities transaction and a brokerage statement. The Company will send account statements in accordance with the terms of the executed agreement for services as maintained in the specific client file. The Company will periodically review account statements for accuracy.

Account Termination

The Company is informed of a client termination by i) receiving ACAT notice from a broker; ii) receiving a letter directly from the client with termination instructions (particularly on any position liquidations); or iii) verbal instructions from the client. If the client communicates this information verbally to the Company, a letter (written or electronic) is sent to the client stating that the Company acknowledges the client's desire to terminate, the date of termination, and fee payment/rebate instructions. Upon notification to the Company all active management of the account assets will stop. The client may have instructed the Company to liquidate certain positions in the account prior to closing. The Company will complete the trades to the best of its ability, taking into account the effects on the price at which the securities will be liquidated. Any additional termination terms or fees will be confirmed in the advisory agreement signed by the client at the time of account opening.

The Company calculates the pro rata fee for the period based upon the client termination date.

Documentation showing the specific manner in which the pro rata fee was calculated, how the amount due from/payable to was identified, and a copy of the check/fee reimbursement or transfer (from the Company account to Client account)/wire instructions is maintained in the client file (or electronically on the Company's portfolio management system). The Company will furnish the terminated client with a final letter (can be electronic) memorializing the termination instructions (as discussed above) and effective date of termination.

The Chief Compliance Officer will be responsible for removing the client from the Company's master custodial account. All information relating to the management of a terminated client's account must be maintained in accordance with the Advisers Act (i.e., 5 years from the end of the fiscal year in which the account terminated), and the terminated client's investment returns must remain in the Company's performance composite through the last full quarter in which the account was managed.

The Company must cooperate with any account transfer instructions received from the terminated client, and act to complete an account transfer efficiently and expeditiously.

Accounts are not terminated by reason of death or incapacity of the client. In such an event, the Company will continue to provide management services to the Account in accordance with client's previously provided instructions, pending acceptance of testamentary documentation and appointment of an executor, or such other testamentary process applicable to the Account.

Third Party Adviser Procedures

Third-Party Adviser Initial Due Diligence

The Company will refer and/or recommend the services of third-party advisers to clients for account/portfolio management services. Prior to utilizing any third-party adviser Fusion will conduct a due diligence review of the third-party adviser. Due diligence may consist of the following: reviewing Form ADV or other disclosure documents, reviewing the third-party adviser's qualifications, expertise, and strategies, conducting in person or telephonic interviews with the third-party adviser, confirming the registration status of the third-party adviser, requesting and reviewing the third-party adviser's policies and procedures, and/or reviewing the third-party adviser's custodial relationships.

Ongoing Due Diligence and Supervision of Third-Party Advisers

Fusion's CCO, senior management, and/or investment committee, if any, will be responsible for supervising and conducting on-going due diligence of any third-party adviser utilized by the Company. This will be accomplished as follows:

1. Request and review amendments to the third-party adviser's Form ADV or other disclosure documents;
2. Review the performance of the third-party adviser;
3. Conduct periodic meetings with compliance personnel and senior management of the third-party adviser;
4. Require notification of changes in the third-party adviser's portfolio management team or investment strategies;
5. Periodically reassess supervisory procedures applicable to the third-party adviser in light of:
    - Changes in a third-party adviser's investment strategy or portfolio managers;
    - Significant changes in the third-party adviser's business;
    - Dramatic changes in market conditions; or
    - Any other event likely to have a significant effect on the third-party adviser's operations.

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

Aggregation of Trades

Trade aggregation, also known as "block trading," refers to placing a trade for more than one account. Block trades may be beneficial to the Company and its clients by:

- Avoiding the time and expense of simultaneously entering similar orders for many individual client accounts that are managed similarly;
- Obtaining lower commission rates;
- Ensuring that all accounts managed in a particular style obtain the same execution to minimize differences in performance; and
- Obtaining a better execution price.

The SEC has taken the position that trade aggregation is acceptable so long as all accounts participating are "treated fairly." The SEC in its no action letter to SMC Capital Management, Inc**. ("SMC Letter")** also stated that orders for advisory clients including investment companies may be aggregated with accounts in which the Company and/or its personnel have an interest if certain conditions are met.

Aggregation Policy

Consistent with the Company's obligation to seek "best execution," the Company may aggregate client orders if the aggregation is deemed to be in the best interest of the client. Accounts of the Company and its Associated Persons may be included in a block trade with client accounts provided it does not distort the transaction costs to clients that may result from the greater volume and ticket size of the aggregated order. Such distortions may occur when proprietary positions in an aggregated order significantly exceed client positions when purchasing or selling shares of a thinly traded stock. If there is any reasonable likelihood of distortion in an execution price resulting from an aggregated order, the Portfolio Manager must execute client transactions before those of the Company or its Associated Persons. All trades placed for the Company or its Associated Persons must be consistent with the Company's Code of Ethics.

Aggregation Procedures

The procedures outlined below seek to ensure that orders are allocated fairly among clients so that all clients are treated fairly in accordance with their investment objectives:

- The Company will provide full disclosure of its aggregation policies to clients in its Form ADV Part 2;
- Orders will be aggregated only if consistent with the Company's best execution obligation and advisory agreements;
- No advisory client will be favored over another;
- Aggregated orders that are effected at different times and different prices will be averaged as to price when allocating to accounts;
- Before entering an aggregated order, the Portfolio Manager will specify the participating client accounts and its method for allocation in writing and allocate accordingly. If orders are partially filled, they must be allocated pro rata based upon the allocation statement;
- Allocations that deviate from the preliminary allocation may be made only if all clients receive fair treatment and the reason for the allocation is explained in writing and approved by the CCO;
- Books and records will reflect separately for each account the securities held, bought and sold;
- No additional compensation will be received by the Company as a result of the aggregation; and
- Individual investment advice and treatment will be provided to each client's account.

The CCO or the designee will review trade tickets and allocation reports to confirm all above policies are adequately followed.

Best Execution

The Advisers Act Section 206, which contains anti-fraud provisions, requires that an Investment Advisor act in the best interest of its clients and place their interests before its own. Among the specific obligations is the requirement to obtain the best price and execution of client securities transactions when the Investment Advisor is in a position to direct brokerage. Best execution is further defined as the most favorable, quality execution possible while considering the broker's services, research provided, commissions charged, volume discounts offered, execution capability, and the reliability and responsiveness of the broker/dealer. The Company has an obligation to obtain the best execution for its clients' transactions.

In selecting a broker to execute client transactions the Company will consider the full range and quality of the broker's services, including execution quality, pricing, commission rate, the value of research provided, financial strength and responsiveness to the Company's requests for trade data and other information. The Company's obligation is not necessarily to get the lowest price but to obtain the best qualitative execution.

Best Execution Procedures

The CCO will periodically perform a review of trading execution, including a consideration of similar custodial and trading platforms provided by other broker dealers, and will document findings and conclusions, along with any specific actions taken, in a memo to the Best Execution File.

When performing a best execution review, the CCO will consider the following:

- Execution capability regarding different types of orders and securities, i.e., block trades, derivatives, etc.;
- Value of research provided by the broker used in making investment decisions;
- Responsiveness to requests for trade data and other financial information, especially in volatile markets;
- Competitiveness of commission rates and spreads, including documentation that reflects the comparison of standard commission rates or minimum transaction costs with broker dealers offering comparable products and services;
- Availability of IPOs for allocation to clients;
- Ability of the broker dealer to handle odd-lot orders;
- The ability and willingness to work large or difficult trades;
- Adequacy of the broker dealer's back-office staff to handle trading activity in volatile or high-volume markets; and
- Statistics on frequency of errors.

Additionally, the CCO will review the Company's Form ADV documents at least annually to assure disclosure regarding brokerage practices and best execution is consistent with actual practices. If it is determined that other broker/dealers can provide better overall execution quality the Company has a fiduciary responsibility to use such other broker/dealers.

Directed Brokerage

Directed brokerage is identified as the client's ability to direct the Company to utilize certain broker/dealers for execution of trades. Under these circumstances, the Company still has a fiduciary obligation to its clients and the Company will disclose in writing, either by way of Form ADV Part 2, equivalent disclosure brochure, or the client agreement, the following excerpt known as Bailey language, from the Bailey Case:

> *"In the event that a Client directs Fusion to use a particular broker/dealer, the Company may not be authorized under these circumstances to negotiate commissions and may not be able to obtain*

volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to Clients who direct the Company to use a particular broker/dealer and those that don't."

In a situation where a client directs the Company to use a particular broker-dealer, the Company still retains fiduciary obligations to such client. Prior to establishing directed brokerage arrangements, the Company will obtain the direction of brokerage in writing from the client.

Principal or Agency Cross Transactions

Prior to engaging in any principal or agency cross transaction, the CCO should closely review Section 206(3)-2(a)(l-5) of the Advisers Act to ensure that among other items:

- A contract has been executed by the client disclosing the fact that agency cross or principal trades may be effected in the account;
- Each transaction is approved by the customer prior to execution;
- The capacity in which the Company is acting is disclosed to the client; the cost of the security (for principal trades) is disclosed; and
- Adequate disclosure is made to the client that the client has the right not to consent to the principal or agency cross transaction.
- Due to the inherent conflicts of interest with these types of transactions, the Company will not permit principal or agency cross transactions without prior approval by the CCO, who will ensure appropriate procedures have been followed and that the contemplated transactions are in the best interest of the affected client.

Company Policy

Generally, the Company prohibits principal and agency transactions. In very limited circumstances, exceptions may be made on a case-by-case basis. The CCO is responsible for assuring compliance with Section 206(3) of the Act prior to pre-approving any Principal or Agency Cross Transaction. The CCO must maintain all documentation relating to these trades in a separate file.

Trading Errors

All trading errors must be resolved in favor of the client. Examples of trading errors are:

- Entering a buy order when it should have been a sale
- Entering an order for the wrong account
- Entering an order for the wrong security or wrong number of shares

The Company must maintain a "trading error" file containing the original order ticket, the order ticket correcting the trade and any other documentation regarding the resolution of the matter. The trading error should contain information on the party who was responsible (e.g., the executing broker or the Company).

Trade Error Notification Procedures

In the event a potential trading error is identified, Associated Persons are required to alert the CCO immediately. The CCO will determine whether a trading error has occurred and will identify the responsible party. The CCO will make every effort to correct the error immediately and in the best interest of the client. In the event of a loss, the Company will reimburse the appropriate party for the full amount of the loss, including transaction costs. If there is a gain in the account due to the error, the client will either receive credit for the amount of the gain, or gains will be maintained by the custodian, or directed to charity in accordance with each custodian's internal policies.

The CCO will write a memo identifying:

- Date of the trading error,
- Account(s) involved,
- Security involved (including CUSIP),
- A description of the error,
- Amount of the gain or loss, and
- Remedial action taken.

Additionally, if appropriate, the CCO will contact the client to inform them of the error and to provide information about the circumstances of the error. If payment is made to the client, the client will be asked to sign a trade error release form. Payments will be recorded in the Company's accounting records. **The Company may not use soft dollars to pay for a trade error under any circumstances.** The Company will maintain a record of all trade error in its books and records.

Soft Dollar Arrangements

The Securities and Exchange Commission (SEC) has defined "soft dollar" practices as arrangements under which products or services, other than execution of securities transactions, are obtained by an investment adviser from or through a broker-dealer in exchange for the direction by the adviser of client brokerage transactions to the broker-dealer.

The Company does not have any soft dollar arrangements of any kind. As such, the CCO is responsible for ensuring that no soft dollar arrangements exist, and if any soft dollar arrangements are created, that this policy and the Company's Form ADV documents are promptly updated to properly reflect such fact.

Economic Benefits from Third Parties

Although the Company does not participate in any "soft dollar" credit arrangements in exchange for client securities transactions, it may receive other products or services free of charge or at a discounted price from its participation in institutional programs through various broker-dealers/custodians. When the Company receives, without cost or at a discounted price, any such products or services from a broker-dealer/custodian or other financial institution because it renders investment management services to clients that, in the aggregate, maintain a certain level of assets at that institution, the Company shall characterize such benefits as an "economic benefit" and a potential conflict of interest.

These benefits may include products and services (provided without cost or at a discount) such as: receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser 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; participation in industry seminars, and discounts on compliance, marketing, research, technology, and practice management products or services provided by third party vendors.

Additionally, from time to time, the Company may receive expense reimbursements for travel and/or marketing expenses from distributors of investment and/or insurance products. These reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors or for Company client events hosted or co-hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing, client event, and seminar expenses. Although receipt of these expense

reimbursements is not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

The CCO is responsible for ensuring that the Company complies with relevant laws, rules, and regulations before accepting such economic benefits from a broker-dealer/custodian or other third party.

For all such economic benefits offered, the CCO shall determine whether the benefits are in the best interest of the Company's clients. Where the CCO determines that the benefits are not in the best interests of the Company's clients, the CCO will decline the benefits on behalf of the Company. Benefits that are deemed to be in the best interest of the client must be fully disclosed in the Company's Form ADV. The Company shall maintain records regarding any economic benefits received from a broker-dealer/custodian or other financial institution. The Company will document the basis for entering into the arrangement, including the benefits received.

At least annually, as part of its best execution review, the CCO will review the Company's practices regarding receipt of such economic benefits to ensure that the Company complies with its policies stated herein and that receipt of such benefits is accurately and fully disclosed in its Form ADV.

Share Class Selection Policy

Section 206 under the Advisers Act and Form ADV require investment advisers to disclose all fees, expenses, and conflicts of interest, obtain best execution under the circumstances, and maintain effective policies and procedures to monitor practices to ensure compliance. Registered mutual funds generally offer different classes of shares for investment depending on certain eligibility and/or purchase requirements. This Share Class Selection Policy provides the Company with a policy addressing the selection of a particular class of a mutual fund (or other pooled investment product) for client accounts.

Many retail class shares (referred to as class A, class B, and class C shares) offer different shareholder servicing fees or asset-based distribution charges, while institutional classes of mutual fund shares (e.g., “I” shares or “adviser” shares) specifically designed for purchase by investors who meet certain specified eligibility criteria, including, for example, whether an account meets certain minimum dollar amount thresholds or is enrolled in an eligible fee-based investment advisory program.

Institutional share classes tend to have a lower expense ratio than other share classes. Although the Company and its Associated Persons do not have a financial incentive to recommend or select share classes that have higher expense ratios where such share classes result in higher compensation to the product sponsor, the Company has a fiduciary obligation to recommend lower cost share classes. The Company has taken steps to minimize this conflict of interest, by providing its Associated Persons with training and guidance on this issue, as well as by conducting periodic reviews of client holdings in mutual fund investments to ensure the appropriateness of mutual fund share class selections; and, whether alternative mutual fund share class selections are available that might be more appropriate given the client’s investment objectives and any other reasonable considerations relevant to mutual fund share class selection.

The appropriateness of a particular mutual fund share class selection is dependent upon a range of different considerations, including but not limited to: (1) the asset-based advisory fee that is charged; (2) whether transaction charges are applied to the purchase or sale of mutual funds; (3) the overall cost structure of the advisory program, operational considerations associated with accessing or offering particular share classes (including the presence of selling agreements with the mutual fund sponsors and the Company’s ability to access particular share classes through the custodian); (4) share class eligibility requirements; and (5) the availability of revenue sharing,

distribution fees, shareholder servicing fees, or other compensation associated with offering a particular class of shares.

Procedures

- Prior to selection of a mutual fund, ETF, and/or other pooled investment product, each Associated Person should review the classes available for such product and identify the best class selection of any mutual fund in which they direct clients to invest. Where possible, institutional or adviser share classes will be recommended for client accounts.
- With respect to wrap fee programs, it is the Company's policy to purchase the lowest expense share class of a mutual fund, unless such purchase is not in the client's best interest.
- When possible and when in the client's best interest, any retail shares transferred in from a previous account will be converted to a lower-cost share class. Note: Due to contingent deferred sale charges (CDSC), also known as back-end sales loads, it may not be in the client's best interest to liquidate mutual funds without incurring additional charges. In such cases, the factors used to determine that converting to a lower-cost share class is not in the best interest of the client will be documented in the Company's records.
- From time to time, some mutual fund companies may allow for the free exchange of one share class to another less expensive share class. The CCO or a designee will conduct a periodic review. When a free exchange is available, the CCO or the designee will ensure that the mutual fund share classes are converted to more beneficial share classes.

WRAP FEE PROGRAMS

Introduction

Wrap fee programs are arrangements between broker-dealers, investment advisers, banks and other financial institutions (typically acting as sponsors of the programs), and affiliated and unaffiliated investment advisers, or portfolio managers, through which the customers of such firms receive discretionary investment advisory, execution, clearing, and custodial services in a "bundled" form. In exchange for these "bundled" services, customers pay an all-inclusive – or "wrap" – fee determined as a percentage of the assets held in the wrap fee account.

SEC Rule 204-3, governing written disclosure statements of investment advisers, defines a wrap fee program as "a program under which any client is charged a specified fee or fees not based directly upon transactions in a client's account for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and execution of client transactions."

The Advisers Act also defines a sponsor of a wrap fee program as any firm that is compensated under a wrap fee program for sponsoring, organizing, or administering the program, or for selecting, or providing advice to clients regarding the selection of other investment advisers in the program.

Suitability

As a fiduciary, the Company has a general obligation to ensure that, before making a recommendation to or taking action for a client, the Company has reasonable ground to believe that the recommendation or action is suitable for the client based on information furnished by the customer after reasonable inquiry concerning the client's investment objectives, financial situation and needs, and any other information known or acquired by the Company after reasonable examination of the client's financial records as may be provided to the Company. Many states have codified this suitability obligation in their securities statutes or rules.

Wrap fee programs may not be suitable for all investment needs and any decision to participate in a wrap fee program should be based on the client's individual financial circumstances and investment goals.

Before recommending that a client participate in a wrap fee program, the Company will conduct a best interest review. The Company must have a reasonable basis to believe that the wrap fee program recommended is in the client's best interest. The Company will assess and document its rationale for recommending a particular wrap fee program. To conduct this assessment, the Company will obtain and retain documentation to demonstrate that it evaluated clients' financial situations, investment objectives, and risk tolerance. Using this documentation, the Company will determine the appropriateness of the account type selected, as well as the portfolio selections and asset allocation recommendations. The Company will conduct and document its due diligence of third-party portfolio managers recommended to clients.

When recommending a change from a non-wrap fee account to a wrap fee program, the Company will provide clients with specific information about the advisability of investing through wrap fee program accounts, including fees, expenses, and other costs.

Associated Persons will also advise the client to read the conflict of interest disclosures in Item 4 of the Company's Form ADV Part 2A Appendix 1.

Disclosures Requirements

The Company is required to prepare a separate, specialized Form ADV Part 2A Appendix 1 **("Wrap Fee Program Brochure")** and is required to provide a copy of this brochure to all clients invested in the Wrap Fee Program along with the Company's standard Form ADV documents.

Where the Company recommends Wrap Fee Programs, the following items must be disclosed on the Wrap Fee Program Brochure:

1. Wrap Fee Programs may not be suitable for all investment needs, and any decision to participate in a Wrap Fee Program should be based on the client's individual financial circumstances and investment goals;
2. The benefits under a Wrap Fee Program depend, in part, upon the size of the client's account and the number of transactions likely to be generated in the account. For example, wrap accounts may not be suitable for accounts with little activity or accounts comprised principally of fixed income securities;
3. Participating in a Wrap Fee Program may cost more or less than the cost of purchasing such services separately;
4. The Company receives compensation as a result of the client's participation in a Wrap Fee Program; and
5. The Company may have a financial incentive to recommend wrap programs over other programs and services.

Delivery of Wrap Fee Program Brochure

1. **Initial Delivery** - Rule 204-3, as amended, requires the Company to deliver a Wrap Fee Program Brochure before or at the time it enters into an advisory contract with the client.
2. **Annual Delivery** - The Company must annually provide to each client either: (i) a copy of the current (updated) Wrap Fee Program Brochure that includes or is accompanied by the summary of material changes; or (ii) a summary of material changes that includes an offer to provide a copy of the current Wrap Fee Program Brochure. The Company must make this annual delivery no later than 120 days after the end of its fiscal year.

The Company may deliver the brochure and summary of material changes or summary of material changes, along with an offer to provide the brochure to clients electronically.

Updates to Wrap Fee Program Brochure

The Company will update the Wrap Fee Program Brochure:

- each year at the time it files its annual updating amendment, and
- promptly, whenever any information in the Wrap Fee Program Brochure becomes materially inaccurate.

The Company is not required to update its Wrap Fee Program brochure between annual amendments solely because the fee schedule has changed. However, if the Company is updating its Wrap Fee Program Brochure for a separate reason in between annual amendments, and the fee schedule listed in response to Item 4.A has become materially inaccurate, the Company should update that item as part of the interim amendment. All updates to the Wrap Fee Program Brochure must be filed through the IARD system and maintained in the Company's files.

Ongoing Review of Wrap Fee Program Accounts

The Company will conduct ongoing best interest reviews on an annual basis. To conduct ongoing best interest reviews, the Company will monitor the client's account and will consider whether the client has incurred transaction costs in addition to paying the bundled wrap fees. The Company will monitor for trading-away practices by the broker-dealers designated to execute trades. Trading-away causes clients to pay more than the bundled fee for asset management and trade execution.

In addition, the Company will identify infrequent trading in wrap fee accounts. Accounts with low trading activity may be paying higher total fees and costs than they would in non-wrap fee accounts. If the Company offers a non-wrap account option, the CCO will evaluate whether a switch to a non-wrap fee account is in the client's best interest.

When conducting ongoing best interest reviews, the Company will scrutinize a sample of accounts. The Company will not systematically exclude certain accounts from the review process, such as transferred accounts, legacy accounts, or both. The Company should periodically remind clients to report any changes in their personal situation, risk tolerance, and investment objectives.

With respect to mutual fund holdings in wrap fee accounts, it is the Company's policy to purchase the lowest expense share class of a specific mutual fund for the wrap fee account. As such, the CCO will verify that this policy has been implemented across the board.

PROXY VOTING and CLASS ACTION LAWSUITS

Proxy Voting Policy

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

Class Action Lawsuits

Occasionally, securities held in the accounts of clients will be the subject of class action lawsuits. The Company has no obligation to determine if securities held by clients are subject to a pending or resolved class action lawsuit. It also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, the Company has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured because of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients.

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

ERISA CONSIDERATIONS

Introduction

The Employee Retirement Income Security Act of 1974 (ERISA) is a federal law that sets minimum standards for establishing, administering, amending, and terminating pension benefit plans maintained by most private sector employers. Generally, ERISA applies to both defined benefit and defined contribution plans sponsored by an employer or employee organization to cover at least one employee. The U.S. Department of Labor administers and enforces ERISA.

Responsibility

The CCO is responsible for ensuring that the Company keeps apprised of all new regulations and bulletins impacting its handling of plans covered by ERISA, and works diligently to comply with all laws, rules, and regulations governing the Company's activities under ERISA. The information and policies contained in this section represent general guidelines to be followed by the CCO and related to recommendations to clients and are not designed to be all inclusive of ERISA requirements or restrictions. ERISA rules and regulations are complex and in cases of uncertainty the Company should seek expert advice before engaging in business dealings or signing contracts which are impacted by ERISA.

ERISA generally applies only if there is an employee benefit plan. An employee benefit plan under ERISA is any "plan, fund, or program" established or maintained by an employer to provide specific kinds of benefits to one or more employees or former employees. An employee benefit plan is usually either a:

- Pension benefit plan, which provides retirement benefits, or a
- Welfare benefit plan, which provides health plan benefits (including group health coverage), benefits in the event of sickness, accident, disability, death, or unemployment, and several other types of benefits.

Duties are imposed on plan fiduciaries under ERISA. To be a fiduciary under ERISA, two requirements must be satisfied:

- The person has the right to exercise certain forms of control over the administration of the plan or the investment of its assets.
- The person actually exercises such control (even if the person lacks the authority to do so).

Therefore, a person is a fiduciary if the person's activities involve the exercise of discretionary authority or control regarding the:

- Management or administration of the plan.
- Management or disposition of plan assets.

A person is also a fiduciary if the person renders investment advice to the plan for a fee.

Generally, the following individuals satisfy the test for fiduciary status under ERISA:

- The plan administrator.
- The plan sponsor.
- The trustee.
- Anyone else allocated discretionary authority or responsibility over the plan's administration.

Fusion must determine under what circumstances it will be considered a “fiduciary” to a plan that is covered by ERISA. If it is a fiduciary to an ERISA plan, it will have to meet the standards for fiduciaries set forth in ERISA.

An ERISA fiduciary has the duty:

- Of loyalty, under which the fiduciary must act only in the participants' and beneficiaries' interests.
- Of prudence, where the fiduciary must act as a prudent person would in similar circumstances.
- To diversify plan investments to minimize the risk of large losses.
- To perform their duties according to the plan documents.

The most common types of fiduciaries associated with investment advisors is an investment manager under 3(38) and an investment advisor under 3(21).

Fusion may be an ERISA fiduciary under Section 3(38) of ERISA to a specific plan because it has accepted discretionary authority to manage all or a portion of a plan's assets. There are specific requirements that must be met for someone to qualify an investment manager under ERISA Section 3(38). The person or entity must:

- Be either:
    - registered as an investment advisor under the Investment Advisers Act of 1940 (Advisers Act);
    - a bank; or
    - an insurance company licensed to do business in more than one state.
- Acknowledge in writing that it is a fiduciary with respect to the plan.

If an investment manager is properly appointed, the appointing fiduciary does not have fiduciary responsibility for the actual transactions directed by the investment manager and is not required to perform due diligence on the individual investments made, or strategies adopted, by the investment manager. Accordingly, when the named fiduciary appoints an investment manager as defined in ERISA, the named fiduciary is not liable for the prudence of the investment manager's decisions. The named fiduciary is, however, held to the standard of being prudent in the selection and monitoring (including removal) of the investment manager.

Fusion may also be an ERISA fiduciary under Section 3(21) of ERISA. ERISA Section 3(21)(A)(ii) defines a fiduciary to include a person who renders “investment advice for a fee”, with respect to any moneys or other property of a plan or has any authority or responsibility to do so.

To be considered an investment advice fiduciary, the person must meet all prongs of a five-part test:

- Renders advice as to the value of securities or other property, or makes recommendations about investing in, purchasing, or selling securities or other property.
- On a regular basis.
- Pursuant to a mutual agreement, arrangement or understanding.
- That the advice will be the primary basis for investment decisions regarding plan assets.
- That the advice will be individualized to the particular needs of the plan.

Prohibited Transactions

If Fusion is an ERISA fiduciary, the Company must avoid all prohibited transactions as set forth by ERISA.

Prohibited transactions are divided into two general categories:

- "Per se" prohibited transactions; and
- "Self-dealing" prohibited transactions.

Unless an exemption applies, transactions prohibited on a per se basis include:

- Sale, exchange, or leasing of property between a plan and a party in interest, such as the sale of real property by a plan to a plan investment adviser.
- Lending of money or other extension of credit between a plan and a party in interest, such as a loan from a plan to its accountant.

- Furnishing of goods, services, or facilities between a plan and a party in interest, such as a trustee providing bookkeeping services to a plan.
- Transfer to or use by or for the benefit of a party in interest, of any assets of a plan, such as a payment to a plan service provider unrelated to its servicing of the plan.
- Acquisition by or on behalf of a plan of any employer security or employer real property that does not meet certain requirements or exceeds 10% of the plan assets.

Prohibited transactions based on self-dealing prohibits a fiduciary from engaging in transactions where there is a risk that the fiduciary's exercise of its judgment may be either:

- Affected by its own interests.
- Potentially adverse to the interests of the plan or plan participants and beneficiaries (for example, where the fiduciary's ability to act solely in the interests of plan participants is affected).

While interpretations of the self-dealing prohibitions have been applied broadly, these prohibitions originate from three categories of transactions which provide that a fiduciary may not:

- Deal with the assets of a plan in its own interest or for its own account.
- In its individual or any other capacity, act in any transaction involving the plan on behalf of a party (or represent a party) whose interests are adverse to the interests of the:
    - plan; or
    - plan participants or beneficiaries.
- Receive any consideration for the fiduciary's own personal benefit from any party dealing with the plan in connection with a transaction involving the assets of the plan.

Disclosure Requirements

Certain service providers, including ERISA fiduciaries providing services directly to a covered plan, may also be required to make disclosures as required under ERISA Section 408(b)(2), including, but not limited to:

- A description of the services to be provided;
- If applicable, a statement that the Company is providing services directly to the covered Plan as a fiduciary or as a registered investment adviser;
- A description of all direct and indirect compensation reasonably expected to be received by the service provider, an affiliate or a subcontractor in connection with the provision of services to the covered Plan (including commissions, soft dollars, finder's fees, 12b-1 fees and similar compensation based on business placed or retained), including, in the case of indirect compensation, the identity of the payor of the compensation;
- A description of any compensation reasonably expected to be received by the service provider in connection with termination of the contract or arrangement, including how any prepaid amounts will be calculated and refunded upon such a termination;
- A description of any compensation paid for recordkeeping services paid through revenue sharing;
- A description of any compensation, annual operating expenses, and ongoing expenses paid to certain types of service providers; and
- A description of the manner in which the compensation should be received, including whether the covered plan should be billed separately, or the compensation should be paid directly from plan assets.

Bonding Requirements

ERISA Section 412 requires that every fiduciary of a plan and anyone else (plan official) who handles or has authority to handle plan assets shall be bonded to provide protection to the plan against loss by reason of acts of fraud or dishonesty. The bond may name specific individuals or may be a blanket bond covering plan officials and employees in general. The bond coverage amount must be at least 10 percent of plan assets with a minimum of $1,000 and a

maximum bond amount of $500,000 per plan. For a plan that holds employer securities, the maximum bond amount is $1 million. A bond may be purchased with plan assets. It is unlawful for, anyone who is required to be bonded to handle plan assets without a bond. Likewise, it is unlawful for any fiduciary to allow another plan official to handle plan assets without being properly bonded.

Pension Protection Act Exemptions

The Pension Protection Act of 2006 (PPA) added an exemption permitting non-fiduciary service providers with respect to assets of plans to enter into certain transactions such as sales of property or extensions of credit with the plans. This exemption removes several potentially complex requirements under other exemptions and may exempt a wide range of prohibited transactions.

The exception applies if:

- The related party (a party in interest) is:
    - not a fiduciary (or an affiliate of a fiduciary) possessing discretionary authority or control over the investment of the plan assets used in the transaction or providing investment advice for a fee to the employee benefit plan at issue regarding those assets; and
    - merely a party in interest as a result of providing services to the plan.
- As part of the transaction the plan does not receive less than or pay more than adequate consideration. The facts and circumstances relating to the size and scope of the transaction are considered when determining what is adequate consideration.

While the service provider exemption is broad, it does not extend to cover:

- Transactions that violate the prohibition on self-dealing.
- Prohibited transactions where services or facilities are provided to a plan by a party in interest.

Non-ERISA Plans

The above policies and procedures do not apply to plans that are exempt from ERISA such as:

- Government plans
- Simplified Employee Pensions (SEPs)
- SIMPLE retirement accounts
- Individual Retirement Accounts (IRAs) (except that rollover advice may constitute fiduciary advice under certain circumstances).
- Individual retirement annuities

Individual Retirement Accounts

An individual retirement account ("IRA") is not subject to ERISA unless it is part of a simplified employee pension plan (also known as a SEP-IRA) or SIMPLE-IRA. However, while IRAs are not covered by ERISA, advisers still have a fiduciary duty with respect to a plan. In addition, because IRAs are tax-qualified under Internal Revenue Code (the "Code"), and subject to the Code's prohibited transaction rules. A summary of the prohibited transaction rules under the Code, as they apply to IRAs is included below.

Adviser to IRA Accounts

Where Fusion provides investment advice to an IRA account, it shall:

- Act in the best interest of the IRA owner (primary beneficiary); and
- Act with the care, skill, prudence, and diligence that a prudent person acting in a similar capacity and familiar with such matters would exercise under similar circumstances.

Under the Code, prohibited transactions generally include the following transactions:

- A disqualified person's transfer of plan income or assets to, or use of them by or for his or her benefit;

- A fiduciary's act by which he or she deals with plan income or assets in his or her own interest;
- A fiduciary's receipt of consideration for his or her own account in a transaction that involves plan income or assets from any party dealing with the plan; and
- Any of the following acts between the plan and a disqualified person:
    - Selling, exchanging, or leasing property
    - Lending money or extending credit
    - Furnishing goods, services or facilities

IRA Rollover Considerations

The Company's Associated Persons may recommend that clients withdraw the assets from their employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that the Company will manage on the client's behalf. All such recommendations must be consistent with the client's current suitability information and in the client's best interest. In most situations, the Associated Person will be acting as a fiduciary when making such a rollover recommendation and must comply with the DOL's regulations allowing for exemptions from a prohibited transaction.

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

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

It is important that the Associated Person understand the differences between these types of accounts in order to advise clients on whether a rollover is in their best interest. Associated Persons must also consider the benefit they will receive, if any, based on the recommendation to rollover. **Suitability alone is not enough to demonstrate that a rollover is in a client's best interest.** Associated persons should consider additional factors when making a rollover recommendation to ensure it is in the retail investor's best interest. Among others, these factors would include:

- Costs;
- Level of available services;
- Features of the existing account including costs;
- Available investment options;
- Ability to take penalty-free withdrawals;
- Application of required minimum distributions;
- Protection from creditors and legal judgments; and
- Holdings of employer stock.

Further, Associated Persons should obtain information about an investor's existing plan with their employer, including the costs and investment choices. Associated Persons must be able to demonstrate that they have considered the alternative of leaving the investor's investments in the employer's plan if that option is available.

IRA Rollover Policy

When recommending a rollover, certain steps must be taken to ensure compliance. Where applicable, fiduciary status must be acknowledged in writing, there must be full disclosure of services and any material conflicts of interest

as well as adherence to the impartial conduct standards. To assist with ensuring adherence to the impartial conduct standards, when an Associated Person is recommending a rollover from an IRA, they must provide the investor with a Rollover Services Disclosure and will be required to complete an IRA Rollover Review Questionnaire (attached) to document the process used by the Associated Person to determine the rollover was in the best interest of the investor.

At the end of each year, the Company shall conduct an annual retrospective review of the Questionnaires to detect any violations of, as well as for achieving compliance with, applicable regulations. The results of each year's retrospective review shall be reduced to a written report which is to be reviewed and certified by one of the Company's senior executive officers. The report, along with the supporting documentation must be maintained for six years.

In addition, the Associated Person will be required to deliver the Company's most recent Form CRS to the client at the time a rollover recommendation is made. Any questions about this policy must be discussed with the CCO. (The Form CRS delivery requirement is not applicable if the Company is state registered).

ELEMENTS OF RISK MANAGEMENT

Risk Assessment Procedures

Compliance risk can be defined as the risk of legal or regulatory sanctions, financial loss, or damage to reputation and company value that arises upon failure to comply with statutes, regulations, or the standards or codes of conduct applicable to the Company's business. Ultimately, the risk of noncompliance is that the Company's clients may be harmed, and the Company therefore recognizes the extreme importance of the risk assessment and management process. Accordingly, the Company has adopted ongoing compliance risk assessment procedures as an integral part of its ongoing compliance program. These procedures are designed to identify, monitor, and manage compliance risk and related conflicts of interests inherent in the various lines of the Company's business.

This Manual addresses areas of compliance risk by setting forth procedures that are designed to provide guidelines to an understanding of the Company's on-going compliance, documentation, assessment and reporting requirements. These procedures evolve with changes in the Company's business activities as well as in the legal and regulatory environment.

In an effort to continuously assess the Company's compliance risk, the CCO, other key staff members, and any outside consultants provide independent and on-going monitoring and review of the Company's compliance process. The CCO will meet on a periodic basis, as necessary, with Bryce Engel, Ryan Borer, Department Managers, designees, and other qualified representatives of Fusion to review and address compliance and/or supervisory issues of the Company. The CCO will create records of all such meetings and then assesses and evaluate the risks and controls that are required. Once relevant data is gathered and the Company has identified and assessed its compliance risks, the Company then designs policies and procedures that are reasonably designed to eliminate or mitigate those risks.

Monitoring, Testing and Reporting

The Company identifies any compliance breaches by monitoring, testing, and reporting them to the appropriate individuals or departments within the Company. Such proactive measures use a series of monthly checklists and related working papers designed to evaluate the Company's existing compliance procedures and any related risk. The monthly checklists are completed by the CCO or designees and are maintained in the Company's compliance files. The Company also maintains and utilizes a compliance calendar to assist in tracking certain compliance responsibilities.

The Company relies on its client management process and the reporting features provided by its custodian for the purpose of assessing risks related to the management of, and transactions in, client accounts. In addition, reports regarding personal securities transactions and employee personal accounts are submitted to the Company and are reviewed at least quarterly by the CCO and/or other key staff members.

Additionally, the Company has retained the services of a third-party compliance consulting firm for assistance with timely reports related to compliance with new or revised laws and regulations.

All such reports are designed to ensure that information regarding compliance is communicated to the appropriate Associated Persons within the Company.

A Compliance Culture

The Company seeks to establish and maintain an effective compliance culture based on advice and discussions from its Associated Persons. Accordingly, Associated Persons will meet with the CCO, in addition to the Annual Review, to discuss, explain, and when necessary, define relevant compliance issues.

CLIENT PRIVACY

The SEC's Regulation S-P (Privacy of Consumer Financial Information), which was adopted to comply with Section 504 of the Gramm-Leach-Bliley Act, requires the Company to disclose to clients its policies and procedures regarding the use and safekeeping of client records and information. For the purposes of this section and unless otherwise specified, the term "client" refers to the Company's customers, clients, former clients, and prospective clients. 17 CFR 248.5. Section 75001 of the Fixing America's Surface Transportation Act, Pub. L. No. 114-94, 129 Stat. 1312 (2016), ("FAST Act") amended the GLBA by adding subsection 503(f) to provide an exception to the Annual Privacy Notice requirement. Under this exception, a financial institution is not required to provide an Annual Privacy Notice if the financial institution (1) does not share nonpublic personal information about the customer except for certain purposes that do not trigger the customer's statutory right to opt out and (2) has not changed its policies and practices with regard to disclosing nonpublic personal information from the policies and practices that were disclosed in the most recent Privacy Notice.

Definitions

Non-public information means personally identifiable financial information and any list, description, or grouping that is derived from personally identifiable financial information.

Personally identifiable financial information is defined to include three categories of information:

- Information Supplied by client. Any information that is provided by a client or prospective client to the Company in order to obtain a financial product or service. This would include information or material given to the Company when entering into an investment advisory agreement.
- Information Resulting from Transaction. Any information that results from a transaction with the client or any services performed for the client. This category would include information about account balances, securities positions, or financial products purchased or sold through a broker/dealer.
- Information Obtained in Providing Products or Services. Any information obtained by the Company from a consumer report or other outside source which is used by the Company to verify information that a client or prospective client has given on an application for advisory services.

Consumer report information means any record about an individual, whether in paper, electronic or other form that is a consumer report or is derived from a consumer report. Consumer report information also means a compilation of such records. Consumer report information does not include information that does not identify individuals, such as aggregate information or blind data.

Information is collected from clients at the inception of their accounts and occasionally thereafter, primarily to determine accounts' investment objectives and financial goals and to assist in providing clients with requested services.

While Fusion strives to keep client information up to date, clients are requested to monitor any information provided to them for errors, and to provide accurate updated information.

Additionally, the SEC has adopted amendments to Rule 30 under Regulation S-P, which require financial institutions to adopt written policies and procedures to properly dispose of sensitive consumer information. The amendments are designed to protect consumers against the risks associated with unauthorized access to information and mitigate the possibility of fraud and related crimes, including identity theft.

Requirements

Under Regulation S-P, the Company is required to:

1. Adopt policies and procedures to safeguard client information;
2. Provide an initial Privacy Notice to all clients;
3. Send an updated Privacy Notice if there is a material change in the Company's collection, sharing, or security practices.
4. Provide an opt-out notice if the Company shares information with third party non-affiliates.

Regulation S-P requires disclosure of the types of nonpublic personal information the Company collects and whether it shares information with affiliates or non-affiliates. Specifically, the Company's privacy notices must contain the information listed below, unless the disclosure does not apply to the Company's practices at which time the notice can be silent:

1. Categories of nonpublic information collected;
2. Categories of nonpublic personal information disclosed, if applicable;
3. Categories of affiliates and non-affiliated third parties to whom information is disclosed; and
4. Categories of nonpublic personal information disclosed about former clients and the categories to whom the information is disclosed.

Do not Share Policy

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

Types of Permitted Disclosures - The Exceptions

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

The Company's Service Providers

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

Processing and Servicing Transactions

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

1. To carry out the transaction or the product or service business of which the transaction is a part, and record, service, or maintain the client's account in the ordinary course of providing the financial service or financial product;
2. To administer or service benefits or claims relating to the transaction or the product or service of which it is a part;
3. To provide a confirmation, statement, or other record of the transaction, or information on the status or value of the financial service or financial product to the client or the client's agent or broker.

Sharing as Permitted or Required by Law

The Company may disclose information to non-affiliated third parties as required or allowed by law. For example, this may include disclosures in connection with a subpoena or similar legal process, a fraud investigation, recording of deeds of trust and mortgages in public records, or an audit or examination.

Internal Procedures

The CCO will consider the level of risk that client information may be misused, altered, stolen, or destroyed, and maintain physical, electronic, and procedural safeguards that comply with federal standards to guard each client's personal financial information. The safeguards will:

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

The CCO will ensure that the following safeguards are maintained:

1. Hard copies of client personal and non-personal financial information including information contained on suitability form will be maintained in the Company's files, and will be secured (locked) after normal business hours;
2. Electronic access to client personal financial information will be restricted to the client's IAR, the CCO and others whom the CCO determines have a 'need to know'; and
3. All Associated Persons will be informed of the Company's delivery procedures, security safeguards and destruction/disposal procedures.

Delivery Procedures

Initial Privacy Notice Delivery

Each client will be provided with a copy of the Privacy Notice upon opening his/her account. The client is required to acknowledge receipt of the privacy notice in writing, and the acknowledgment will be maintained in the client's file. The privacy notice may be included with the Form ADV brochure documents and acknowledgement of receipt may be included in the written agreement for services/advisory contract.

Revised Privacy Notice

Each client will be promptly provided with a copy of the Company's Privacy Notice if there is a change in the Company's collection, sharing, or security practices.

In all cases, delivery of the privacy notice will be documented in the Company's records and maintained for a period of at least five years.

Affiliate Marketing Using Consumer Information (Regulation S-AM)

Pursuant to the requirements of Regulation S-AM, the Company will only allow affiliates to use client eligibility information obtained by the Company, to solicit the client, if the following conditions are met:

1. the client receives a clearly, conspicuously and concisely disclosed notice that the affiliate may use such eligibility information;
2. the client is provided a reasonable method and opportunity to opt out of the use of such information for marketing purposes; and
3. the client does not opt out.

The client notice must include the names of the affiliate(s) that may market to the client, the types of eligibility information that may be used in solicitations, and the length of time that the opt out provision will remain effective. The opt-out period must last at least five years.

Eligibility information includes personally identifiable information obtained as a result of a relationship with an affiliate. However, it excludes aggregate or blind data that does not contain personal identifiers such as account numbers, names, or addresses.

At this time, the Company will not share its client's eligibility information with affiliates, to market such affiliates products or services.

Written Information Security Program

Fusion strives to: (a) ensure the security and confidentiality of current and former client records and information; (b) protect against any anticipated threats or hazards to the security or integrity of current and former client records and information; and (c) protect against unauthorized access to or use of current and former client records and information that could result in substantial harm or inconvenience to any current and former client. Accordingly, the following procedures will be followed:

Confidentiality. Associated Persons shall maintain the confidentiality of information acquired in connection with their employment with the Company, with particular care taken regarding non-public personal information. Associated Persons shall not disclose non-public personal information, except to persons who have a bona-fide business need to know the information in order to serve the business purposes of the Company and/or clients. The Company does not disclose, and Associated Person may disclose, any non-public personal information about a client or former client other than in accordance with these procedures.

Information Systems. The Company has established and maintains its information systems, including hardware, software, and network components and design, in order to protect and preserve non-public personal information.

Passwords and Access. Associated Persons use passwords for computer access, as well as for access to specific programs and files. Non-public personal information shall be maintained, to the extent possible, in computer files that are protected by means of a password system secured against unauthorized access.

Access specific Company databases and files shall be given only to Associated Persons who have a bona-fide business need to access such information. Passwords shall be kept confidential and shall not be shared except as necessary to achieve such business purpose. User identifications and passwords shall not be stored on computers without access controls, written down, or stored in locations where unauthorized persons may discover them. Passwords

shall be changed if there is reason to believe passwords have been compromised. All access and permissions for terminated employees shall be removed from the network system promptly upon notification of the termination.

To avoid unauthorized access, Associated Persons shall close out programs and lock their terminals when they leave the office for an extended period of time and overnight. Terminals shall be locked when not in use during the day and laptops shall be secured when leaving the Company premises. Confidentiality shall be maintained when accessing the Company network remotely through the implementation of appropriate firewalls and encrypted transmissions.

System Failures**.** The Company will maintain appropriate programs and controls (which may include anti-virus protection and firewalls) to detect, prevent and respond to attacks, intrusions or other systems failures.

Electronic Mail. As a rule, Associated Persons shall treat e-mail in the same manner as other written communications. However, Associated Persons shall assume that e-mail sent from the Company computers is not secure and shall avoid sending e-mails that include non-public personal information to the extent practicable. E-mails that contain non-public personal information (whether sent within or outside the Company) shall have the smallest possible distribution in light of the nature of the request made and should be sent encrypted when possible.

Disposal. Electronic media, on which non-public personal information is stored, shall be formatted and restored to initial settings prior to any sale, donation, or transfer of such equipment.

Documents. Associated Persons shall avoid placing documents containing non-public personal information in office areas where they could be read by unauthorized persons, such as in photocopying areas or conference rooms. Documents that are being printed, copied, or faxed shall be attended to by appropriate Associated Persons. Documents containing non-public personal information, which are sent by mail, courier, messenger or fax, shall be handled with appropriate care. Associated Persons may only remove documents containing non-public personal information from the premises for bona-fide work purposes. Any non-public personal information that is removed from the premises must be handled with appropriate care and returned to the premises as soon as practicable.

Electronic Documents. Unless specifically authorized by the CCO in writing, Associated Persons are prohibited from maintaining any electronic document that includes non-public personal client information on their personal computers and mobile electronic devices (smart phones, tablets, wearable computers, etc.).

Personal Identification Numbers **("PINs")**. In some cases, the Company maintains access to private account information that enables the Company to gain access to client accounts for the purposes of monitoring such accounts. Such information may include PINs and passwords provided by clients or brokers that enable on-line access. Such information is found in the secure database of the company and/or in the clients' physical files. To access the database, authorized Associated Persons must use their assigned password to gain entry each time. The physical files are to be kept organized and the office locked when not in use. Associated Persons agree that they are obligated to tightly monitor this information at all times and use it only to effect the management of the Company's strategies in the account. Upon termination of advisory services, all electronic PINs and passwords maintained in client files will be destroyed.

Discussions. Associated Persons shall avoid discussing non-public personal information with, or in the presence of, persons who have no need to know the information. Associated Persons shall not discuss non-public personal information in public locations, such as elevators, hallways, public transportation, or restaurants.

Access to Offices and Files. Access to offices, files or other areas where non-public personal information may be discussed or maintained is limited, and Associated Persons may only enter such locations for valid business purposes. Meetings with clients shall take place in conference rooms or other locations where non-public personal information will not be generally available or audible to others. Visitors shall generally not be allowed in the office unattended.

Old Information. Client information that, at the sole discretion of the CCO, is no longer required to be maintained shall be destroyed and disposed of in a manner approved by the CCO.

Disposal of Client Information and Records

Every investment adviser that maintains or otherwise possesses private client information for a business purpose must properly dispose of the information by taking reasonable measures to protect against unauthorized access to or use of the information in connection with its disposal.

Disposal means the discarding or abandonment of such information; or the sale, donation, or transfer of any medium, including computer equipment, on which such information is stored.

Based on what is appropriate for the Company's size and the complexity of its operations, the Company has established the following disposal measures:

(i) Records containing client information must be shredded, burned or pulverized so that the information cannot practicably be read or reconstructed;
(ii) Electronic media containing client information must be erased or destroyed in a manner so that the information cannot practicably be read or reconstructed;
(iii) The Company may enter into a contract with a third party engaged in the business of record destruction to dispose of private client information. As part of its due diligence the Company will take reasonable steps to select and retain such service provider that is capable of, and is contractually obligated to, properly dispose of the information.

In this context, due diligence might include reviewing the disposal company's operations, obtaining information about the disposal company from several references or other reliable sources, signing a non disclosure agreement with the disposal company, requiring that the disposal company be certified by a recognized trade association or similar third party, reviewing and evaluating the disposal company's information security policies or procedures, or taking other appropriate measures to determine the competency and integrity of the potential disposal company.

Managing a Privacy Breach

An Associated Person must immediately notify the CCO if he or she becomes aware of an actual or suspected privacy breach, including any improper disclosure of client non-public personal information and/or of the Company's proprietary information. As appropriate, the CCO will:

- To the extent possible, identify the information that was disclosed and the improper recipients;
- To the extent possible, categorize the incident based on sensitivity of information involved and operational impact;
- Take actions necessary to prevent further improper disclosures;
- Take actions necessary to reduce the potential harm from improper disclosures that have already occurred;
- Discuss the issue with counsel and evaluate individual state reporting requirements;
- Contact regulatory authorities and/or law enforcement officials, where required;
- Notify affected clients, where required;

- Collect, prepare, and retain documentation associated with the breach and the Company's responses, including post-incident review of events and actions taken, if any; and
- Evaluate the Company's existing privacy protection policies and procedures in light of the breach and will make any needed changes accordingly.

Training

The Company will provide guidance and periodic training to employees relating to information security risks and responsibilities no less than annually. The Company will retain documentation of the agenda of those training sessions and the topics covered. The Company will also retain a dated list of the employees who received such training.

IDENTITY THEFT PREVENTION PROGRAM

Introduction

Fusion has adopted a program intended to detect red flags and prevent identity theft. As part of its Identity Theft Prevention Program ("ID Program"), the Company will identify red flags and specific risks facing the Company. A red flag is a warning sign that identity theft may be occurring. The Company's ID Program is designed to detect, prevent, and mitigate identity theft in connection with the opening of an advisory account or the management of an existing one.

Associated Persons could be responsible for identity theft through more direct means. Insider access to information could permit a dishonest Associated Person to sell clients' personal information or to use it for fraudulent purposes. Such action is cause for disciplinary action at the Company's discretion, up to and including termination of employment as well as referral to the appropriate civil and/or criminal legal authorities.

Prevention of Identity Theft

As part of their fiduciary obligations to clients, Associated Persons shall work diligently to prevent identity theft. Specifically, Associated Persons should take the following preventive measures:

- When providing copies of documents to others who are authorized to view them, Associated Persons shall make sure that non-essential and non-public personal information is either removed or redacted.
- Associated Persons shall shred or otherwise destroy all paperwork containing non-public personal information when disposing of documents.
- Requests for address changes must be verified before sending mail to the new address. Even after a change of address has been verified, Associated Persons shall send confirmation notices to both the new address and the old address. This address change procedure applies to traditional and electronic mailings.
- Associated Persons should be on the lookout for pretext calling. These calls are an attempt to elicit personal information about a client by phone, such as the individual's Social Security number. Associated Persons shall take reasonable steps to confirm the identity of the caller before divulging non-public personal information.
- All written (or emailed) wire transfer requests must be verified by calling the client first and getting their verbal approval. Verbal wire transfer requests must be confirmed by verifying the identity of the client.
- Associated Persons shall zealously guard clients' Social Security numbers and other personal information.
- Files and computers should be secured before Associated Persons leave their work areas.
- Hard drives should be scrubbed or destroyed before computers are discarded.

The Company has also implemented a written information security program. See Client Privacy Section of this Manual.

Red Flags That May Indicate Identity Theft

Associated Persons should be vigilant for identity theft red flags, which fall into five broad categories:

- Alerts, notifications or other warnings received from consumer reporting agencies and service providers, including fraud detection services
- Presentation of suspicious documents that appear to be altered or forged
- Presentation of suspicious personal identifying information
- Unusual activity in a covered account or other suspicious activity

- Notification from customers, identity theft victims, law enforcement, or other persons related to covered accounts held by the Company

In addition, Associated Persons should always be on the alert for specific red flags such as:

- Identification documents appear to have been altered or forged.
- An individual falsely claims to be a person who is known to an Associated Person.
- Photo IDs are inconsistent with the person's appearance.
- Other identification is not consistent with information provided by the person who opened the account.
- Other information on the identification is not consistent with readily available information in the Company's files, such as a signature on a recent check.
- The identification does not look genuine.
- The individual's address and/or phone number has changed suddenly.
- The new address is a post office box.
- There is unusual account activity, such as larger than normal withdrawals.
- The person begins communicating in a new manner, such as an elderly client who begins sending emails instead of calling.

This list of red flags is not exhaustive. The Company will identify other red flags as it learns of new identity theft risks.

Associated Persons should be especially alert if a client has notified the Company of a previous identity theft occurrence, or there has been a prior attempt to infiltrate the person's online accounts.

Response When Red Flags are Detected

Associated Persons should be proactive in response to the detection of red flags. Depending upon the facts and circumstances, including the level of identity theft risk, Associated Persons may respond accordingly with measures such as:

- Monitoring a covered account for evidence of identity theft
- Contacting the customer
- Changing any passwords, security codes, or other security devices that permit access to a covered account
- Closing an existing covered account and reopening with a new account number
- Not opening a new covered account
- Notifying law enforcement

No further action is necessary if an Associated Person has confirmed that a red flag was not indicative of identity theft. Whether or not a red flag is indicative of identity theft, Associated Persons are required to document how they responded to the perceived risk. Associated Persons who encounter red flags should report the incidents to the Company's CCO.

Communicating and Updating the ID Program

The Company will review its ID Program at least annually and update it on an as needed basis or in response to changes in the kinds of risks facing clients. Identity theft occurrences and security breaches should prompt enhancements and revisions in the Company's policies and procedures. Senior management must approve all revisions to the Company's ID Program.

The Company will conduct a training session at least once per year to educate Associated Persons about identity theft. Associated persons may be subject to disciplinary action for violating the Company's ID Program.

VENDOR DUE DILIGENCE

Introduction

As a fiduciary to its clients, the Company has a responsibility to conduct thorough due diligence reviews of its vendors and other third-party service providers.

The due diligence reviews will take into account the following, as applicable:

- Cybersecurity
- Privacy policy
- Business continuity plan/disaster recovery
- Regulatory status, registrations, and filings
- News article research
- Civil, criminal, regulatory, and disciplinary actions
- Organizational structure
- Potential conflicts of interest between the Company and the service provider
- The level of responsiveness to the Company
- The level of service provided

Conducting due diligence reviews allows the Company to mitigate the risks presented with the use of vendors and other third-party service providers, such as reputational, operational, and compliance risks. The CCO is responsible for overseeing the due diligence reviews of the vendors and other third-party service providers used by the Company. These reviews are documented in writing and conducted upon initial engagement and periodically thereafter.

CODE OF ETHICS

General

This is the Code of Ethics of Fusion. The Company's Personal Securities Transactions reporting and Insider Trading Procedures can be found in this Code.

Fiduciary Duty

This Code of Ethics is predicated on the principle the Company owes a fiduciary duty to its clients. A fiduciary is to approach his or her client's affairs with the same prudence as would be used in the management of his or her own affairs. Fiduciaries are expected to place the interests of the client before their own. Fiduciaries cannot withhold material information from a client that would affect the client's investment decision. Accordingly, Associated Persons must avoid activities, interests and relationships that run contrary (or appear to run contrary) to the best interests of clients. At all times, the Company will:

- *Place client interests ahead of the Company's* – As a fiduciary, the Company will serve in its clients' best interests. In other words, Associated Persons may not benefit at the expense of advisory clients. This concept is particularly relevant when Associated Persons are making personal investments in securities traded by advisory clients.
- *Engage in personal investing that is in full compliance with the Company's Code of Ethics* – Associated Persons must review and abide by the Company's Personal Securities Transaction and Insider Trading Policies.
- *Avoid taking advantage of your position* – Associated Persons must not accept investment opportunities, gifts or other gratuities from individuals seeking to conduct business with the Company, or on behalf of an advisory client, unless in compliance with the Gift Policy below.
- *Maintain full compliance with the Federal Securities Laws* – Associated Persons must abide by the standards set forth in Rule 204A-1 under the Advisers Act [17j-1].

Any questions with respect to the Company's Code of Ethics should be directed to the CCO. As discussed in greater detail below, Associated Persons must promptly report any violations of the Code of Ethics to the CCO. All reported Code of Ethics violations will be treated on an anonymous basis.

Definitions

CCO: Chief Compliance Officer per Rule 206(4)-7 of the Advisers Act of 1940. The Company has designated Morgan Wendlandt as its Chief Compliance Officer. Bryce Engel acts as the CCO Designee.

Supervised Person: All directors, officers, and partners of the Company (or other persons occupying a similar status or performing similar functions); employees of the Company; and any other person who provides advice on behalf of the Company and is subject to the Company's supervision and control.

Access Person: Any of Fusion's Supervised Persons who have access to nonpublic information regarding any clients' purchase or sale of securities, or nonpublic information regarding the portfolio holdings of any reportable fund, or any Supervised Person who is involved in making securities recommendations to clients, or who has access to such recommendations that are nonpublic. Since providing investment advice is Fusion's primary business, all of Fusion's directors, officers, and partners are presumed to be Access Persons.

Associated Person: For purposes of the Code of Ethics, all Access Persons and Supervised Persons are referred to as Associated Persons.

Beneficial Ownership: Associated Persons are considered to have beneficial ownership of securities if they have or share a direct or indirect pecuniary interest in the securities. They have a pecuniary interest in securities if they have the ability to directly or indirectly profit from a securities transaction.

The following are examples of indirect pecuniary interests in securities:

- Securities held by members of Associated Persons' immediate family sharing the same household. Immediate family means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law. Adoptive relationships are included;
- Associated Person's interests as a general partner in securities held by a general or limited partnership; and
- Associated Person's interests as a manager/member in the securities held by a limited liability company.

Associated Persons do not have an indirect pecuniary interest in securities held by entities in which they hold an equity interest unless they are a controlling equity holder or they share investment control over the securities held by the entity.

The following circumstances constitute beneficial ownership by Associated Persons of securities held by a trust:

- Ownership of securities as a trustee where either the Associated Person or members of the immediate family have a vested interest in the principal or income of the trust;
- Ownership of a vested beneficial interest in a trust; and
- An Associated Person's status as a settlor/grantor of a trust, unless the consent of all of the beneficiaries is required in order for the Associated Person to revoke the trust.

Reportable Security: any note, stock, treasury stock, security future, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, pre-organization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas, or other mineral rights, any put, call, straddle, option, or privilege on any security (including a certificate of deposit) or on any group or index of securities (including any interest therein or based on the value thereof), or any put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency, or, in general, any interest or instrument commonly known as a "security," or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guaranty of, or warrant or right to subscribe to or purchase any of the foregoing.

Reportable Security does not include:

1. Direct obligations of the Government of the United States;
2. Bankers' acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments, including repurchase agreements;
3. Shares issued by money market funds;
4. Shares issued by open-end funds other than reportable funds; and
5. Shares issued by unit investment trusts that are invested exclusively in one or more open-end funds, none of which are reportable funds

Initial Public Offering: An offering of securities registered under the Securities Act of 1933, the issuer of which, immediately before the registration, was not subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934.

Limited Offering: An offering that is exempt from registration under the Securities Act of 1933 pursuant to Section 4(2) or Section 4(6) thereof or pursuant to Rule 504, Rule 505 or Rule 506 thereunder.

Conflict of Interest: For the purposes of this Code of Ethics, a "conflict of interest" will be deemed to be present when an individual's private interest interferes in anyway, or even appears to interfere, with the interests of a client, the Company, or one or more of its affiliates, as a whole.

Prohibited, Dishonest, and Unethical Practices

The following activities are expressly prohibited:

- Recommending to a client to whom investment advisory services are provided the purchase, sale, or exchange of any security without reasonable grounds to believe that the recommendation is suitable for the client on the basis of information furnished by the client after reasonable inquiry concerning the client's investment objectives, financial situation and needs, and any other information known by the investment adviser or federal covered investment adviser;
- Exercising any discretionary authority in placing an order for the purchase or sale of securities for a client without obtaining written discretionary authority from the client;
- Inducing trading in a client's account that is excessive in size or frequency in view of the financial resources, investment objectives, and character of the account;
- Placing an order to purchase or sell a security for the account of a client without authority to do so;
- Placing an order to purchase or sell a security for the account of a client upon instruction of a third party without first having obtained a written third-party trading authorization from the client;
- Borrowing or loaning money or securities from or to a client unless the client is a broker-dealer, an affiliate of the Company, or a financial institution engaged in the business of loaning funds;
- Misrepresenting to any client, or prospective client, the qualifications of the Associated Person, or misrepresenting the nature of the advisory services being offered or fees to be charged for such service;
- Guaranteeing a client that a specific result will be achieved with advice rendered;
- Disclosing the identity, investments, or other financial information of any client or former client unless required by law to do so, or unless consented to by the client;
- Engaging in any act, practice, or course of business which is fraudulent, deceptive, manipulative, or unethical; or
- Engaging in conduct or any act, indirectly or through or by any other person, which would be unlawful for such person to do directly under the provisions of the Advisers Act of 1940, The Texas Securities Act, and any rule or order thereunder.

Prohibitions on Personal Securities Transactions

Initial Public Offerings (IPOs): Except in a transaction exempted by the "Exempted Transactions" section of this Code of Ethics, no Associated Person may acquire, directly or indirectly, beneficial ownership in any securities in an Initial Public Offering without first obtaining preclearance from the CCO. The Company's CCO must obtain approval from her supervisor.

Limited or Private Offerings: Except in a transaction exempted by the "Exempted Transactions" section of this Code of Ethics, no Associated Person may acquire, directly or indirectly, beneficial ownership in any securities in a Limited or Private Offering without first obtaining preclearance from the CCO. The Company's CCO must obtain approval from her supervisor. If authorized, Associated Persons are required to disclose their investment when they play a part in any client's subsequent consideration of an investment in the issuer.

Timing of Personal Transactions: If the Company is considering for purchase/sale or purchasing/selling any Reportable Security on behalf of a client account, no Access Person may effect a transaction in that Reportable Security prior to the client purchase/sale having been completed by the Company, or until a decision has been made not to purchase/sell the Reportable Security on behalf of the Client Account and in accordance with the Company's pre clearance and blackout policy, if any.

Exempted Transactions:
The prohibitions of this section of this Code of Ethics do not apply to:

- Purchases or sales affected in any account over which the Access Persons have no direct or indirect influence or control.
- Purchases, which are part of an automatic investment, plan, including dividend reinvestment plans.
- Purchases effected upon the exercise of rights issued by an issuer *pro rata* to all holders of a class of its securities, to the extent such rights were acquired from such issuer, and sales of rights so acquired.
- Acquisition of securities through stock dividends, dividend reinvestments, stock splits, reverse stock splits, mergers, consolidations, spin-offs, and other similar corporate reorganizations or distributions generally applicable to all holders of the same class of securities.
- Open-end investment company shares other than shares of investment companies advised by the Company or its affiliates or sub-advised by the Company.
- Certain closed-end index funds.
- Unit investment trusts.

Prohibited Activities

Conflicts of Interest
The Company has an affirmative duty of care, loyalty, honesty, and good faith to act in the best interest of its clients. Associated Persons must strive to avoid any activity or a personal interest that presents a "conflict of interest." A conflict of interest may arise if the Associated Person's personal interest interferes, or appears to interfere, with the interests of the Company or its clients. A conflict of interest can arise whenever an Associated Person takes action or has an interest that makes it difficult for him/her to perform his/her duties and responsibilities at the Company honestly, objectively and effectively.

While it is impossible to describe all of the possible circumstances under which a conflict of interest may arise, below are situations that most likely could result in a conflict of interest and that are prohibited under this Code of Ethics:

- Associated Persons may not favor the interest of one client over another client (e.g., larger accounts over smaller accounts, accounts compensated by performance fees over accounts not so compensated, accounts in which employees have made material personal investments, accounts of close friends or relatives of Associated persons). This kind of favoritism would constitute a breach of fiduciary duty.
- Associated Persons are prohibited from using knowledge about pending or currently considered securities transactions for clients to profit personally, directly or indirectly, as a result of such transactions, including by purchasing or selling such securities.

Associated Persons are prohibited from recommending, implementing, or considering any securities transaction for a client without having disclosed any material beneficial ownership, business or personal relationship, or other material interest in the issuer or its affiliates, to the CCO. If the CCO deems the disclosed interest to present a material conflict, the investment personnel may not participate in any decision-making process regarding the securities of that issuer.

Gifts and Entertainment

Associated Persons should not accept inappropriate gifts, favors, entertainment, special accommodations, or other things of material value that could influence their decision-making or make them feel beholden to a person or entity. Similarly, Associated Persons should not offer gifts, favors, entertainment, or other things of value that could be viewed as overly generous or aimed at influencing decision-making or making a client feel beholden to the Company or the Associated Person.

No Associated Person may receive any gift, service, or other thing of more than *de minimis* value of from any person or entity that does business with or on behalf of the Company. No Associated Person may give or offer any gift of more than *de minimis* value to existing clients, prospective clients, or any entity that does business with or on behalf of the Company without written pre-approval by the CCO. Gifts received from or given to the same source valued at $300.00 or less will be considered *de minimis*. Additionally, the receipt of an occasional dinner, a ticket to a sporting event or the theater, or comparable entertainment also will be considered to be of *de minimis* value.

No Associated Person may give or accept cash gifts or cash equivalents to or from a client, prospective client, or any entity, that does business with or on behalf of the Company.

Bribes and kickbacks are criminal acts, strictly prohibited by law. Supervised persons must not offer, give, solicit, or receive any form of bribe or kickback.

Political Contributions

Rule 206(4)-5 (the "Rule") under the Advisers Act seeks to curtail "pay to play" practices by investment advisers. The Rule applies to all investment advisers that are registered with the SEC and requires: (i) a two-year "time-out" from receiving compensation for providing advisory services to certain government entities after certain political contributions are made, (ii) a prohibition on soliciting contributions and payments, and (iii) a prohibition from paying third parties for soliciting government clients.

The Rule has a de minimis exception for contributions to officials for whom the contributor can vote. The exception permits individual contributions up to $350 per official (per election) for whom the employee is entitled to vote. In addition, contributions that in the aggregate do not exceed $150 per election per official will not violate the Rule, even if the contributor is not entitled to vote for the official. These de minimis exceptions are available only for contributions by individual covered associates, not the Company. Under both exceptions, primary and general elections are considered separate elections.

Associated Persons making political contributions, in cash or services, must report each such contribution to the CCO:

- Where the Company and/or its Associated Persons have made a political contribution to an elected official of a state or local government entity who is in a position to influence the selection of the Company for

government contracts, the Company and its Associated Persons will be prohibited from providing advisory services, for compensation (either directly or through a pooled investment vehicle) to that government entity for two years.

- The Company and/or its Associated Persons are prohibited from soliciting or coordinating campaign contributions from others — a practice referred to as "bundling" — for an elected official who is in a position to influence the selection of the Company. The Company and/or its associated persons are also prohibited from the solicitation and coordination of payments to political parties in the state or locality where the Company is seeking business.

- The Company and/or its Associated Persons are prohibited from paying a third party, such as a solicitor or placement agent, to solicit a government client on behalf of the Company, unless that third party is an SEC-registered investment adviser or broker-dealer subject to the restrictions under Rule 206(4)-5 under the Advisers Act of 1940.

Confidentiality

Associated Persons must respect the confidentiality of information acquired in the course of their work and must not disclose such information, except when they believe they are authorized or legally obliged to disclose the information. They may not use confidential information acquired in the course of their work for their personal advantage. Associated Persons must keep all information about clients (including former clients) in strict confidence, including the client's identity (unless the client consents), the client's financial circumstances, the client's security holdings, and advice furnished to the client by the Company.

Service on a Board of Directors

Associated Persons must not serve on the board of directors of publicly traded companies without the prior authorization of the CCO. Any such approval may only be made if it is determined that such board service will be consistent with the interests of the clients and of the Company, and that such person serving as a director will be isolated from those making investment decisions with respect to such company by appropriate procedures. A director of a private company may be required to resign, either immediately or at the end of the current term, if the company goes public during his or her term as director.

Case-by-Case Exemptions

Because no written policy can provide for every possible contingency, the CCO may consider granting additional exemptions from all Prohibitions on a case-by-case basis. Any request for such consideration must be submitted to the CCO in writing. Exceptions will only be granted in those cases in which the CCO determines that granting the request will not create any potential, apparent, or actual conflicts of interest.

Personal Securities Transactions Procedures and Reporting

Pre-Clearance Procedure

For any activity where it is indicated in the Code of Ethics that pre-clearance is required, the following procedure must be followed:

- Pre-clearance requests must be submitted by the requesting Associated Person to the CCO in writing. The request must describe in detail what is being requested and any relevant information about the proposed activity.

- The CCO will respond in writing to the request as quickly as is practical, either giving an approval or declination of the request, or requesting additional information for clarification.
- Pre-clearance authorizations expire 48 hours after the approval, unless otherwise noted by the CCO on the written authorization response.
- Records of all pre-clearance requests and responses will be maintained by the CCO for monitoring purposes and ensuring the Code of Ethics is followed.

Pre-Clearance Exemptions

- The pre-clearance requirements of this section of this Code of Ethics do not apply to:
- Purchases or sales affected in any account over which the access person has no direct or indirect influence or control. Purchases, which are part of an automatic investment, plan, including dividend reinvestment plans. Purchases effected upon the exercise of rights issued by an issuer pro rata to all holders of a class of its securities, to the extent such rights were acquired from such issuer, and sales of rights so acquired.
- Acquisition of securities through stock dividends, dividend reinvestments, stock splits, reverse stock splits, mergers, consolidations, spin-offs, and other similar corporate reorganizations or distributions generally applicable to all holders of the same class of securities.
- Open-end investment company shares other than shares of investment companies advised by the Company or its affiliates or sub-advised by the Company.
- Certain closed-end index funds.
- Unit investment trusts.

Reporting Requirements

Initial and Annual Holdings Reports

No later than ten (10) days after the person becomes an Associated Person and annually thereafter, every Associated Person must file a holdings report to the CCO containing the following information:

- The title, exchange ticker symbol or CUSIP number, type of security, number of shares and principal amount of each Reportable Security in which the Access Person had any direct or indirect beneficial ownership when the person becomes an Associated Person;
- The name of any broker, dealer or bank with whom the Associated Person maintained an account in which any securities were held for the direct or indirect benefit of the Associated Person; and
- The date that the report is submitted by the Associated Person.

The holdings reports must be current as of a date not more than 45 days prior to the individual becoming an Associated Person (in the case of an initial report) or the date the report is submitted (in the case of an annual report).

Quarterly Reports

No later than thirty (30) days after the end of calendar quarter, every Associated Person must file a transaction report to the CCO containing the following information:

- For each transaction involving a Reportable Security in which the Associated Person had, or as a result of the transaction acquired, any direct or indirect beneficial ownership, the Associated Person must provide the date of the transaction, the title, exchange ticker symbol or CUSIP number, type of security, the interest rate and maturity date (if applicable), number of shares and principal amount of each involved in the transaction;
- The nature of the transaction (e.g., purchase, sale)

- The price of the security at which the transaction was effected
- The name of any broker, dealer or bank with or through the transaction was effected; and
- The date that the report is submitted by the Associated Person.

Associated Persons may use duplicate brokerage confirmations and account statements in lieu of submitting quarterly transaction reports or holdings reports, provided that all of the required information is contained in those confirmations and statements.

Reporting Exemptions

The reporting requirements of this section of this Code of Ethics do not apply to:

- Any report with respect to securities over which the Associated Person has no direct or indirect influence or control. **This exemption does not cover accounts managed by a third party adviser.**
- Transaction reports with respect to transactions effected pursuant to an automatic investment plan, including dividend reinvestment plans.
- Transaction reports if the report would contain duplicate information contained in broker trade confirmations or account statements that the Company holds in its records so long as the Company receives the confirmations or statements no later than 30 days after the end of the applicable calendar quarter.

Report Confidentiality

All holdings and transaction reports will be held strictly confidential, except to the extent necessary to implement and enforce the provisions of the code or to comply with requests for information from government agencies.

Monitoring of Personal Securities Transactions

The Company is required by the Advisers Act to review Access Persons' personal securities transactions and reports periodically. The CCO is responsible for reviewing these. Ryan Borer will review the CCO's personal securities transactions.

Certification of Compliance

Initial Certification

The Company is required to provide all Associated Persons with a copy of the Code. All Associated Persons are to certify in writing that they have: (a) received a copy of the Code; (b) read and understand all provisions of the Code; and (c) agreed to comply with its terms.

Acknowledgement of Amendments

The Company must provide Associated Persons with any amendments to the Code and Associated Persons must submit a written acknowledgement that they have received, read, and understood the amendments to the Code.

Annual Certification

All Associated Persons must annually certify that they have read, understood, and complied with the Code of Ethics and that the Associated Persons has made all of the reports required by the Code and has not engaged in any prohibited conduct.

The CCO will maintain records of these certifications of compliance.

Reporting Violations

All Associated Persons must report violations of the Company's Code of Ethics promptly to the CCO. If the CCO is involved in the violation or is unreachable, Associated Persons may report directly to the Company's Management. All reports of violations will be treated confidentially to the extent permitted by law and investigated promptly and appropriately. Persons may report violations of the Code of Ethics on an anonymous basis. Examples of violations that must be reported are (but are not limited to):

- noncompliance with applicable laws, rules, and regulations;
- fraud or illegal acts involving any aspect of the Company's business;
- material misstatements in regulatory filings, internal books and records, clients records or reports;
- activity that is harmful to clients; and
- deviations from required controls and procedures that safeguard clients and the Company.

No retribution will be taken against a person for reporting, in good faith, a violation or suspected violation of this Code of Ethics.

Retaliation against an individual who reports a violation is prohibited and constitutes a further violation of the Code.

Compliance Officer Duties

Training and Education

The CCO is responsible for training and educating Associated Persons regarding the code. Training will occur periodically as needed and all Associated Persons are required to attend any training sessions or read any applicable materials.

Recordkeeping

The CCO will ensure that the Company maintains the following records in a readily accessible place:

- A copy of each Code of Ethics that has been in effect at any time during the past five years;
- A record of any violation of the Code and any action taken as a result of such violation for five years from the end of the fiscal year in which the violation occurred;
- A record of all written acknowledgements of receipt of the Code and amendments for each person who is currently, or within the past five years was, a Supervised Person. These records must be kept for five years after the individual ceases to be a Supervised Person of the Company;
- Holdings and transactions reports made pursuant to the Code, including any brokerage confirmation and account statements made in lieu of these reports;
- A list of the names of persons who are currently, or within the past five years were, Access Persons;
- A record of any decision and supporting reasons for approving the acquisition of securities by Access Persons in initial public offerings and limited offerings for at least five years after the end of the fiscal year in which approval was granted;
- A record of any decisions that grant employees or Access Persons a waiver from or exception to the Code.

Annual Review

The CCO will review at least annually the adequacy of the Code of Ethics and the effectiveness of its implementation.

Sanctions

Any violations discovered by or reported to the CCO will be reviewed and investigated promptly, and reported through the CCO to the Supervisor. Such report will include the corrective action taken and any recommendation for disciplinary action deemed appropriate by the CCO. Such recommendation will be based on, among other things, the severity of the infraction, whether it is a first or repeat offense, and whether it is part of a pattern of disregard for the letter and intent of this Code of Ethics. Upon recommendation of the CCO, the Supervisor may impose such sanctions for violation of this Code of Ethics, as he/she deems appropriate, including, but not limited to:

- letter of censure;
- suspension or termination of the employment;
- reversal of a securities trade at the violator's expense and risk, including disgorgement of any profit; and
- referral to law enforcement or regulatory authorities in serious cases.

INSIDER TRADING

It is the policy of the Company that no investment adviser may engage in what is commonly known as "insider trading." Specifically, the Company prohibits:

- Trading, either in a reportable personal account or on behalf of any other person (including client accounts), on the basis of material nonpublic information; or
- Communicating material nonpublic information to others in violation of the law.

Insider Trading Policy

Section 204A of the Advisers Act requires every investment adviser to establish, maintain, and enforce written policies and procedures reasonably designed to prevent the misuse of material, nonpublic information by such investment adviser or any Associated Person with such investment adviser. In accordance with Section 204A of the Act, the Company has instituted procedures to prevent the misuse of nonpublic information.

In the past, securities laws have been interpreted to prohibit the following activities:

- Trading by an insider while in possession of material non-public information; or
- Trading by a non-insider while in possession of material non-public information, where the information was disclosed to the non-insider in violation of an insider's duty to keep it confidential; or
- Communicating material non-public information to others in breach of a fiduciary duty.

Who Is Covered by the Policy

This policy covers all of the Company's Associated Persons as well as all transactions in any securities participated in by family members, trusts, or corporations directly or indirectly controlled by such persons. In addition, the policy applies to transactions engaged in by corporations in which the Associated Person is an officer, director or 10% or greater stockholder and a partnership of which the Associated Person is a partner unless such person has no direct or indirect control over the partnership.

Material Information

Individuals may not be held liable for trading on inside information unless the information is material. Advance knowledge of the following types of information is generally regarded as material:

- Dividend or earnings announcements
- Write-downs or write-offs of assets
- Additions to reserves for bad debts or contingent liabilities

- Expansion or curtailment of company or major division operations
- Merger, joint venture announcements
- New product/service announcements
- Discovery or research developments
- Criminal, civil and government investigations and indictments
- Pending labor disputes
- Debt service or liquidity problems
- Bankruptcy or insolvency problems
- Tender offers, stock repurchase plans, etc.
- Recapitalization

Information provided by a company could be material because of its expected effect on a particular class of a company's securities, all of the company's securities, the securities of another company, or the securities of several companies. The misuse of material non-public information applies to all types of securities, including equity, debt, commercial paper, government securities, and options.

Material information does not have to relate to a company's business. For example, material information about the contents of an upcoming newspaper column may affect the price of a security, and therefore be considered material.

Non-Public Information

In order for issues concerning insider trading to arise, information must not only be material, but also non-public as well.

Once material, non-public information has been effectively distributed to the investing public, it is no longer classified as material, non-public information. However, the distribution of non-public information must occur through commonly recognized channels for the classification to change. In addition, the information must not only be publicly disclosed, there must be adequate time for the public to receive and digest the information. Lastly, non-public information does not change to public information solely by selective dissemination.

Associated Persons must be aware that even when there is no expectation of confidentiality, a person may become an insider upon receiving material, non-public information. Whether the "tip" made to the Associated Person makes such person a "tipee" depends on whether the corporate insider expects to benefit personally, either directly or indirectly, from the disclosure.

"Benefit" is not limited to a present or future monetary gain; it could be a reputational benefit or an expectation of a *quid pro quo* from the recipient by a gift of the information. Associated Persons may also become insiders or "tipees" if they obtain material, non-public information by happenstance, at social gatherings, by overhearing conversations, etc.

Composition of Client Portfolios Disclosure

Associated Persons must never disclose the composition of client portfolios to outside third parties unless the information is otherwise publicly available.

Federal securities laws may specifically prohibit the dissemination of such information and doing so may be construed as a violation of the Company's fiduciary duty to clients. Selectively disclosing the portfolio holdings of

a client's portfolio to certain investors or outside parties may also be viewed as the Company engaging in a practice of favoritism. All inquiries that are received by Associated Persons to disclose portfolio holdings must be immediately reported to the CCO.

Fair Dealing vs. Self-Dealing

Associated Persons must act in a manner consistent with the obligation to deal fairly with all clients when taking investment action. The Company will not tolerate self-dealing for personal benefit or the benefit of the Company at the expense of clients.

Front Running

"Front running" and "scalping" refer to the buying or selling of securities in a Reportable Account, prior to clients, in order to benefit from any price movement that may be caused by client transactions or the Company's recommendations regarding the security. It also includes buying or selling options, rights, warrants, futures contracts, convertible securities, or other securities that are related to a security in which clients may affect transactions or which the Company may make recommendations. ***The Company strictly prohibits these practices.***

BRANCH OFFICE PROCEDURES

Introduction

Associated Person. For purposes of this section, all full time and part time employees and sub-contractors are collectively referred to as “Associated Persons.”

Branch office. Any location of the Company at which one or more Associated Persons regularly conduct the business of rendering investment advice or any location that is held out as a "Branch Office.”

The CCO has the responsibility to help ensure that Branch Office locations are reasonably supervised. The CCO may appoint a designee to supervise any branch office location taking into consideration, among other things, the:

- number of Associated Persons operating at the office location;
- scope of business activities conducted at the office location;
- volume of business done;
- disciplinary history of the Associated Persons at the office location.

Additionally, Associated Persons with supervisory responsibilities are required to supervise the activities of their subordinates and report any material issues to the CCO.

Questions

Any questions concerning the branch office procedures should be directed to the CCO rather than speculating on the answer.

Outside Offices and Locations

Supervision of branch offices and their Associated Persons is the responsibility of the CCO or her designee.

The following functions may not take place at the Branch Offices:

- The Branch Office is not permitted to enter into advisory contracts on behalf of the Company.
- Neither the Branch Office nor any of the Associated Persons operating out of the Branch Office has the authority to approve advertising or sales literature.
- Neither the Branch Office nor any of the Associated Persons operating out of the Branch Office may contractually obligate the Company through third party vendor relationships.

Associated Persons operating out of the Branch Office are required to participate in at least one annual compliance meeting with the home office. Such meeting may be conducted by phone.

Client Contracts

All clients are required to enter into a written agreement for services prior to the Company providing services on behalf of the client account. The agreements must be signed by a representative of the Company at the Company’s Home Office. Clients will be provided with copies of all signed agreements by their Investment Adviser Representative ("IAR") in the Branch Office or by the Home Office at the time of execution. Associated Persons are expressly prohibited from altering pre-printed/established language on client agreements. Requests for changes must be referred to the CCO for review and pre-approval.

Client Address Changes

By the close of business on the day of receipt, it is the representative's responsibility to notify the CCO or the designee, in writing of client address changes. Upon receipt, the CCO or the designee will forward the written request to the applicable broker/dealer and/or custodian. Upon receipt, the applicable broker/dealer/custodian will issue a confirmation letter.

Custody of Client Assets

Associated Persons are prohibited from engaging in any activities that result in the Company assuming custody of advisory client accounts. If an Associated Person inadvertently receives client funds or securities, they must notify the CCO or designee immediately. The CCO or designee shall instruct the Associated Person on appropriate procedures on dealing with such scenarios in accordance with the Company's Compliance Manual.

Additionally, Associated Persons are prohibited from serving as a trustee, executor, or any other capacity that triggers a custody arrangement for a client's account unless the account is for a relative, defined as an immediate family member, of the Associated Person or the Associated Person has a personal relationship with the client. All such arrangements must be evaluated and approved by the CCO.

Please see the Custody section of this Manual for detailed information about factors that may trigger custody and the regulatory requirements associate with custody.

Privacy Policy

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

Please see the Client Privacy section of this Manual for detailed information about the Company's and its Associated Persons' responsibilities as they pertain to the privacy and client information.

Disclosure Documents

Each Associated Persons is required to verify that the client has received a copy of the Company's current Form ADV Part 2A, ADV Part 3 (Form CRS), Privacy Notice, and the Associated Person's Form ADV Part 2B Supplement before or at the time an advisory relationship is established with a client.

Please see the Disclosure Requirements section of this Manual for detailed information about the Company's and its Associated Persons disclosure requirements.

Disciplinary Proceedings

Any IAR that is currently, or should become, the subject of any disciplinary proceedings must notify the CCO immediately. The following facts, among others, are considered material:

Court Proceedings (Criminal and Civil)

- The Company or an IAR of the Company has been permanently or temporarily enjoined from engaging in investment-related activities;

- The Company or an IAR of the Company has been convicted of or has pled guilty or *nolo contendere* to a felony or misdemeanor involving an investment-related business; fraud; making false statements or omissions; wrongful taking of property; bribery; forgery; counterfeiting; or extortion; and
- The Company or an IAR of the Company was found to have been involved in a violation of an investment-related statute or regulation.

Administrative Proceedings

- The Company or an IAR of the Company was found by the SEC or other federal or state regulatory agency to have caused an investment related business to lose its authorization to conduct business; or
- The Company or an IAR of the Company was found by the SEC or other federal or state regulatory agency to have violated an investment-related statute or regulation and was subject to an order denying, suspending, or revoking, or otherwise significantly limiting its ability to do business or engage in investment-related activities.

Self-Regulatory Organization Proceedings

- The Company or an IAR of the Company was found in an SRO proceeding to have caused an investment-related business to lose its authorization to do business; or
- The Company or an IAR of the Company was found in an SRO proceeding to have been involved in a violation of the SRO's rules and was the subject of an order by the SRO barring or suspending the person from membership or association with other members, or expelling the person from membership; receiving a fine in excess of $2,500; or otherwise significantly limiting its investment-related activities.

All Associated Persons operating out of the branch office must comply with the disciplinary action reporting and disclosure requirements set forth in the Disclosure Requirements section of this Manual.

Client Complaints

All Associated Persons operating out of the branch office must comply with the Complaints policy listed in this Manual.

Associated Persons are reminded that all client complaints, written or verbal, should be directed to the CCO. The CCO will determine the appropriate course of action in addressing any complaint. All documentation of client complaints will be maintained in the company's Home Office in a dedicated client complaint folder.

Correspondence and Advertising

All correspondence, including email, sent or received by the Company's Branch Offices is subject to the review of the CCO or designee. All Associated Persons operating out of the branch office must comply with the Correspondence policies listed in this Manual.

All advertising generated at the Company's Branch Offices must be reviewed and approved by the CCO prior to use with existing and prospective clients. All Associated Persons operating out of the branch office must comply with the Advertising/Marketing policies listed in this Manual.

Outside Business Activities

Associated Persons must complete an outside business activities request form and forward such form to the CCO for review. The outside business activities request form must be pre-approved by the CCO prior to the representative engaging in such activity/employment.

The CCO will determine if such outside business activity presents a potential conflict of interest and will decide whether additional disclosure should be made to clients via an amendment to the Company's Form ADV or the Associated Person's Form ADV Part 2B Supplement.

Contingency/Disaster Recovery

If a Branch Office becomes uninhabitable or destroyed, all Associated Persons will be required to operate from the Company's primary office until a new Branch Office space is acquired.

Annual Reporting Package

The CCO will send out annually, an Annual Compliance Questionnaire to all Associated Persons. The Questionnaire must be completed and returned to the CCO within 30 days of receipt.