

Item 1 Cover Page



Victory Financial Group

Other Business Names:

Capitalwise Wealth Management

L5 Wealth Planning

Victory Financial Group and Insurance Services

Trustlove Capital, LLC

Viridian Wealth Management

Kilmer Financial

Crème Wealth

Stansell Wealth

6500 River Place, Bldg. 1, Suite 203, Austin, TX 78730

(512) 763-7671

www.victoryfinancialgroup.com

November 3, 2025

This Brochure provides information about the qualifications and business practices of Victory Financial Group (“Victory”, “VFG”, “us”, “we”, “our”). If you have any questions about the contents of this Brochure, please contact us at (512) 763-7671 or via email at kyle@victoryfinancialgroup.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Victory is also available via the SEC’s website www.adviserinfo.sec.gov. You can search this site by using a unique identifying number, known as a CRD number. The CRD number for Victory is 324943. The SEC’s web site also provides information about any persons affiliated with Victory who are registered, or are required to be registered, as Investment Adviser Representatives of Victory.

Victory is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information that you may use to determine whether to hire or retain them.

Item 2 Material Changes

In this Item, VFG is required to discuss any material changes that have been made to the brochure since the last annual amendment. Since our most recent annual filing on January 30, 2025, the Firm:

- Has updated Item 1 to reflect our other business names.
- We have included additional disclosures regarding our ERISA 3(21) and 3(38) business.
- We have included additional disclosures regarding our Financial Planning and Consulting services and fees.
- We have included fees and disclosures regarding held-away asset management.
- We have included additional disclosures regarding the services and fees of third-party asset managers.
- Victory Financial Group now offers reduced Financial Planning fees for clients of *All In Planning*. In addition, our relationship with All In Planning and potential conflicts of interest are disclosed below.
- Our representatives now offer access to the *EncorEstate Plans* financial planning platform.
- Our maximum potential asset management fee is now 2%.
- We now have engagements with solicitors.
- Steadfast Wealth Planning is now Stansell Wealth.

In the future, this section of the Brochure will discuss only the specific material changes that were made to the Brochure and will provide you with a summary of all material changes that have occurred since the last filing of this Brochure. This section will also identify the date of our last annual Brochure update.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year end which is December 31st. We will provide other ongoing disclosure information about material changes as they occur. We will also provide you with information on how to obtain the complete brochure. Currently, our Brochure can be requested at any time, without charge, by contacting Kyle Wardlaw at (512) 763-7671.

Item 3 – Table of Contents

Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	– Table of Contents	3
Item 4	– Advisory Business Introduction	4
Item 5	– Fees and Compensation	10
Item 6	– Performance Based Fee and Side by Side Management	15
Item 7	– Types of Client(s)	15
Item 8	– Methods of Analysis, Investment Strategies and Risk of Loss	16
Item 9	– Disciplinary Information	27
Item 10	– Other Financial Industry Activities and Affiliations	27
Item 11	– Code of Ethics, Participation or Interest in Client Accounts and Personal Trading	29
Item 12	– Brokerage Practices	31
Item 13	– Review of Accounts	35
Item 14	– Client Referrals and Other Compensation	35
Item 15	– Custody	36
Item 16	– Investment Discretion	36
Item 17	– Voting Client Securities	37
Item 18	– Financial Information	37

Item 4 – Advisory Business Introduction

Our Advisory Business

VFG offers a variety of advisory services, which include financial planning, consulting, and investment management services. Prior to VFG rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with VFG setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

VFG filed for registration as an investment adviser in January 2023 and is owned by Jeffrey W. Davidson. As of December 31, 2024, VFG had \$ 687,641,583 in assets under management all of which were managed on a discretionary basis.

While this brochure generally describes the business of VFG, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or other persons who provide investment advice on VFG’s behalf and are subject to the Firm’s supervision or control.

Financial Planning and Consulting

VFG offers clients a broad range of financial planning and consulting services, which include any or all of the following functions:

- Business Planning
- Cash Flow Forecasting
- Trust and Estate Planning
- Investment Consulting
- Insurance Planning
- Retirement Planning
- Tax Planning
- Education Planning

While each of these services is available on a stand-alone basis, certain of them can also be rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement (described in more detail below).

The client may also elect to receive ongoing financial consulting, for which the adviser shall agree to discuss financial topics of the Client’s choosing. For example, the Adviser may assist the Client in designing personal financial goals and objectives and recommendations as to the allocation of present financial resources among different types of assets. Some consulting services will result in a written report while others will be handled through ongoing consultations between the Adviser and Client. Consulting services will be provided on an ongoing basis until terminated until terminated by either party unless otherwise specified.

In performing these services, VFG is not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.,) and is expressly authorized to rely on such information. VFG recommends certain clients engage the Firm for additional related services, its

Supervised Persons in their individual capacities as insurance agents or registered representatives of a broker-dealer and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists for the Firm to recommend that clients engage VFG or its affiliates to provide (or continue to provide) additional services for compensation, including investment management services. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by VFG under a financial planning or consulting engagement.

Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising VFG's recommendations and/or services.

Investment and Wealth Management Services

VFG manages client investment portfolios on a discretionary basis. In addition, VFG provides certain clients with wealth management services which include a broad range of financial planning and consulting services as well as discretionary management of investment portfolios.

VFG primarily allocates client assets among various mutual funds, exchange-traded funds ("ETFs"), individual debt and equity securities, alternative investments, and independent investment managers ("Independent Managers") in accordance with their stated investment objectives.

Where appropriate, the Firm also provides advice about any type of legacy position or other investment held in client portfolios, but clients should not assume that these assets are being continuously monitored or otherwise advised on by the Firm unless specifically agreed upon. Clients can engage VFG to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, VFG directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

VFG tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. VFG consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify VFG if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients can impose reasonable restrictions or mandates on the management of their accounts if VFG determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

Use of Third-Party Independent Managers

As mentioned above, VFG selects certain Third-Party Independent Managers to manage a portion of its clients' assets through a turnkey asset management program (the "Program"). When we do so, we will

provide you with a copy of their current Disclosure Brochure, Privacy Policy, and Form CRS (“Disclosure Documents”). You should read these documents carefully to be sure you understand the Program.

Using information we gather from you, we evaluate your financial situation, investment objectives, financial goals, tolerance for risk, and investment time horizon. This information helps us determine whether your participation in the Program is appropriate for you, and if so, allows us to choose an appropriate Investment Strategy for the management of your assets. Once we choose the Investment Strategy and allocate all or a portion of your assets to the Investment Strategy, the underlying manager selected through the Program will provide ongoing discretionary management of your assets according to the mandate of the Investment Strategy.

Please note that if we engage a third-party to manage your assets, the third-party will obtain access to your confidential information from us and/or from the custodian of your brokerage account. As stated in our Privacy Policy, we are authorized to share your personal information with third parties as necessary to service your account. Our agreement with our TAMPs includes provisions requiring TAMP to hold your information in strict confidence, and to maintain reasonable technological protections, precautions, and safeguards for your information.

VFG continues to provide services relative to the discretionary or non-discretionary selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. VFG seeks to ensure the Independent Managers’ strategies and target allocations remain aligned with its clients’ investment objectives and overall best interests.

Held-Away Participant Management

We use a third-party platform to facilitate management of held-away assets on a non-discretionary basis. The platform allows us to avoid being considered to have physical custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once Client account(s) is connected to the platform, Adviser will review the current account allocations. When deemed necessary, the Adviser will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least quarterly and allocation changes will be made as deemed necessary.

ERISA 3(21) Fiduciary Services

Both parties acknowledge that if the Account is subject to the Employee Retirement Income Security Act of 1974, as amended (ERISA), the following provisions will apply:

- The Adviser acknowledges that it is a “fiduciary” with respect to the Client as that term is defined under Section 3(21)(A) of ERISA.

- The Client acknowledges its status as a “named fiduciary” with respect to the control and management of the assets held in the Account, and agrees to notify the Adviser promptly of any change in the identity of the named fiduciary with respect to the Account;
- The Adviser agrees to obtain and maintain an ERISA bond satisfying the requirements of Section 412 of ERISA and include The Adviser and its members, agents and employees among those insured under that bond unless provided by the Plan.

When delivering ERISA fiduciary services, we will perform those services for the retirement plan as a fiduciary and will act in good faith and with the degree of diligence, care and skill that a prudent person rendering similar services would exercise under similar circumstances. In our capacity as a 3(21) plan fiduciary, we will conduct research to determine appropriate investment selections and allocations and to project potential ranges of returns and market values over various time periods and using various cash flows to assist the plan sponsor in determining the appropriate model(s) investment(s) for the retirement plan.

Under this arrangement the Adviser is appointed by the plan sponsor or trustee to determine a recommended lineup of investments to be included in the Plan. These recommendations are presented to the Plan Sponsor, who has the ultimate responsibility to accept or reject the recommendation. The Adviser will not have any further responsibility to communicate instructions to any third-party, including the custodian, and/or third-party administrator. The Adviser will/will not communicate directly with the recordkeeper regarding administrative and recordkeeping matters arising under the Adviser’s investment advisory agreement with the Plan Sponsor, or more generally about the recordkeeper’s services to the *Plan*.

The Adviser will provide the Plan Sponsor with a sample investment policy statement. Each retirement Plan Sponsor should adopt a final investment policy statement (“IPS”) which serves as a guide for the Adviser’s investment advisory services. The Adviser offers the following 3(21) services:

- Plan design and asset selection consultation
- Develop and annually review Investment Policy Statement (“IPS”)
- Develop investment menu according to the IPS
- Review plan sponsor’s stated financial criteria for each investment option
- Monitor each investment option according to the IPS
- Quarterly portfolio statements, rate of return reports, asset allocation statements
- Provide investment research and performance information on investment options
- Investment option replacement guidance
- Personal consultations with the plan sponsor as necessary
- Develop Plan Investment Committee Charter, as needed
- Fiduciary due diligence assistance
- Attendance at Plan Committee and other meetings
- Annual Fiduciary Plan Review

- Fiduciary education services to Plan Committee
- Participant education, guidance, and enrollment
- Vendor coordination assistance
- Benchmarking services

The Adviser will conduct research to determine appropriate investment selections and allocations and to project potential ranges of returns and market values over various time periods and using various cash flows to assist the Plan Sponsor in determining the appropriate investment options for the retirement plan.

The data used to select the investment options is based on estimated, forward-looking performance of various asset classes and subclasses to create our forward-looking capital markets assumptions (e.g., expected return, expected standard deviation, correlation, etc.). Past performance and the return estimates of the asset classes and the indices that correspond to these asset classes are not representative of actual future performance. Actual results could differ, based on various factors including the expenses associated with the management of the portfolio, the portfolio's securities versus the securities comprising the various indices and general market conditions. Before a specific investment is selected, other factors such as economic trends, which can influence the choice of investments and risk tolerance, should be considered. The Adviser has the responsibility and authority to recommend the investment line up including evaluating investment managers and mutual fund companies, individual mutual funds, and money market funds which will be retained or replaced. The Plan Sponsor has the responsibility and authority to make the final decision regarding what investments to include and when to add or exclude a specific security.

The Client confirms that any instructions that have been given to the Adviser with regard to the Account are consistent with the governing plan documents and investment policy statements of the plan.

Except as otherwise provided under ERISA the Adviser shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Client in connection with the matters to which this Agreement relates except a loss resulting from the Adviser's breach of its fiduciary duty, negligence, misconduct or bad faith.

The Adviser is not (i) the "administrator" of the Plan as defined in § 3(16)(A) of ERISA or (ii) the "plan administrator" of the Plan as defined in Section 414(g) of the Internal Revenue Code of 1986, as amended (the "Code");

The Adviser is neither a law firm nor a public accounting firm and Adviser will not provide legal or accounting advice;

The Client acknowledges that the services covered by this Agreement are consultative, and give no investment authority ("discretion") or responsibility to the Adviser over any assets of the Plan or Participant regardless of how and where the assets are held. Throughout the term of this Agreement, the Plan or Participant retains full discretion to supervise, manage and direct the assets which are held with any affiliated or unaffiliated third-party.

The Adviser encourages plan sponsors to consult with other professional advisors since we do not provide tax or legal advice that may affect asset classes or allocations. The Adviser will apply any guidelines the client supplies, as directed, however, compliance with these restrictions or guidelines, is the client's responsibility.

Without explicit authorization, Victory Financial will not act as a discretionary investment manager of any Sponsored Plans as defined in Section 3(38) of the Employee Retirement Income Security Act of 1974.

Discretionary 3(38) Fiduciary Services

When a client engages the Adviser to perform "3(38) Fiduciary Services", the Adviser acts as an "investment manager" (as defined in Section 3(38) of ERISA) with respect to the performance of discretionary fiduciary investment services. Under this arrangement the Adviser is appointed by the Plan Sponsor or trustee and accepts discretion over plan assets and assumes full responsibility and liability for fiduciary functions concerning decisions related to the plan assets.

Under this arrangement the Adviser is appointed by the plan sponsor or trustee and accepts discretion over plan assets and assumes full responsibility and liability for fiduciary functions concerning decisions related to the plan assets. The Adviser will review the investment options available to the Plan through documents provided by the Plan Sponsor and notifies the Plan's record-keeper and/or the Plan Sponsor the Adviser's instructions to add, remove and/or replace these specific investment options offered to Plan participants and/or used for administrative purposes under the Plan, according to the criteria set forth in guidelines selected by the Plan Sponsor. The Plan Sponsor retains all authority, responsibility and decision-making for investment options not available on the Plan record-keeper's platform (i.e., "non-core" investment options, such as employer stock, plan loans, self-directed brokerage accounts, frozen guaranteed investment contracts, and life insurance).

The Adviser will retain final decision-making authority with respect to removing and/or replacing investments in the core lineup. The Plan Sponsor will not have responsibility to communicate instructions to any third-party, custodian and/or third-party administrator.

The data used to determine the investment options is based on estimated, forward-looking performance of various asset classes and subclasses to create our forward-looking capital markets assumptions (e.g., expected return, expected standard deviation, correlation, etc.). Past performance and the return estimates of the asset classes and the indexes that correspond to these asset classes are not representative of actual future performance. Actual results could differ, based on various factors including the expenses associated with the management of the portfolio, the portfolio's securities versus the securities comprising the various indexes and general market conditions. Before a specific investment is selected, other factors such as economic trends, which can influence the choice of investments and risk tolerance, should be considered. The Adviser has the responsibility and authority to determine the investment line up including evaluating investment managers and mutual fund companies, individual mutual funds, and money market funds which will be retained or replaced.

The Adviser will also monitor the current managed investment line up including the investment's performance compared to an applicable benchmark. If the Adviser determines that a fund no longer meets the criteria, they will select alternatives and replace them.

Estate Planning through *EncorEstate Plans*

Clients of Victory Financial Group will have access to the financial planning platform offered by *EncorEstate Plans* (hereinafter “Encore”). These services and related fees are separate from, and in addition to the services and fees offered by Victory Financial Group. Clients shall have the opportunity to purchase these services through Victory Financial Group for a separate fee, which will be added to your existing advisory fees charged by Victory Financial Group. Victory Financial Group does not receive a portion of this fee, and it is paid directly to Encore for their financial planning services. The scope and the nature of these services shall be detailed in your agreement with Encore.

Using information we gather from you, we evaluate your financial situation, investment objectives, financial goals, tolerance for risk, and investment time horizon. This information helps us determine whether your participation in Encore is appropriate for you, and if so, recommend the use of their services. In providing such services, neither Encore nor Victory Financial Group shall provide legal advice.

Please note that if we engage a third-party to provide financial planning services, the third-party will obtain access to your confidential information from us and/or from the custodian of your brokerage account. As stated in our Privacy Policy, we are authorized to share your personal information with third parties as necessary to service your account.

Item 5 – Fees and Compensation

VFG offers services on a fee basis, which includes fees based upon assets under management or advisement. Additionally, certain of the Firm’s Supervised Persons, in their individual capacities, offer insurance products under a separate commission-based arrangement.

Investment Management or Wealth Management Fees

VFG offers investment management and wealth management services for an annual fee based on the amount of assets under the Firm’s management. This fee varies between 50 and 150 basis points (0.50% – 1.50%), depending upon the size and composition of a client’s portfolio, the type and amount of services rendered. In addition, the Firm’s investment adviser representatives (“IAR”) determine the fee charged to the client, so clients can pay a higher fee than another IAR would charge under similar circumstances. If a Third-Part Independent Manager is engaged for the management of your assets, this fee shall be inclusive of any Third-Party Independent Management Fees described below.

The annual fee is prorated and charged monthly or quarterly, in advance or arrears, or as otherwise indicated in your advisory agreement, based upon the market value of the assets being managed by VFG on the last day of the previous billing period as determined by a party independent from the Firm (including the client’s custodian or another third-party). Fee billing frequency and calculation method

may vary depending on the third-party manager(s) used in servicing your account(s). In no event shall we charge \$1,200 or more 6 months or more in advance of services rendered.

The Firm includes cash in a clients account in determining the valuation for billing purposes. The Firm may, in its sole discretion, not include cash in determining the fee, especially where a client has a high percentage of cash for reasons other than the Firm's investment management decision.

If assets are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is not adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a pro rata basis. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

Additionally, for asset management services the Firm provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), VFG can negotiate a fee rate that differs from the range set forth above. Clients are advised that a conflict of interest exists for the Firm to recommend that clients engage VFG for additional services for compensation, including rolling over retirement accounts or moving other assets to the Firm's management. Clients retain absolute discretion over all decisions regarding engaging the Firm and are under no obligation to act upon any of the recommendations.

Third-Party Management Fees

If we engage a third-party independent manager to manage all or a portion of your assets, they receive an annual Program Fee that is detailed in the disclosure material of the third-party manager. This fee is included in our total investment management fee described above, and your combined fee for the third-party manager and victory shall not exceed 2%. This means the Asset Management Fee received by Victory Financial may be less than it would otherwise be without Third-Party Management Fees.

This fee structure creates an inherent conflict of interest, as Victory Financial Group is less incentivized to recommend or place a client within these services if the fee that we receive is reduced by the compensation received by third-parties for asset Management. However, our Code of Ethics requires our Investment Adviser Representatives to do what is in the client's best interests at all times. Kyle Wardlaw monitors all transactions to ensure that we put the needs of our clients first, not the additional compensation they may negotiate.

Held-Away Participant Management Fees

Clients for whom we manage held-away assets through our third-party platform shall be charged a higher rate than they may otherwise be able to negotiate due to the platform fee paid to the third-party Platform provider. This platform fee shall be up to 0.30%, and it shall be separate from, and in addition to, your investment management or wealth management fee detailed above. This means a client at the maximum rate specified above who is advised through the third-party platform shall pay a total asset management fee of 1.80% for asset management.

Financial Planning and Consulting Fees

We provide comprehensive financial planning services for a negotiable fixed fee ranging between \$500 and \$50,000 per plan, based upon the nature and complexity of the client's circumstances as well as the services requested. For clients of *All In Planning*, Victory Financial Group offers a rate of up to \$10,000. Please see Item 10 for details regarding our relationship with *All In Planning*. The Financial Planning Agreement will show the fee you will pay. A deposit of 50% of the fee is due at the time the agreement is signed. The remainder of the fee is due upon presentation of an investment plan or the rendering of consulting services.

Recurring Quarterly Fees for ongoing financial consulting, if selected, shall be specified in your agreement. Recurring Quarterly Fees shall be negotiable up to a maximum rate of \$5,000 per quarter, which shall be paid in advance. Payment is due within fifteen (15) days of the start of the quarter. Recurring Quarterly Fees shall automatically renew until terminated by either party.

Clients shall have the opportunity to purchase *Encore* Platform services through Victory Financial Group for a separate fee as indicated in your agreement with them. This fee will be added to your existing advisory fees charged by Victory Financial Group, which shall be a maximum of \$1,200 for a one-time consulting fee. Victory Financial Group does not receive a portion of the additional platform fee paid to *Encore*, and it is paid directly to *Encore* for their financial planning services. The scope and the nature of these services shall be detailed in your agreement with *Encore*.

We attempt to present completed plans to the client within six months of the contract date, provided that all information needed to prepare the investment plan has been promptly provided to us.

If the plan is implemented through us, we will receive the above asset management fees will apply. This compensation would be separate from, and in addition to, the financial planning fee you pay. The fees and expenses you pay for the purchase of these products may be more or less than the expenses you would pay should you decide to implement our recommendations through another investment advisory firm or broker-dealer and are typically determined by the broker-dealer or investment company sponsoring the product. Therefore, a conflict of interest may exist between our interests and your interests since we may recommend products that pay us compensation. We may have an incentive to recommend particular products based upon the potential compensation rather than your needs. This potential conflict is addressed in our Code of Ethics.

Based upon your needs, we also provide consultations throughout the year to advise and counsel you about other financial issues. We can help you with transition planning, major transaction analysis, coordinated with cash flow needs, retirement needs, estate planning needs, income tax planning, life and disability insurance needs, investment needs, and college education planning.

Fee Discretion

VFG may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be

managed, related accounts, account composition, pre-existing/legacy client relationship, account retention, pro bono activities, or competitive purposes.

Direct Fee Debit

Clients provide VFG and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to VFG.

Use of Margin

VFG can recommend that certain clients utilize margin in the client's investment portfolio or other borrowing. VFG only recommends such borrowing for non-investment needs, such as bridge loans and other financing needs. The Firm's fees are determined based upon the value of the assets being managed gross of any margin or borrowing.

Account Additions and Withdrawals

Clients can make additions to and withdrawals from their account at any time, subject to VFG's right to terminate an account. Additions can be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients can withdraw account assets on notice to VFG, subject to the usual and customary securities settlement procedures. However, the Firm designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. VFG may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

Model Portfolios

1. Aggressive

- **Risk Profile:** High risk, with a focus on maximizing returns. The portfolio is primarily invested in equities with a target allocation of 100% equity holdings subject to changes based on market conditions.
- **Advisor Profile:** An advisor working with clients who have a long-term investment horizon (10+ years), a high risk tolerance, and the ability to withstand short-term market fluctuations. Suitable for investors with a strong appetite for risk and who are looking to potentially earn above-market returns.

2. Moderate Growth

- **Risk Profile:** High to moderate risk, balancing between aggressive growth and some defensive assets. The portfolio will typically hold a mix of equities and fixed-income securities at a ratio circulating around 80-20 plus or minus 8% pending market conditions. The equity allocation is still significant, but there is a greater emphasis on diversified, higher-quality stocks and some bonds or real estate investments.
 - **Advisor Profile:** An advisor working with clients who have a medium-to-long-term horizon (5-10 years), moderate risk tolerance, and are comfortable with some market volatility. This portfolio is suitable for investors seeking growth, but with a bit more caution and a diversified approach.
-

3. Moderate

- **Risk Profile:** Balanced risk, typically with a 60/40 equity to bond ratio, plus or minus 8% depending on market conditions. This portfolio seeks a middle ground between growth and capital preservation, focusing on a diversified mix of stocks, bonds, and possibly some alternative investments.
 - **Advisor Profile:** An advisor working with clients who have a moderate risk tolerance and a medium-term horizon (3-7 years). These investors seek to grow their assets while avoiding large swings in value. Ideal for those nearing retirement or those who want stability with some growth potential.
-

4. Conservative Growth

- **Risk Profile:** Low to moderate risk, focusing on capital appreciation with less volatility than the more aggressive models. The portfolio typically includes a larger portion of fixed-income securities (bonds, CDs) along with a selective mix of equities for growth potential. The equity to fixed income mix will typically target 50-50 plus or minus 8% depending on market conditions.
 - **Advisor Profile:** An advisor working with clients who have a low-to-moderate risk tolerance, typically those who are either nearing retirement or prefer stability but still seek some growth. Ideal for investors who want to generate income while preserving capital, with limited exposure to market volatility.
-

5. Conservative

- **Risk Profile:** Low risk, primarily invested in fixed-income assets such as bonds, Treasury securities, and cash equivalents. The equity allocation is minimal, and there is an emphasis on capital preservation and steady income. The equity to fixed income mix will typically target 25-75 plus or minus 8% depending on market conditions.
 - **Advisor Profile:** An advisor working with clients who have a low risk tolerance, such as retirees or those approaching retirement. These investors seek stability and a reliable income stream, with a focus on protecting principal rather than seeking significant growth.
-

6. Capital Preservation

- **Risk Profile:** Very low risk, aiming primarily to protect the principal while generating modest returns. The portfolio is typically made up of cash, money market funds, and short-term, high-quality bonds or Treasury securities. The primary goal is to avoid loss of principal rather than pursuing growth.

Advisor Profile: An advisor working with clients who are risk-averse, such as those in retirement or with a very short investment horizon. These clients prioritize security and liquidity, and their primary concern is avoiding any potential losses. This model is often used for individuals who need to ensure that their assets remain intact for specific future needs (e.g., healthcare, emergencies).

Commissions and Sales Charges for Recommendations of Securities

Clients can engage certain persons associated with VFG (but not the Firm directly) to render securities brokerage services under a separate commission-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with VFG.

Under this arrangement, the Firm's Supervised Persons, in their individual capacities as registered representatives of Purshe Kaplan Sterling Investments, Inc. ("PKS"), can provide securities brokerage services and implement securities transactions under a separate commission based arrangement. Supervised Persons are entitled to a portion of the brokerage commissions paid to PKS, as well as a share of any ongoing distribution or service (trail) fees from the sale of mutual funds. VFG can also recommend no-load or load-waived funds, where no sales charges are assessed, but where the Supervised Person receives other forms of compensation. Prior to effecting any transactions, clients are required to enter into a separate account agreement with PKS.

Item 6 – Performance Based Fee and Side by Side Management

We do not charge any performance-based fees. These are fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7 – Types of Client(s)

We provide investment advisory services to individuals, high net worth individuals, trusts, estates, charitable organizations, corporations, and small businesses.

Additionally, the Adviser provides investment advisory services to the following types of clients:

- Tax-qualified retirement plans (both defined benefit and defined contribution) that are intended to receive favorable tax-treatment under section 401(a) or 403(b) of the IRC
- Non-qualified executive deferred compensation plans
- Other types of retirement plan types that are introduced to the Programs.

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

Methods of Analysis

VFG utilizes a combination of fundamental, cyclical and behavioral finance methods of analysis while employing an asset allocation strategy based on a derivative of Modern Portfolio Theory (“MPT”). Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or issuer. For VFG, this process typically involves an analysis of an issuer’s management team, investment strategies, style drift, past performance, reputation and financial strength in relation to the asset class concentrations and risk exposures of the Firm’s model asset allocations. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, evolving market conditions may negatively impact the security.

Cyclical analysis is similar to technical analysis in that it involves the assessment of market conditions at a macro (entire market or economy) or micro (company specific) level, rather than focusing on the overall fundamental analysis of the health of the particular company that VFG is recommending. The risks with cyclical analysis are similar to those of technical analysis.

Behavioral finance analysis involves an examination of conventional economics as well as behavioral and cognitive psychological factors. Behavioral finance methodology seeks to combine a qualitative and quantitative approach to provide explanations for why individuals may, at times, make irrational financial decisions. Where conventional financial theories have failed to explain certain patterns, the behavioral finance methodology investigates the underlying reasons and biases that cause some people to behave against their best interests. The risks relating to behavior finance analysis are that it relies on spotting trends in human behavior that may not predict future trends.

Modern Portfolio Theory (“MPT”) is a mathematical based investment discipline that seeks to quantify expected portfolio returns in relation to corresponding portfolio risk. The basic premise of MPT is that the risk of a particular holding is to be assessed by comparing its price variations against those of the market portfolio. However, MPT disregards certain investment considerations and is based on a series of assumptions that may not necessarily reflect actual market conditions. As such, the factors for which MPT does not account (e.g., tax implications, regulatory constraints and brokerage costs) may negate the upside or add to the actual risk of a particular allocation. Nevertheless, VFG’s investment process is

structured in such a way to integrate those assumptions and real-life considerations for which MPT analytics do not account.

Investment Strategies

VFG offers various advisory services to clients. However, it is important to understand that the Firm enables its financial advisors, which are sometimes referred to as investment adviser representatives (“IARs”), to provide customized advice to their clients. These IARs are permitted great latitude in selecting investments, investment strategies and delivering investment advice to clients, which remains subject to the supervision of the Firm’s compliance department.

VFG’s investment philosophy is centered on the concept of disciplined long-term diversified asset allocation. VFG believes that markets are mostly efficient, therefore, its portfolios are based on Modern Portfolio Theory and are designed to optimize return based on a client’s stated level of risk in alignment with their investment goals. VFG has constructed a group of model portfolios for both qualified and non-qualified assets ranging across various categories of risk from conservative to aggressive. These models contain exposure to several asset classes including, but not limited to, foreign and domestic small/mid/large cap equities, various fixed income investments, specialty sectors, etc.

VFG’s model portfolios contain a mix of both ETFs and mutual funds which are selected based on a number of different filtering criteria. VFG generally believes that the risk contained within an individual stock holding is not worth the tradeoff of adjusted return. Therefore, the Firm’s model portfolios do not contain individual stock positions at this time.

Here are the primary filtering categories for funds selected by the Firm:

Ranking

- Performance vs peers
- Performance vs category
- Risk versus peers
- Risk versus category
- Morningstar rating

- Management
- Manager tenure
- Number of holdings
- Turnover percentage
- Style drift
- Investment strategy/analysis style

Metrics

- Expense ratio
- Dividend yield
- Standard deviation
- Sharpe ratio
- Alpha
- Upside/downside capture

The entirety of the categories listed above do not have to be superior to the ETF counterpart to be chosen. The investment team will have the ultimate decision on whether a mutual fund should be added over an ETF based on their best-efforts analysis.

The model portfolios are built to be used for the benefit of the majority of VFG's clients, but the Firm may also create customized portfolios when necessary. If a client has specialty needs based on their goals and financial situation, the Firm can construct a customized portfolio outside of our typical model.

VFG's Investment Team and the Firm's investment adviser representatives are responsible for the ongoing review and management of these model portfolios and client specific accounts. The Firm's investment adviser representatives will seek to schedule and execute quarterly reviews with each client to update their goals and assure proper investment portfolio alignment.

The Investment Team regularly meets to review current macroeconomic events including, but not limited to, global and domestic GDP numbers, interest rates/Federal Reserve activity, unemployment reports, geopolitical activity, etc. These regular meetings typically include a high-level review of the existing funds in our model portfolio to determine if any changes have been made which would cause the investment to fall outside our evaluation categories. These findings are communicated to the Firm's investment adviser

representatives to inform their client reviews and to assist them in making customized rebalancing recommendations.

VFG believes in a long-term strategic management style with the ability to execute tactical changes based on these macroeconomic observations detailed above. VFG allows for an acceptable range of each asset class to deviate based on market fluctuation or based on a tactical rebalance recommended by the Investment Team throughout the year. This tactical rebalance must assure the overall portfolio remains in line with the long-term goals of the client within the appropriate risk category.

The Investment Team executes a model portfolio deep dive at least semi-annually. This deep dive will include a complete in-depth analysis of each fund to make sure the appropriate percent allocation is assigned as well as if the fund needs to be completely replaced.

Ultimately, it is VFG's belief that some of the greatest value the Firm can offer investors is acting as their empathetic behavior coach. The Firm will seek to help clients avoid emotional decisions to rebalance large percentages of their portfolio's based on temporary market declines which would expose them to the risk of being in a portfolio that doesn't match up with their long-term investment goals.

Structured Notes

Structured Notes are hybrid securities issued as debt instruments, designed to be held until their maturity, selling the note back to the issuer may result in loss relative to your principal. While a summary of some, but not all, risks related to structured notes generally are provided below, you should review each notes offering documents for a detailed explanation of the potential risks.

Risks related to structured notes

Maximum return features

A structured product may contain a feature that caps the return that you can receive at maturity. If the return of the underlying asset at maturity exceeds the maximum return of the structured product, the investment may underperform a direct investment in the underlying asset. Before investing in a structured product with a maximum return, you should consider this risk of underperformance.

Market risk reduction features

A structured product may contain a feature to reduce the downside market exposure to the underlying asset. Because the returns on structured products are tied to the performance of the underlying asset, the principal amount of some structured products may be exposed to downside market risk. In this respect, structured products may differ from ordinary fixed-income debt instruments. In order to reduce

this downside market exposure, structured products may include features that provide for the issuer to pay you back, at maturity, some or all of your principal even if the underlying asset declines in value.

In addition, any market risk reduction feature only applies at maturity. If you are able to sell your structured product in the secondary market prior to maturity, you may have to sell it at a loss relative to your initial investment, even if your investment would not have resulted in a loss at maturity.

A structured product with more favorable terms than an otherwise comparable structured product, such as a relatively greater market risk reduction feature, does not necessarily indicate that the structured product with more favorable terms is less risky or that it has a greater likelihood of a return of principal at maturity.

Please note that certain structured products may not have a market risk reduction feature, in which case your principal is exposed to any decline in the value of the underlying asset. As previously noted, before investing in a structured product, you should carefully consider and understand the level of downside market exposure, if any, as well as the credit quality of the issuer.

Call Features

A structured product may contain a call feature that can result in the investment being redeemed earlier than the stated maturity date. Different types of call features may be exercised at the sole discretion of the issuer (issuer callable) or may be exercised automatically (autocallable) if a specified, predetermined condition occurs.

If a structured product is called prior to maturity, the payment you receive will depend upon the stated terms of the investment. If a structured product is called, you may not be able to reinvest the proceeds of the investment in a similar investment with similar risk and return characteristics. You should carefully evaluate this reinvestment risk before you make an investment in a structured product with a call feature.

A structured product that is issuer-callable is more likely to be called at a time when the expected amount payable on the investment at maturity and/or at time of call is greater than the amount payable on a comparable instrument at that time.

A structured product with an auto-call feature is typically called if, on specified observation dates, the underlying asset is the same price as or has appreciated from its trade date closing price. For these types of autocallable investments, the longer they remain outstanding, the less likely it is that they will be automatically called. This is because if the investment is still outstanding, the underlying asset was below its trade date price as of the last observation date and there would be less time remaining to maturity for the underlying asset to recover to or above its trade date price.

Income Features

A structured product may pay fixed, contingent or variable interest, or may not pay any interest at all over its term.

If a structured product has a lower stated interest rate than that of a traditional fixed-rate bond, it is generally because that interest rate supplements a potential market-linked payment at maturity. If the

structured product has a higher stated interest rate than that of a traditional fixed-rate bond, the investment will usually have some downside market exposure and/or the payment of interest may depend on a specified market condition.

If a structured product pays contingent or variable interest, you may not receive any interest over the term of the investment.

In general, the higher the interest rate for a structured product as compared to the yield payable on the issuer's traditional fixed-rate bond with a similar maturity, the greater the risk of missing any contingent or variable-rate interest payments that may apply, of receiving no market-linked return at maturity and/or of incurring a loss at maturity, depending on the terms of the investment.

Before investing in a structured product, you should fully understand whether or not the investment pays interest over its term and, if there are interest payments, how the interest is calculated and under what circumstances it accrues and is paid.

Other Features

A structured product may contain a number of other features that can affect the return potential at maturity. Before investing in a structured product, you need to fully understand all of the features applicable to the investment and consider any risks associated with such features. For more information, please review the specific offering documents for a description of any maximum return, market risk reduction, call or other features as well as a description of any potential interest payments.

Lack of Liquidity

Structured products are generally not designed to be actively traded. You should be prepared to hold your structured products to maturity. Unless the relevant offering documents specifically state otherwise, structured products are not listed on any exchange—meaning they are not readily tradable. Typically, if there is any liquidity available for a structured product, it is provided by the issuer of the investment as a service to investors. The issuer is not, however, obligated to provide a liquid secondary market, and you may not be able to sell your investment. If an issuer is making a secondary market for its structured product, it may charge a fee for doing so.

Early Termination

In addition to any call feature, a structured product may also contain other provisions described in the offering documents that allow the issuer to terminate the investment early under specified circumstances. The payout upon such an early termination event may be lower than the payout at maturity would have been.

Risk of Loss

We cannot guarantee our analysis methods will yield a return. In fact, a loss of principal is always a risk. Investing in securities involves a risk of loss that you should be prepared to bear. You need to understand that investment decisions made for your account by us are subject to various market, currency, economic, political and business risks. The investment decisions we make for you will not always be profitable nor

can we guarantee any level of performance. Clients should consult with their legal, tax, and other advisors before engaging the Firm to provide investment management services on their behalf.

Market Risks

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of VFG's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. In addition, investments may be adversely affected by financial markets and economic conditions throughout the world. There can be no assurance that VFG will be able to predict these price movements accurately or capitalize on any such assumptions.

Volatility Risks

The prices and values of investments can be highly volatile, and are influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, the financial condition of the issuers of such assets, changing supply and demand relationships, and programs and policies of governments.

Equity-Related Securities and Instruments

The Firm may take long positions in common stocks of U.S. and non-U.S. issuers traded on national securities exchanges and over-the-counter markets. The value of equity securities varies in response to many factors. These factors include, without limitation, factors specific to an issuer and factors specific to the industry in which the issuer participates. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments, and the stock prices of such companies may suffer a decline in response. In addition, equity securities are subject to stock risk, which is the risk that stock prices historically rise and fall in periodic cycles. U.S. and non-U.S. stock markets have experienced periods of substantial price volatility in the past and may do so again in the future. In addition, investments in small-capitalization, midcapitalization and financially distressed companies may be subject to more abrupt or erratic price movements and may lack sufficient market liquidity, and these issuers often face greater business risks.

Currency Risks

An advisory account that holds investments denominated in currencies other than the currency in which the advisory account is denominated may be adversely affected by the volatility of currency exchange rates.

Fixed Income Securities

While the Firm emphasizes risk-averse management and capital preservation in its fixed-income bond portfolios, clients who invest in this product can lose money, including losing a portion of their original investment. The prices of the securities in our portfolios fluctuate. The Firm does not guarantee any particular level of performance. Below is a representative list of the types of risks clients should consider before investing in this product.

- Interest rate risk. Prices of bonds tend to move in the opposite direction to interest rate changes. Typically, a rise in interest rates will negatively affect bond prices. The longer the duration and average maturity of a portfolio, the greater the likely reaction to interest rate moves.
- Credit (or default) risk. A bond's price will generally fall if the issuer fails to make a scheduled interest or principal payment, if the credit rating of the security is downgraded, or if the perceived creditworthiness of the issuer deteriorates.
- Liquidity risk. Sectors of the bond market can experience a sudden downturn in trading activity. When there is little or no trading activity in a security, it can be difficult to sell the security at or near its perceived value. In such a market, bond prices may fall.
- Call risk. Some bonds give the issuer the option to call or redeem the bond before the maturity date. If an issuer calls a bond when interest rates are declining, the proceeds may have to be reinvested at a lower yield. During periods of market illiquidity or rising rates, prices of callable securities may be subject to increased volatility.
- Prepayment risk. When interest rates fall, the principal of mortgage-backed securities may be prepaid. These prepayments can reduce the portfolio's yield because proceeds may have to be reinvested at a lower yield.
- Extension risk. When interest rates rise or there is a lack of refinancing opportunities, prepayments of mortgage-backed securities or callable bonds may be less than expected. This would lengthen the portfolio's duration and average maturity and increase its sensitivity to rising rates and its potential for price declines

Mutual Funds and ETFs

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for index-based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There

is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Finally, some mutual funds and ETFs may have lock-up periods that restrict an investor from selling their position for a period of time. Other mutual funds and ETFs could also have early redemption fees that are taken if the investor sells their position before a certain amount of time.

Use of Independent Managers

As stated above, VFG selects certain Independent Managers to manage a portion of its clients' assets. In these situations, VFG continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, VFG does not have the ability to supervise the Independent Managers on a day-to-day basis.

Options

Options allow investors to buy or sell a security at a contracted "strike" price at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (i.e., limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

Management through Similarly Managed "Model" Accounts

VFG manages certain accounts through the use of similarly managed "model" portfolios, whereby the Firm allocates all or a portion of its clients' assets among various mutual funds and/or securities on a discretionary basis using one or more of its proprietary investment strategies. In managing assets through the use of models, the Firm remains in compliance with the safe harbor provisions of Rule 3a-4 of the Investment Company Act of 1940.

The strategy used to manage a model portfolio may involve an above average portfolio turnover that could negatively impact clients' net after tax gains. While the Firm seeks to ensure that clients' assets are managed in a manner consistent with their individual financial situations and investment objectives, securities transactions effected pursuant to a model investment strategy are usually done without regard to a client's individual tax ramifications. Clients should contact the Firm if they experience a change in their financial situation or if they want to impose reasonable restrictions on the management of their accounts.

Model Portfolios

VFG manages certain accounts through the use of similarly managed “model” portfolios, whereby the

1. Aggressive

- **Risk Profile:** High risk, with a focus on maximizing returns. The portfolio is primarily invested in equities with a target allocation of 100% equity holdings subject to changes based on market conditions.
 - **Advisor Profile:** An advisor working with clients who have a long-term investment horizon (10+ years), a high risk tolerance, and the ability to withstand short-term market fluctuations. Suitable for investors with a strong appetite for risk and who are looking to potentially earn above-market returns.
-

2. Moderate Growth

- **Risk Profile:** High to moderate risk, balancing between aggressive growth and some defensive assets. The portfolio will typically hold a mix of equities and fixed-income securities at a ratio circulating around 80-20 plus or minus 8% pending market conditions. The equity allocation is still significant, but there is a greater emphasis on diversified, higher-quality stocks and some bonds or real estate investments.
 - **Advisor Profile:** An advisor working with clients who have a medium-to-long-term horizon (5-10 years), moderate risk tolerance, and are comfortable with some market volatility. This portfolio is suitable for investors seeking growth, but with a bit more caution and a diversified approach.
-

3. Moderate

- **Risk Profile:** Balanced risk, typically with a 60/40 equity to bond ratio, plus or minus 8% depending on market conditions. This portfolio seeks a middle ground between growth and capital preservation, focusing on a diversified mix of stocks, bonds, and possibly some alternative investments.
 - **Advisor Profile:** An advisor working with clients who have a moderate risk tolerance and a medium-term horizon (3-7 years). These investors seek to grow their assets while avoiding large swings in value. Ideal for those nearing retirement or those who want stability with some growth potential.
-

4. Conservative Growth

- **Risk Profile:** Low to moderate risk, focusing on capital appreciation with less volatility than the more aggressive models. The portfolio typically includes a larger portion of fixed-income securities (bonds, CDs) along with a selective mix of equities for growth potential. The equity to fixed income mix will typically target 50-50 plus or minus 8% depending on market conditions.

- **Advisor Profile:** An advisor working with clients who have a low-to-moderate risk tolerance, typically those who are either nearing retirement or prefer stability but still seek some growth. Ideal for investors who want to generate income while preserving capital, with limited exposure to market volatility.
-

5. Conservative

- **Risk Profile:** Low risk, primarily invested in fixed-income assets such as bonds, Treasury securities, and cash equivalents. The equity allocation is minimal, and there is an emphasis on capital preservation and steady income. The equity to fixed income mix will typically target 25-75 plus or minus 8% depending on market conditions.
 - **Advisor Profile:** An advisor working with clients who have a low risk tolerance, such as retirees or those approaching retirement. These investors seek stability and a reliable income stream, with a focus on protecting principal rather than seeking significant growth.
-

6. Capital Preservation

- **Risk Profile:** Very low risk, aiming primarily to protect the principal while generating modest returns. The portfolio is typically made up of cash, money market funds, and short-term, high-quality bonds or Treasury securities. The primary goal is to avoid loss of principal rather than pursuing growth.
- **Advisor Profile:** An advisor working with clients who are risk-averse, such as those in retirement or with a very short investment horizon. These clients prioritize security and liquidity, and their primary concern is avoiding any potential losses. This model is often used for individuals who need to ensure that their assets remain intact for specific future needs (e.g., healthcare, emergencies).

Use of Margin

While the use of margin borrowing for investments can substantially improve returns, it may also increase overall portfolio risk. Margin transactions are generally affected using capital borrowed from a Financial Institution, which is secured by a client's holdings. Under certain circumstances, a lending Financial Institution may demand an increase in the underlying collateral. If the client is unable to provide the additional collateral, the Financial Institution may liquidate account assets to satisfy the client's outstanding obligations, which could have extremely adverse consequences. In addition, fluctuations in the amount of a client's borrowings and the corresponding interest rates may have a significant effect on the profitability and stability of a client's portfolio.

Currency Risks

An advisory account that holds investments denominated in currencies other than the currency in which the advisory account is denominated may be adversely affected by the volatility of currency exchange rates.

Interest Rate Risks

Interest rates may fluctuate significantly, causing price volatility with respect to securities or instruments held by clients.

Item 9 – Disciplinary Information

Registered Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. Some of our advisers have disclosable disciplinary history. It is important to review your Adviser's ADV Part 2B for details regarding material disciplinary actions. In addition, you may review <https://brokercheck.finra.org> for additional information.

The following is a material disclosure regarding Jeffrey W. Davidson: Without admitting or denying the findings, Davidson consented to the sanctions and to the entry of findings that he participated in a private offering of securities that raised \$10.21 million for a company that he founded and co-owned without providing prior written notice to his member firm or receiving written approval from it. The findings stated that Davidson disclosed his ownership interest in the company to the firm as an OBA, which the firm approved. However, the company engaged in a private offering of ownership units, which were securities sold pursuant to Regulation D of the Securities Act of 1933. In connection with the offering, Davidson hired a placement agent, approved a private placement memorandum for distribution to prospective investors, presented a business plan to prospective investors, and negotiated the terms of the transaction with investors. Some of the investors, including two of Davidson's customers at the firm, invested in the company through a limited partnership. Although Davidson did not earn any commissions in connection with the offering, Davidson and his co-owner received approximately \$2.4 million by selling a portion of their ownership interest in the company. Pursuant to an Acceptance, Waiver & Consent, Mr. Davidson was suspended by FINRA for a period of 21 months.

Item 10 – Other Financial Industry Activities and Affiliations

This item requires investment advisers to disclose certain financial industry activities and affiliations.

Other Financial Industry Affiliations

The Firm's owner, Jeffrey Davidson also has a controlling interest in Camp Gladiator, LLC, a private company which is seeking investors. There would be a clear conflict of interest should the Firm or Mr. Davidson recommend an investment in Camp Gladiator to the Firm's clients. Therefore, neither Jeffrey Davidson nor VFG shall not make recommendations or provide any advice regarding Camp Gladiator securities offerings. There are numerous risks and conflicts of interest associated with investment in Camp Gladiator, so it is imperative that investors carefully read and understand any private placement memorandum and any other offering documents associated with an investment.

Registered Representatives of a Broker-Dealer

Certain of the Firm's Supervised Persons are registered representatives are also Registered Representatives of Purshe Kaplan Sterling Investments, Inc. ("PKS"), a FINRA-registered broker-dealer, provide clients with securities brokerage services under a separate commission-based arrangement. Therefore, they have the ability to recommend securities products that will pay them a commission through their broker-dealer relationship. When such recommendations or sales are made, a conflict of interest exists as the registered representatives may receive more commissions from the sale of these products than from providing you with advisory services. We require that all Investment Adviser Representatives disclose this conflict of interest if and when such recommendations are made. We also require Investment Adviser Representatives to disclose to clients that they may purchase recommended products from other representatives not affiliated with us. Our Code of Ethics requires our Investment Adviser Representatives to do what is in the client's best interests at all times. Kyle Wardlaw monitors all transactions to ensure that we put the needs of our clients first, not the commission he may receive. The broker-dealer also monitors all transactions to make certain they are suitable for the client.

Licensed Insurance Agents

A number of the Firm's Supervised Persons are licensed insurance agents with Victory Insurance Services, LLC and offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that VFG recommends the purchase of insurance products where its Supervised Persons are entitled to insurance commissions or other additional compensation. The potential for additional compensation may affect their judgement when making recommendations. However, the Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations. In addition, clients are notified that they are not required to purchase recommended insurance products from affiliates of the adviser.

All In Planning

Several of the Firm's Supervised Persons are affiliates of *All In Planning* ("AIP"). AIP is a team of professionals, or Planners, from different industries who collaborate with each other via the *All In Planning* Platform in order to provide more wholistic advice to households. AIP is a tech platform and provides no investment-related, tax, or legal advice. Some of these "All In Planners" are employees of, or are otherwise affiliated with, VFG and Victory Insurance. In addition, VFG offers a "discounted rate" of up to \$10,000 to clients of AIP. .

Employees and other affiliated persons of VFG will receive additional compensation from their affiliation with AIP. Therefore, a conflict of interest exists to the extent that VFG or any supervised person thereof recommends the purchase of products or services of AIP or any affiliate thereof, as some of our Supervised Persons are entitled additional compensation from AIP. The potential for additional compensation may affect their judgement when making recommendations regarding the use of AIP or any entity affiliated with AIP. However, the Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations. In addition, clients are notified that they are not required to purchase recommended services from AIP or any affiliate thereof.

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

General Information

We have adopted a Code of Ethics for all IAR's of the firm describing its high standards of business conduct, and fiduciary duty to you, our client. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All of our IAR's must acknowledge the terms of the Code of Ethics annually, or as amended.

Participation or Interest in Client Accounts

Our Compliance policies and procedures prohibit anyone associated with Victory from having an interest in a client account or participating in the profits of a client's account without the approval of the CCO.

The following acts are prohibited:

- Employing any device, scheme or artifice to defraud
- Making any untrue statement of a material fact
- Omitting to state a material fact necessary in order to make a statement, in light of the circumstances under which it is made, not misleading
- Engaging in any fraudulent or deceitful act, practice or course of business
- Engaging in any manipulative practices

Clients and prospective clients may request a copy of the firm's Code of Ethics by contacting the CCO.

Personal Trading

When appropriate, certain affiliated accounts will trade in the same securities with your accounts on an aggregated basis when consistent with our obligation of best execution. When trades are aggregated, all

parties will share the costs in proportion to their investment. We will retain records of the trade Order (specifying each participating account) and its allocation. Completed Orders will be allocated as specified in the initial trade order. Partially filled Orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

Victory has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of "Access Persons". The policy requires that an Access Person of the firm provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date the Adviser selects; provided, however that at any time that the Adviser has only one Access Person, he or she shall not be required to submit any securities report described above.

We have established the following restrictions in order to ensure our fiduciary responsibilities regarding insider trading are met:

- No securities for our personal portfolio(s) shall be bought or sold where this decision is substantially derived, in whole or in part, from the role of IARs of Victory, unless the information is also available to the investing public on reasonable inquiry. In no case, shall we put our own interests ahead of yours.

Privacy Statement

We are committed to safeguarding your confidential information and hold all personal information provided to us in the strictest confidence. These records include all personal information that we collect from you or receive from other firms in connection with any of the financial services they provide. We also require other firms with whom we deal with to restrict the use of your information. Our Privacy Policy is available upon request.

Conflicts of Interest

When appropriate, Victory's IARs employ the same strategy for their personal investment accounts as it does for its clients. However, IARs are restricted from placing their orders in a way to benefit from the purchase or sale of a security.

We act in a fiduciary capacity. If a conflict of interest arises between us and you, we shall make every effort to resolve the conflict in your favor. When conflicts of interest may arise in the allocation of investment opportunities among the accounts that we advise, we will seek to allocate investment opportunities according to what we believe is appropriate for each account. We strive to do what is equitable and in the best interests of all the accounts we advise.

Item 12 – Brokerage Practices

Recommendation of Broker-Dealers for Client Transactions

VFG recommends that clients utilize the custody, brokerage and clearing services of Charles Schwab & Co, Inc. through its Schwab Advisor Services division (“Schwab”) for investment management accounts. Alternatively, the client may use Pacific Financial Group, American Funds, and Purshe Kaplan Sterling Investments as their Custodian. The final decision to custody assets with Schwab or another Custodian of their choosing is at the discretion of the client, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA account holder. VFG is independently owned and operated and not affiliated with Schwab. Schwab provides VFG with access to its institutional trading and custody services, which are typically not available to retail investors.

In addition, as detailed in Item 8, Certain of the Firm’s Supervised Persons are registered representatives are also Registered Representatives of Purshe Kaplan Sterling Investments, Inc. (“PKS”), a FINRA-registered broker-dealer, provide clients with securities brokerage services under a separate commission-based arrangement. Therefore, they have the ability to recommend securities products that will pay them a commission through their broker-dealer relationship. When such recommendations or sales are made, a conflict of interest exists as the registered representatives may receive more commissions from the sale of these products than from providing you with advisory services. We require that all Investment Adviser Representatives disclose this conflict of interest if and when such recommendations are made. We also require Investment Adviser Representatives to disclose to clients that they may purchase recommended products from other representatives not affiliated with us. Our Code of Ethics requires our Investment Adviser Representatives to do what is in the client’s best interests at all times. Kyle Wardlaw monitors all transactions to ensure that we put the needs of our clients first, not the commission he may receive. The broker-dealer also monitors all transactions to make certain they are suitable for the client.

Factors which VFG considers in recommending Schwab or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Schwab enables the Firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Schwab may be higher or lower than those charged by other Financial Institutions.

The commissions paid by VFG’s clients to Schwab comply with the Firm’s duty to obtain “best execution.” Clients may pay commissions that are higher than another qualified Financial Institution might charge to affect the same transaction where VFG determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution’s services, including among others, the value of research provided, execution capability, commission rates and responsiveness. VFG seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Consistent with obtaining best execution, the Firm recommends Schwab and can receive investment research products and/or services which assist VFG in its investment decision-making process. The receipt of investment research products and/or services poses a conflict of interest because VFG does not have to produce or pay for the products or services. VFG periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

Software and Support Provided by Financial Institutions

VFG receives without cost from Schwab administrative support, computer software, related systems support, as well as other third-party support as further described below (together "Support") which allow VFG to better monitor client accounts maintained at Schwab and otherwise conduct its business. VFG receives the Support without cost because the Firm renders investment management services to clients that maintain assets at Schwab. Support is not provided in connection with securities transactions of clients (i.e., not "soft dollars"). The Support benefits VFG, but not its clients directly. Clients should be aware that VFG's receipt of economic benefits such as the Support from a broker-dealer creates a conflict of interest since these benefits will influence the Firm's choice of broker-dealer over another that does not furnish similar software, systems support or services, especially because the support is contingent upon clients placing a certain level(s) of assets at Schwab. In fulfilling its duties to its clients, VFG endeavors at all times to put the interests of its clients first and has determined that the recommendation of Schwab is in the best interest of clients and satisfies the Firm's duty to seek best execution.

Specifically, VFG receives the following benefits from Schwab: i) receipt of duplicate client confirmations and bundled duplicate statements; ii) access to a trading desk that exclusively services its institutional traders; iii) access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and iv) access to an electronic communication network for client order entry and account information.

In addition, the Firm receives funds to be used toward qualifying third-party service providers for research, marketing, compliance, technology and software platforms and services. The initial funds are available regardless of assets held at Schwab. Subsequent funds are available only upon \$35 million, \$70 million and \$105 million in new assets added to Schwab. This results in an incentive for the Firm to reach the agreed upon asset thresholds.

These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a certain amount of the advisor's clients' assets are maintained in accounts at Schwab. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to the Firm other products and services that benefit the Firm but may not benefit its clients' accounts. These benefits may include national, regional or Firm specific educational events organized and/or sponsored by Schwab. Other potential benefits may include occasional business entertainment of personnel of VFG by Schwab personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist VFG in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of the Firm's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of the Firm's accounts, including accounts not maintained at Schwab. Schwab also makes available to VFG other services intended to help the Firm manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to the Firm by independent third parties. Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to the Firm. While, as a fiduciary, VFG endeavors to act in its clients' best interests, the Firm's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefits received and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which creates a potential conflict of interest.

Brokerage for Client Referrals

VFG does not consider, in selecting or recommending broker-dealers, whether the Firm receives client referrals from the Financial Institutions or other third-party.

Directed Brokerage

The client may direct VFG in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution and the Firm will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by VFG (as described above). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, VFG may decline a client's request to direct brokerage if, in the Firm's sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

Commissions or Sales Charges for Recommendations of Securities

As discussed above, certain Supervised Persons in their respective individual capacities are registered representatives of PKS. These Supervised Persons are subject to FINRA Rule 3280 which restricts registered representatives from conducting securities transactions away from their broker-dealer unless the registered representatives give prior notice of such transactions to PKS and, in most circumstances, PKS provides written consent. Therefore, clients are advised that certain Supervised Persons are restricted to conducting securities transactions through PKS if they have not secured written consent from PKS to execute securities transactions through a different broker-dealer. Absent such written consent or separation from PKS, these Supervised Persons are generally prohibited from executing securities transactions through any broker-dealer other than PKS under its internal supervisory policies. The Firm is cognizant of its duty to obtain best execution and has implemented policies and procedures reasonably designed in such pursuit.

Trade Aggregation

Transactions for each client will be effected independently, unless VFG decides to purchase or sell the same securities for several clients at approximately the same time. VFG may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Firm’s clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and allocated among VFG’s clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the Firm determines to aggregate client orders for the purchase or sale of securities, including securities in which VFG’s Supervised Persons may invest, the Firm does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. VFG does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, the Firm may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

ERISA 3(38) and 3(21)

As it relates to ERISA Plan business, the Adviser's model does not involve transactional business and, consequently, the Adviser does not currently engage brokers in any transactional capacity.

Best Execution

The Adviser does not trade in any Plan client accounts.

Trading

The Adviser does not trade in individual Plan participant accounts.

Item 13 – Review of Accounts

Reviews

VFG monitors client portfolios on a continuous and ongoing basis and regular account reviews are conducted on at least an annual basis. Such reviews are conducted by the Firm's investment adviser representatives. The Firm's investment adviser representatives will contact the client and review client financial profile and investment allocations at least annually and document the meeting in CRM. All investment advisory clients are encouraged to discuss their needs, goals and objectives with VFG and to keep the Firm informed of any changes thereto.

Account Statements and Reports

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from VFG or an outside service provider.

Item 14 – Client Referrals and Other Compensation

We do not receive any economic benefit from someone who is not a client for providing investment advice or other advisory services to our clients. However, we currently engage the services of a solicitor(s) and pay compensation to them if they refer clients to us. Prior to paying such referral fees, we will ensure compliance with all local and federal securities regulation prior to paying such compensation.

Other Compensation

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are

described above (see Item 12 – Brokerage Practices). The availability to us of Schwab’s products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

Item 15 – Custody

VFG is deemed to have custody of client funds and securities because the Firm is given the ability to debit client accounts for payment of the Firm’s fees. As such, client funds and securities are maintained at one or more Financial Institutions that serve as the qualified custodian with respect to such assets. Such qualified custodians will send account statements to clients at least once per calendar quarter that typically detail any transactions in such account for the relevant period.

In addition, as discussed in Item 13, VFG will also send, or otherwise make available, periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from VFG. Any other custody disclosures can be found in the Firm’s Form ADV Part 1.

Item 16 – Investment Discretion

We manage assets on a discretionary basis. If you provide discretion authority, which will be evidenced via the written, discretionary agreement between the client and the Adviser, we will have the authority to determine the following without your consent:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

When active asset management services are provided on a discretionary basis the client will enter into a separate custodial agreement with the custodian. The custodian agreement will include a limited power of attorney to trade in the client’s account(s) which authorizes the custodian to take instructions from us regarding all investment decisions for your account.

Qualified Retirement Plan Advisory Services

Our recommendations regarding our 3(21)-qualified retirement plan consulting services are made on a non-discretionary basis. The plan sponsor retains the decision-making authority over the plan. When recommending securities, we observe the investment policies, limitations, and restriction set by the plan

and plan sponsor. Our investment decisions regarding our 3(38)-qualified retirement plan consulting services are made on a discretionary basis.

In performing discretionary management services, the Adviser is acting as an “investment manager” (as that term is defined in Section 3(38) of ERISA) and as a fiduciary to the Plan and shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

Discretion of Third-Party Managers

When we engage Third-Party Managers to provide investment management of all or a portion of your assets, we have the discretion to choose the Investment Strategy. Once the Investment Strategy is selected, the Third-Party Manager has discretionary authority over the management of your account. We no longer have discretion to implement transactions in your account.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, neither we, nor our independent Third-Party Managers, have any authority to and we do not vote proxies on behalf of advisory clients. You retain the responsibility for receiving and voting proxies for any and all securities maintained in your portfolios. We will not provide advice to you regarding your voting of proxies. The custodian will forward you copies of all proxies and shareholder communications relating to your account assets.

Item 18 – Financial Information

We are required to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that would impair our ability to meet any contractual and fiduciary commitments to you, our client. We have not been the subject of any bankruptcy proceedings. In no event shall we charge advisory fees that are both in excess of twelve hundred dollars and more than six months in advance of advisory services rendered.