Item 1 – Cover Page

SECOND 50 FINANCIAL, LLC

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February 21, 2025

This firm brochure ("brochure") provides information about the qualifications and business practices of Second 50 Financial, LLC ("Second 50"). If you have any questions about the contents of this brochure, please contact us at telephone number reflected above. 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.

Please note that the use of the term "registered investment advisor" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this brochure and the brochure supplements ("brochure supplements") for more information on the qualifications of our firm and our associated financial professionals.

Additional information about Second 50 is available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Second 50 is 318626.

Item 2 – Material Changes

The date of our previous annual update to our Brochure was March 15, 2024. Since that date, we have made the following changes:

- The Summary of Investment Risks was updated to include additional information regarding Concentration Risk.

We will update this brochure and disclose in this Item 2 the occurrence of any material changes with respect to our business in accordance with applicable law. All current clients will receive a Summary of Material Changes to this and subsequent brochures within 120 days of the close of our fiscal year and certain additional updates regarding changes with respect to our firm and our business practices as they may occur. Updated information concerning these changes will be provided to you free of charge. A Summary of Material Changes is also included within our brochure found on the SEC's website at www.adviserinfo.sec.gov. You can obtain additional information about our firm by searching for us on the foregoing website by our firm name or by our unique IARD/CRD number (318626).

Our Brochure is provided free of charge and may be requested by contacting us at (424) 260-1551 or lmorig@second50financial.com.

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Item 4 – Advisory Business

A **Our Firm.** Second 50 Financial, LLC ("Second 50") is a California limited liability company founded in 2020 by its principals, Kathleen A. Adams, CFP® and David H. Swift. We are an independent investment advisor firm registered with the SEC. Neither we, nor any of our associated financial professionals, are affiliated with any broker-dealer firm or issuer of securities. We provide tailored investment advice to our clients acting in a fiduciary capacity. Our principal offices are located in Manhattan Beach, California.

The information contained in this brochure describes our investment advisory services, practices, and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our services to the needs of our clients. As used throughout this brochure, the words "Second 50," "firm," "we," "our," and "us" refer to Second 50 Financial, LLC and its associated financial professionals, and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

Prior to forming an investment advisor-client relationship with you, we may offer a complimentary general consultation to discuss the nature of our service offerings and to determine how we might best be able to assist you in achieving your financial goals and objectives. Investment advisory services begin only after the client and Second 50 formalize their relationship by the execution of a written advisory agreement.

B C **Our Services.** We offer a variety of investment advisory services to clients. Our investment advice is always tailored according to each client's unique financial circumstances, objectives, needs, and limitations. A description of our various investment advisory services is as follows:

Portfolio Management Services: When you engage us for these services, we will provide ongoing discretionary management and monitoring of your designated investment accounts in accordance with our understanding of your financial circumstances, investment objectives, and needs. You will be required to deposit your assets in an account (or accounts) held in your name at an independent qualified custodian ("Custodian"), typically a licensed broker-dealer, banking or savings institution, who will execute transactions for your account upon our instruction. To facilitate the delivery of our portfolio management services, we also utilize a turnkey asset management platform. This platform provides us access to a network third-party money managers (each, an "Independent Manager") so that we can utilize additional managers which specialize in certain strategies to meet our clients' individual needs. Further, the platform allows for more efficient management of your account(s), especially when multiple investment strategies are utilized at the same time.

We will *not* be required to obtain your prior approval for each specific investment transaction we direct within your account. This is known as a discretionary account management arrangement. In addition to selecting the specific securities to be bought and sold for your account, our discretionary authority will extend to allow us to select, engage, and disengage Independent Managers on your behalf to assist us in the management of your assets. You may impose reasonable restrictions on our management of your account(s), including instructing us not to purchase certain specific securities, industry sectors, and/or asset classes. Please see Item 16 of this brochure for more information on our investment discretion policy.

We will consult with you at the inception of our relationship and periodically thereafter, as necessary, to gather information regarding your financial circumstances, investment objectives and limitations, tolerance for investment risk, and time horizon for investments. These consultations will typically include discussion of your current and expected income level, tax considerations, current and expected cash flow needs, and the contents of your investment portfolio, among other items. Based on our analysis of the information you provide, we will recommend and implement a portfolio of investments within your account(s) that is intended to align with your investor profile. We will monitor your account(s) on an ongoing basis (including any assets allocated to Independent Managers) and implement changes as needed or appropriate, in consideration of current economic conditions, our market opinions and assumptions, and any material changes in your individual financial circumstances, goals, and needs. It is your ongoing responsibility to advise us promptly during our relationship of any material changes in your financial circumstances which might alter our investment advice to you.

Client portfolios are typically constructed using a diversified mix of some or all of the following investments: individual stocks, corporate and government issued bonds, mutual funds, exchange traded funds ("ETFs"), public and private real estate investment trusts ("REITs"), money market funds, certificates of deposit, cash and cash equivalents. Where appropriate, your portfolio may also include certain privately offered securities, insurance products, and/or other types of investments. At your request, we may further advise you regarding legacy investments held in your account at the inception of our relationship.

As indicated above, the portfolio we design for you may incorporate the use of Independent Managers to provide discretionary management to some or all of your assets via a "Separately Managed Account" ("SMA") arrangement, or, where multiple SMAs are combined into a single account structure, a "Unified Managed Account" ("UMA") arrangement. In certain circumstances, the Independent Managers we select to assist in the management of your account may require you to execute a separate written trading authorization, advisory agreement, platform agreement, and/or other account opening documentation. You will be provided with the Form ADV Part 2A (or equivalent disclosures) for any recommended Independent Manager(s) at or prior to the time they begin to manage your account. We will monitor the performance of your SMAs or UMAs on an ongoing basis, reallocate assets among Independent Managers (or terminate Independent Manager relationships) as necessary, and be responsible as your primary fiduciary advisor to ensure that the investment programs implemented by the Independent Managers remain suitable and well aligned to meet with your unique investment needs and goals.

At your specific request, we may also provide you with advice and recommendations with respect to the investment of certain "held-away" investment accounts (*e.g.,* employer sponsored retirement accounts, qualified tuition plans, variable annuity sub-accounts). For these accounts, we are limited to advising you as to the allocation of your holdings among the various investment options made available by the product sponsor, issuer, or custodian. This advice is complimentary, and except where you explicitly authorize us in writing to implement transactions within such accounts, you will make all final investment decisions and be responsible for the implementation and monitoring of all investments in your held-away accounts.

Financial Planning and Consulting Services: We also offer financial planning and consulting services that may be engaged either on a stand-alone basis or in combination with our portfolio management services. At your option, we will provide you either with annual broad-based financial planning services or limited scope financial consulting advice intended to address discrete topics, transactions, or events. These services may encompass advice regarding, without limitation, some or all of the following financial topics, as necessary to assist you in the management of your overall financial affairs and the achievement of your financial goals:

- cash flow analysis;
- risk management;
- investment analysis and strategies;
- insurance analysis;
- tax & estate planning;
- income and distribution planning;
- charitable gifting strategies; and
- real estate analysis and strategies

Financial Planning and Consulting Services are generally provided under a six (6) month engagement during which we will consult with you at the inception of and as needed throughout our relationship to obtain an understanding of your unique financial circumstances, goals, and key areas of financial concern. We will analyze the information and documents you provide over the course of our consultations and deliver a written financial plan, report, or summary of recommendations designed to assist you in meeting your long-term and short-term financial goals. Assuming you provide all necessary financial information and documentation to us promptly, the written financial plan, report, or summary will typically be delivered to you within six to nine months of the commencement of the engagement. Once the written financial plan, report, or summary is delivered to you, the engagement is deemed concluded and no further review or update of our recommendations is provided. Should you wish to have us review and update the recommendations contained within your written financial plan, report, or summary you will be required to enter into a separate written advisory agreement for such services – additional fees will apply.

Prior to our delivery of the final written financial plan, summary, or report we will provide you with additional written reports summarizing our periodic meetings and the status of certain investments; providing analysis of specific financial concerns addressed during the period; tracking intermittent progress toward your financial goals; and setting out our upcoming objectives. We will also remain reasonably available to you for additional in-person, telephonic/tele-video, and/or e-mail based consultations to provide you with advice regarding routine financial questions and concerns or to further address topics to be covered within your written financial plan (*e.g.,* questions related to retirement planning, education planning, budgeting and cash flow management, insurance planning, etc.).

Our stand-alone financial planning and consulting advice is non-discretionary in nature – you are never obligated to implement any of our recommendations and will make all final investment decisions and determinations regarding the service providers to be utilized for implementation of our advice. Unless we have been separately retained for portfolio management services, you will also be solely responsible for the implementation and monitoring of all investments.

While you are never obligated to utilize Second 50 for any further services, upon request, we may assist you with the implementation of certain financial recommendations - additional fees may apply. Where you choose to engage us for portfolio management services following the completion of a financial planning and consulting engagement, we may elect to reduce or offset all or a portion of the agreed upon financial planning and consulting fees against the advisory fees charged for portfolio management services.

We do not provide legal, accounting, or tax services of any kind. Clients are advised to seek legal, tax, and accounting advice from their independent trusted tax and legal advisors.

D Wrap Fee Programs. We do not currently sponsor, serve as a portfolio manager to, or recommend any wrap fee programs to our clients.

Types of Investments and Strategies Recommended. The types of investments we typically recommend to clients are described above in this Item 4. We may also advise clients on other types of assets not listed above or legacy assets held in their portfolio at the inception of our engagement. Please see Item 8 of this brochure or a description of the investment strategies we typically implement within client accounts.

E Assets Under Management. We have $271,505,294 of discretionary assets under management to report as of 12/31/2024.

Item 5 – Fees and Compensation

A A description of the fees we charge for advisory services is set forth in this Item 5. While we strive to treat all clients in a similar fashion with respect to advisory fees, the specific fees charged to individual clients may be customized based on their unique financial circumstances, complexity of investments and service needs, and other factors. Accordingly, certain clients may pay fees that are higher or lower (or otherwise materially different) than those described in this firm brochure.

Fees for Portfolio Management Services. When you engage us for portfolio management services, you will pay Second 50 a customized annual asset-based advisory fee that is calculated as a percentage of the market value of your account. These fees typically range between 0.50% - 1.00% of the market value of the client's account annually and may be structured either as part of a tiered fee schedule or as a flat fee rate charged across the entire market value of the client's account.

The specific fee rate and fee structure (*e.g.,* either tiered fee schedule of flat rate) applicable to your account will be set forth in a written advisory agreement entered at the inception of our advisory relationship. Fees are payable to us quarterly in advance and are pro-rated for any partial billing periods (based on the number of days in the period during which services are provided) and for any mid-period capital inflows or outflows (based on the date of deposit or withdrawal). The advisory fee for the initial billing period shall be based upon the opening market value of your account as of the date funds are first deposited. Thereafter, such fees shall be based on the market value of your account as of the close of the prior billing period.

For purposes of calculating these fees, we will typically rely upon the market value of your account (including cash balances) as determined by the Custodian of your account. The Custodian may use various pricing services such as Reuters or Standard & Poor's to price securities held in your account. For actively traded securities, these services use the actual last reported sale price. For less actively traded securities such as bonds, these services will use the appropriate valuation methodology to determine the value of the security. In rare instances where a market-based price or other reliable pricing for a holding in your account is unavailable or the market value of an asset is otherwise difficult for us to determine (*e.g.,* certain privately offered securities, thinly traded securities, etc.), alternative valuation procedures may be followed. We will alert you whenever this circumstance may arise and provide disclosure of the applicable valuation procedure. You should contact us with any questions or concerns about the valuation of any investments held in your account.

Clients may make additions or withdrawals from their account at any time; however, clients should note that some or all of the investments in their account may be intended as long-term investments and withdrawals of cash and premature liquidations of securities positions may impair the achievement of your investment objectives.

Fees for Financial Planning and Consulting Services. When you engage us for financial planning and consulting services, you will pay Second 50 a subscription fee that is customized based upon our understanding of your unique financial circumstances and planning needs and our expectation of the time and resources necessary to provide you with the requested services. While most clients will be charged a subscription fee ranging between $7,000 to $10,000 per six month engagement, clients with more complex financial planning needs may pay a subscription fee of up to $20,000 per engagement for these services. The specific subscription fee applicable to your financial planning and consulting services engagement will be set forth in a written financial planning agreement you will be required to enter prior to the commencement of our services. These fees are typically paid to Second 50 in advance, are invoiced to clients in paper or electronic format, and are payable within ten (10) days of receipt. Fees may be paid by check, credit card, or other form of payment approved by Second 50.

B Direct Fee Deduction. Second 50's advisory fees for portfolio management services shall be directly deducted from your account held at the Custodian upon your written approval of such arrangement and our periodic submission to the Custodian of a written request for payment reflecting the amount of advisory fees to be charged to your account. Your authorization for direct fee deduction is set forth in our written advisory agreement and/or the account opening documents with the Custodian. We will liquidate money market shares or use cash balances from your account to pay our advisory fees, however, if money market shares or cash value are not available other investments may be liquidated. Please note that unexpected or premature liquidation of investments to pay our advisory fees may impair the performance of your account. We generally do not offer direct paper or electronic invoicing of these fees.

The Custodian will send an account statement to you monthly, identifying the amount of funds and each security in your account at the end of the period and setting forth all transactions in the account during the period, including the amount of any advisory fees paid directly to Second 50. We encourage you to review the Custodian's account statements carefully upon receipt. If you believe we have miscalculated our advisory fees or if there is any other issue with your account, you should contact us immediately at the phone number listed on the cover page of this brochure.

C Additional Fees and Expenses. Separate and in addition to our advisory fees, you will also pay your proportionate share of all management fees and other fund level costs expenses associated with any mutual funds, ETFs, REITs, and other pooled investment vehicles held in your account. You will also pay all usual and customary transaction-based fees (brokerage fees and commissions), custodial charges, wire transfer fees, and other fees and taxes associated with activity and holdings in your account as agreed to within the account opening agreement of your Custodian.

For client accounts where Independent Managers are utilized, the client share bear the fees of those Independent Managers. Fees charged by any Independent Managers are charged separately and are in addition to advisory fees paid to Second 50. Independent Managers fees are directly deducted from client's investment accounts and typically range from 0% to 0.6% annually.

For client accounts managed via a turn key asset management program or similar investment platform, the client shall also bear any platform fees, administrative fees, or similar charges of the program/platform sponsor. These fees are charged separately by the turnkey asset management platform and are in addition to advisory fees paid to Second 50. The turnkey asset management platform fee is directly deducted from client's investment accounts and is 0.1% annually (reduced when clients exceed $5 million in managed assets).

We do not share in any portion of the foregoing additional fees and expenses. To fully understand the total costs you will incur when engaging our services you should review the disclosure brochure or prospectus of each pooled investment vehicle, turn key asset management program, or Independent Manager investment program in which you participate and the contractual arrangement entered with your Custodian.

D Our Termination Policy. In the event we fail to provide you with a copy of this brochure at least forty-eight (48) hours in advance of entering into an advisory agreement with our firm, you may terminate our services within five (5) business days of entering into the advisory agreement without incurring any fees or costs to Second 50.

Thereafter, either party may terminate our services by providing ten (10) days' advance written notice of termination to the non-terminating party. Asset-based fees for the final billing period of portfolio management services will pro-rated based upon the number of days services were provided in such period. You will bear the costs of all custodial termination and transfer fees, if any, assessed by your Custodian(s) upon termination of our portfolio management services and will become solely and immediately responsible for the management and monitoring of your account upon termination. Subscription fees for the final billing period of financial planning and consulting services will be pro-rated based upon Second 50's binding good faith estimate of the total percentage of work completed at the time of termination. In all cases, any earned by unpaid fees shall be invoiced and shall be due immediately upon termination and any unearned fees paid in advance shall be promptly refunded to you. For financial planning engagements, clients are advised that we consider substantially all of our services to be complete upon our delivery of the written financial plan, report, or checklist to the client.

E Compensation for Sales of Securities. No supervised person of our firm receives or accepts any fees or commissions for the sale of any securities. We act as your fiduciary and will only recommend securities to you which we believe to be in your best interests.

Compensation for Sales of Insurance Products. Certain associated persons of Second 50 are independently licensed to sell insurance in one or more states and may act in their individual capacity as direct agent representatives of a specific insurance company or companies. Insurance related business may be transacted with advisory clients and licensed individuals may receive commissions and fees as a result of the sale of insurance products or services to clients. The fees paid to Second 50 or its associated persons for investment advisory services are separate and distinct from any commissions and fees earned by Second 50's associated persons for selling insurance products or services to clients.

The receipt of insurance related commissions or fees by any of our associated persons presents a conflict of interest. As fiduciaries we must act primarily for the benefit of our investment advisory clients. As such, we will only transact insurance related business with clients when fully disclosed, suitable, and appropriate. Further, we must determine in good faith that any commissions or fees paid to our associated persons are appropriate. Clients are under no obligation to use any of our associated persons for the purchase of any insurance products or services. Clients may use any insurance firm or insurance agent they choose. We encourage you to ask us about the conflicts of interest presented by the insurance licensing of our associated persons.

Disclosure Regarding Rollover Recommendations. As part of our investment advisory services to you, we may recommend that you roll assets from your employer's retirement plan, such as a

401(k), 457, or ERISA 403(b) account (collectively, a "Plan Account"), to an individual retirement account, such as a SIMPLE IRA, SEP IRA, Traditional IRA, or Roth IRA (collectively, an "IRA Account") that we will manage on your behalf. We may also recommend rollovers from IRA Accounts to Plan Accounts, from Plan Accounts to Plan Accounts, and from IRA Accounts to IRA Accounts. When we provide any of the foregoing rollover recommendations we are acting as fiduciaries within the meaning of Title I of the ERISA and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts.

If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset-based fee as set forth in the advisory agreement you executed with our firm. This creates a conflict of interest because it creates a financial incentive for our firm to recommend the rollover to you (*i.e.,* receipt of additional fee-based compensation). You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm. Due to the foregoing conflict of interest, when we make rollover recommendations, we operate under a special rule that requires us to act in your best interests and not put our interests ahead of yours.

Under this special rule's provisions, we must:

- meet a professional standard of care when making investment recommendations (give prudent advice);
- never put our financial interests ahead of yours when making recommendations (give loyal advice);
- avoid misleading statements about conflicts of interest, fees, and investments;
- follow policies and procedures designed to ensure that we give advice that is in your best interests;
- charge no more than a reasonable fee for our services; and
- give you basic information about conflicts of interest.

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

Note that an employee will typically have four options in this situation:

1. leaving the funds in your employer's (former employer's) plan;
2. moving the funds to a new employer's retirement plan;
3. cashing out and taking a taxable distribution from the plan; or
4. rolling the funds into an IRA rollover account.

Each of these options has positives and negatives. Because of that, along with the importance of understanding the differences between these types of accounts, when a rollover recommendation is made we will provide you with a written explanation of the advantages and disadvantages of both account types and the basis for our belief that the rollover transaction we recommend is in your best interests.

As an alternative to providing you with a rollover recommendation, we may instead take an entirely educational approach in accordance with the U.S. Department of Labor's Interpretive Bulletin 96-1. Under this approach, our role will be limited only to providing you with general educational materials regarding the pros and cons of rollover transactions. We may make no recommendation to you regarding the prospective rollover of your assets and you are advised to speak with your trusted tax and legal advisors with respect to rollover decisions. As part of this educational approach, we may provide you with materials discussing some or all of the following topics: the general pros and cons of rollover transactions; the benefits of retirement plan participation; the impact of pre-retirement withdrawals on retirement income; the investment options available inside your Plan Account; and high level discussion of general investment concepts (*e.g.,* risk versus return, the benefits of diversification and asset allocation, historical returns of certain asset classes, etc.). We may also provide you with questionnaires and/or interactive investment materials that may provide a means for you to independently determine your future retirement income needs and to assess the impact of different asset allocations on your retirement income. You will independently make the final rollover decision.

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

We do not charge any performance-based fees for our services or engage in side-by-side management of client accounts.

Second 50 and/or its associated persons may manage accounts which belong either to themselves, individually, or to their family or their affiliates (collectively, "Proprietary Accounts") while simultaneously managing client accounts. It is possible that orders for Proprietary Accounts may be entered opposite to orders for client accounts, pursuant to, for instance, a neutral allocation system, a different trading strategy, or trading at a different risk level. However, any such orders shall only be entered after orders for client accounts in the same securities have been executed on any given trading day. The management of any Proprietary Account is subject to our Code of Ethics and the duty of our firm and its personnel to exercise good faith and fairness in all matters affecting client accounts.

Item 7 – Types of Clients

We typically provide investment advice to individuals, high net worth individuals, partnerships, corporations, and other business entities. Because each client is unique, they must be willing to be involved in the planning and ongoing processes of our management of their assets. Such involvement does not have to be time consuming, however we want our clients to remain informed and have a sense of security about their investments.

We do not require any minimum fee or account size to open or maintain an account with our firm. However, certain Independent Managers we recommend to clients may have minimum annual fee or minimum account size requirements. Details of these requirements are disclosed in the disclosure brochure and account opening documents of the Independent Manager.

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

A Our Methods of Analysis and Investment Strategies

The types of investments we typically recommend are discussed in Item 4 of this brochure.

We may use some or all of the following ***methods of analysis*** in providing investment advice to you:

Fundamental Analysis: When engaging in fundamental analysis, we attempt to determine the intrinsic value of target securities through a review of, among other things, company specific financial disclosures, the strength and track record of management personnel, industry sector financial health, and at a macro level, the overall direction of the economy at large. We use this information as a basis to determine if such securities are underpriced or overpriced relative to current market prices and then to make a buy or sell recommendation to you.

Relying on this type of analysis leaves open the risk that the price of a security may move along with the overall direction of the market, irrespective of the economic and financial factors which may have indicated that an opposite movement would have been expected. The main sources of information we rely upon when researching and analyzing securities using fundamental analysis include research materials prepared by others, annual reports, corporate rating services, prospectuses, and company press releases.

Asset Allocation: Asset allocation is an investment strategy that attempts to balance risk versus return by adjusting the percentage of each asset class within an investment portfolio according to the investor's risk tolerance, goals, and investment time frame. Asset allocation is based on the principle that different asset classes perform differently in different market and economic conditions. A fundamental justification for asset allocation is the notion that different asset classes offer returns that are not perfectly correlated, hence diversification reduces the overall risk in terms of the variability of returns for a given level of expected return. Although risk is reduced as long as correlations are not perfect, it is typically forecasted (wholly or in part) based on statistical relationships (like correlation and variance) that existed over some past period. Expectations for return are often derived in the same way. The primary goal of an asset allocation strategy is to create an asset mix that seeks to provide the optimal balance between expected risk and return for a long-term investment horizon.

A risk of asset allocation is that you may not participate in sharp increases in a particular security, industry, or market sector. Another risk is that the ratio of securities, fixed income, and cash in your portfolio will change over time due to stock and market movements and, if not corrected, will no longer be appropriate to meet with your investment goals.

Mutual Fund, ETF, and REIT Selection and Analysis: We evaluate and select mutual funds, ETFs, and/or REITs for your account based on several factors which may include, without limitation, (1) the experience and track record of the underlying portfolio manager(s), (2) the performance of the fund over time and through various market conditions; (3) expected market conditions that might impact the underlying holdings of the fund or applicable market sector; and (4) whether and to what extent the underlying holdings of the fund overlap with other assets held in your account. We also monitor the fund in an attempt to determine if the fund is continuing to follow its stated investment strategy.

A risk of this form of analysis is that, as in all securities investments, past performance does not guarantee future results. A fund manager's past track record of success cannot be relied upon as a predictor of success in the future. In addition, the underlying holdings of the fund are determined by independent fund managers and may change overtime without advance warning, creating the potential for overlap with other investments held in your account. This increase in the correlation of your holdings will increase the risk of loss where the value of any overlapping holdings should decrease. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund, which could make the holding(s) less suitable for the client's portfolio.

Independent Manager Selection and Analysis: This is the analysis of the experience, investment philosophies, and past performance of Independent Managers in an attempt to determine if the manager has demonstrated an ability to invest over a period of time and in different economic conditions. Key factors we may consider when evaluating Independent Managers are their investment process and philosophy, risk management methods and procedures, historical performance, investment strategy and style, fees and operating expenses, assets under management and number or clients, and tax-efficiencies. Our evaluation also may incorporate both qualitative and quantitative fundamental analysis to validate and confirm an Independent Manager's investment style and skill, as well as to compare them to other managers of similar style. We may utilize various research databases, proprietary models, financial periodicals, prospectuses and filings with the SEC, industry contacts and manager data, among other items, as part of the research process. Monitoring the Independent Manager's underlying holdings, strategies, concentrations, and leverage as part of our overall periodic risk assessment typically completes the analysis. As part of the due-diligence process, the Independent Manager's compliance and business enterprise risks may be surveyed and reviewed. We may engage and rely upon a third party to assist in this review and due diligence process.

Methods of analysis such as charting, fundamental, technical, or cyclical analysis may be used by the Independent Managers we recommend to clients. Clients should refer to the disclosure brochure of each Independent Manager selected to manage their account for more information.

We typically use the following ***investment strategies*** in managing client accounts:

Long-term Purchases: We typically take a long term "buy and hold" approach to investing client assets. In this type of investment strategy, we suggest the purchase of securities with the idea of holding them in a portfolio for a year or longer. Typically, we employ this strategy when (1) we believe the securities to be currently undervalued, and/or (2) we want the portfolio to have exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the recommendation to sell.

Short-term purchases: When utilizing this strategy, we may suggest the purchase of securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we recommend for purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy and may result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

B We act as your fiduciary in rendering investment advice. We cannot and do not warrant or guarantee any particular level of investment performance or that the investments we recommend to you will be profitable over time. Not every investment recommendation we make will be profitable. **Investing in securities involves risk of loss that clients should be prepared to bear.**

You assume all market risk involved in the investment of your account assets. Investments are subject to various market, currency, economic, political, and business risks.

Except as may otherwise be provided by law, we are not liable to you for:

- any loss that you may suffer by reason of any investment recommendation we made with that degree of care, skill, and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; or

- any independent act or failure to act by a custodian of your account(s).

C Summary of Investment Risks. While all investing involves risks and losses can and will occur, Second 50 generally recommends a broad and diversified allocation of securities and other investments intended to reduce the specific risks associated with a concentrated or undiversified portfolio. However, in certain instances when deemed appropriate for particular client circumstances, strategies involving greater concentration and less diversification may be utilized. In all situations, you should consider the following high-level summary of investment risks. **This list is not intended to be an exhaustive description of all risks you may encounter in engaging our firm for advisory services. We encourage you to inquire with us frequently about the risks related to any investments in your account.**

Risk of Loss: Securities investments are not guaranteed, and you may lose money on your investments. As with any investment manager that invests in common stocks and other equity securities, our investment recommendations are subject to market risk—the possibility that securities prices will decline over short or extended periods of time. As a result, the value of your account(s) will fluctuate with the market, and you could lose money over short or long periods of time. You should recognize whenever you determine to invest in the securities markets your entire investment is at risk. Clients should not invest money if they are unable to bear the risk of total loss of their investments.

Concentration Risk: Concentration risk creates the potential for amplified losses that can occur when a large portion of your holdings is focused in a particular investment, asset class, or market segment relative to the rest of your overall portfolio. Other examples might include concentration in the same industry, geographic region, or asset correlation. You should consider whether further diversification and/or rebalancing of the portfolio makes sense in the context of the goals that you are striving to achieve.

Economic Risk: The prevailing economic environment is important to the health of all businesses. Some companies, however, are more sensitive to changes in the domestic or global economy than others. These types of companies are often referred to as cyclical businesses. Countries in which a large portion of businesses are in cyclical industries are thus also very economically sensitive and carry a higher amount of economic risk. If an investment is issued by a party located in a country that experiences wide swings from an economic standpoint or in situations where certain elements of an investment instrument are hinged on dealings in such countries, the investment instrument will generally be subject to a higher level of economic risk.

Financial Risk: Financial risk is represented by internal disruptions within an investment or the issuer of an investment that can lead to unfavorable performance of the investment. Examples of financial risk can be found in cases like Enron or many of the "dot com" companies that were caught up in a period of extraordinary market valuations that were not based on solid financial footings of the companies.

Liquidity Risk: Certain assets, particularly private investments, but also other investment types, may not be readily converted into cash or may have a very limited market in which they trade. Other investment vehicles may have explicit "lock-up" provisions that may contractually prohibit you from liquidating your investment for a stated period of time. Thus, you may experience the risk that your investment or assets within your investment may not be able to be liquidated quickly, thus, extending the period of time by which you may receive the proceeds from your investment. Liquidity risk can also result in unfavorable pricing when exiting (*i.e.,* not being able to quickly get out of an investment before the price drops significantly) a particular investment and therefore, can have a negative impact on investment returns.

Market Risk: The value of your portfolio may decrease if the value of an individual company or multiple companies in the portfolio decreases or if our belief about a company's intrinsic worth is incorrect. Further, regardless of how well individual companies perform, the value of your portfolio could also decrease if there are deteriorating economic or market conditions. It is important to understand that the value of your investment may fall, sometimes sharply, in response to changes in the market, and you could lose money. Investment risks include price risk as may be observed by a drop in a security's price due to company specific events (*e.g.,* earnings disappointment or downgrade in the rating of a bond) or general market risk (*e.g.,* such as a "bear" market when stock values fall in general). For fixed-income securities, a period of rising interest rates could erode the value of a bond since bond values generally fall as bond yields go up. Past performance is not a guarantee of future returns.

Interest Rate Risk: Certain investments involve the payment of a fixed or variable rate of interest to the investment holder. Once an investor has acquired or has acquired the rights to an investment that pays a particular rate (fixed or variable) of interest, changes in overall interest rates in the market will affect the value of the interest-paying investment(s) they hold. In general, changes in prevailing interest rates in the market will have an inverse relationship to the value of existing, interest paying investments. In other words, as interest rates move up, the value of an instrument paying a particular rate (fixed or variable) of interest will go down. The reverse is generally true as well.

Independent Manager Risk: An Independent Manager's past track record of success cannot be relied upon as a predictor of success in the future. In addition, the underlying holdings of your SMAs/UMAs are determined by the Independent Manager directly, and may change overtime without advance warning to us, creating the potential for overlap with other investments held in your account. This increase in the correlation of your holdings will increase the risk of loss where the value of any overlapping holdings should decrease. There is also a risk that an Independent Manager may deviate from the stated investment mandate or strategy of the account, which could make the holding(s) less suitable for the client's portfolio. Our firm does not control any Independent Manager's daily business and compliance operations, and thus our firm may be unaware of any lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Private Investment Risk: Your participation in any privately offered investments or purchase of any privately offered securities involves a substantially higher degree of risk and is generally more speculative than investments in publicly offered (registered) securities. Private investments may include privately offered REITs, Delaware Statutory Trusts, private equity funds, hedge funds, commodity pools, and other similar investment vehicles. Private investments are not appropriate for all clients and may be entirely illiquid. You should be financially capable of accepting an extremely high degree of risk and should have significant resources beyond those invested in any private investment(s). Stated differently, your private investments should purely represent "risk capital" within your overall portfolio, the complete loss of which would have an immaterial and insubstantial effect on your overall financial circumstances and financial goals. Clients should carefully review any disclosure documents, operating agreements, subscription materials, private placement memoranda, prospectuses and similar documentation provided by the issuers of private securities with their independent legal and tax advisors before investing.

Risks Related to Analysis Methods: Our analysis of securities relies in part on the assumption that the issuers whose securities we recommend for purchase and sale, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Securities Transactions at the Direction of Clients: All assets are held at the Custodian in your name and you will always maintain the concurrent ability to direct transactions within your account. We are not responsible for the consequences of your self-directed investment decisions or the costs and fees they generate within your account.

Interim Changes in Client Risk Tolerance and Financial Outlook: The particular investments recommended by our firm are based solely upon the investment objectives and financial circumstances disclosed to us by the client. While we strive to meet with clients at regular intervals (at least annually, unless otherwise agreed, either in person, telephonically, or by electronic means) to discuss any changes in the client's financial circumstances, the lack of constant and continuous communication presents a risk insofar as your liquidity, net worth, risk tolerance and/or investment goals could change abruptly, with no advance notice to our firm, resulting in a mis-aligned investment portfolio and the potential for losses or other negative financial consequences.

It is your continuing and exclusive responsibility to give us complete information and to notify us of any changes in your financial circumstances, income level, investment goals or employment status. We encourage you to contact us regularly and promptly to discuss your investment and any changes to your financial circumstances.

Item 9 – Disciplinary Information

Second 50 is required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm, or the integrity of our management. No principal or person associated with our firm has any information to disclose which is applicable to this Item 9.

Item 10 – Other Financial Industry Activities and Affiliations

A Broker-Dealer Registration. Neither Second 50, nor any of its associated persons, are registered or intend to become registered as a broker-dealer or registered representative of a broker-dealer.

B Futures or Commodities Registration. Neither Second 50, nor any of its associated persons, are registered or intend to become registered as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of any of the foregoing.

C Material Relationships. As outlined in Item 5E, certain of our associated persons are licensed as independent insurance agents and may receive commissions and fees as a result of the sale of insurance products or services to clients.

Clients are advised that certain principals and associated persons of Second 50 are also principals of Second 50 Movement, a separate entity through which they receive additional compensation in connection with their production and presentation of educational materials, training courses, and seminars aimed at enhancing the lifestyle, health, and wellness goals of persons in the 50+ year old age demographic. Second 50 may occasionally recommend that its advisory clients purchase services and/or content from Second 50 Movement. Conversely, Second 50 Movement may refer its clients to Second 50 for investment advisory services. Fees paid for Second 50's advisory services are separate and distinct from the fees charged by Second 50 Movement. Second 50's advisory clients are never obligated to engage purchase any products or services from its affiliate, Second 50 Movement. Conversely, Second 50 Movement's clients are never obligated to engage Second 50 for advisory services.

Clients are advised that the common ownership or Second 50 and Second 50 Movement creates a conflict of interest due to the additional compensation that will be received by our associated persons if clients choose to engage both firms. Second 50 endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment advisor. Neither Second 50, nor Second 50 Movement pay or receive any referral fees in connection with the foregoing arrangements.

D Recommendation of Third Parties. Except for certain benefits we receive from the broker-dealers we recommend to clients as outlined in Item 12 of this brochure, we do not receive any additional compensation or benefits, either directly or indirectly, in connection with referrals of our clients to any Independent Managers, broker-dealers, custodians, attorneys, tax advisors, accountants, or any other third-parties. We will only recommend and refer third-parties providers to you when we believe such recommendations to be in your best interests.

Except with respect to our requirement that portfolio management services clients engage certain Custodians for trade execution and custodial services as outlined in Item 12 of this brochure, you are never obligated to engage any third party we recommend and do so at your sole discretion and risk.

Item 11 – Code of Ethics, Participation or Interest in Client Transaction, & Personal Trading

A Our Code of Ethics. We subscribe to an ethical and high standard of conduct in all our business activities in order to fulfill the fiduciary duty we owe to our clients. Included in these ethical obligations is the duty to put our clients' interests ahead of our own along with duties of loyalty, fairness, and good faith towards our clients. We disclose to clients material conflicts of interest which could reasonably be expected to impair our rendering of unbiased and objective advice.

Second 50 maintains a written Code of Ethics ("Code") which all employees are required to follow. The Code outlines proper conduct related to all services provided to clients and will be made available to you, free of charge, upon request by contacting us at the phone number listed on the cover page of this brochure. Prompt reporting of internal violations is mandatory. Our management personnel evaluate employee performance regularly to ensure the quality of our services and compliance with our Code.

The goal of Second 50's Code is to prevent and detect conflicts of interest between our advisory clients, our firm, and our staff. As part of achieving this objective, our "access persons" are required, among other things, to report to the firm their personal securities transactions on a quarterly basis and to report all of the securities positions in which they have a beneficial interest at least annually. These reporting requirements allow supervisors at our firm to determine whether to allow or prohibit certain employee securities purchases and sales based on transactions made, or anticipated to be made, in the same securities bought and sold for client accounts. Our Code is required to be reviewed annually and updated as necessary.

B-D Material/Proprietary Interests in Securities Recommended to Clients. Our firm and our associated persons do not have any proprietary or material interests in or any role in the management of any companies or investments that we recommend to our clients.

Personal Trading; Participation or Interest in Client Transactions. As described in Item 6 of this brochure, Second 50 and/or its associated persons may manage Proprietary Accounts. Proprietary Accounts may buy and sell some the same securities as we buy or sell for client accounts. This practice creates an actual conflict of interest with our clients insofar as our firm and/or our associated persons may have a financial incentive to trade in securities for Proprietary Accounts in advance of or opposite to transactions in the same securities for client accounts. To address this conflict, our policy is that, assuming the purchase or sale is otherwise appropriate for the subject client accounts, we will purchase or sell securities for our clients' accounts, as the case may be, before purchasing or selling any of the same securities for any Proprietary Accounts. In some cases, we may buy or sell securities for our own account(s) for reasons not related to the strategies adopted by our clients.

In summary, our practice of buying and selling for Proprietary Accounts the same securities that we buy or sell for client accounts is restricted by the following controls:

- We are required to uphold our fiduciary duty to our clients;
- We are prohibited from misusing information about our clients' securities holdings or transactions to gain any undue advantage for ourselves or others;
- We are prohibited from buying or selling any security that we are currently recommending for client accounts, unless we place our orders after client orders have been executed; and
- We are required to periodically report our securities holdings and transactions to the firm's Chief Compliance Officer, who must review those reports for improper trades.

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. Conflicts of interest may also 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.

We will disclose to advisory clients any material conflict of interest relating to us, our representatives, or any of our employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

Item 12 – Brokerage Practices

A Recommendation of Broker-Dealers. As a condition of engaging Second 50 for portfolio management services, we typically require that you independently engage the brokerage and custodial services of Charles Schwab & Co., Inc., 211 Main Street, San Francisco, California 94105 ("Schwab"). All Custodian broker dealers Second 50 works with are independent SEC-registered broker-dealers and Members of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). We are not affiliated with Custodians, and they do not monitor or control the activities of Second 50 or its personnel. We may require clients to engage other custodians and/or executing brokers in the future. You will grant us written authority in the Recommended Broker's account opening documentation to direct the execution of securities transactions for your account and authorize us to utilize the trade execution services of your selected broker for transactions in your account.

Best Execution. We have an obligation to seek the *"best execution"* of transactions for client accounts. This duty requires that we seek to execute securities transactions for clients such that the total costs or proceeds in each transaction are the most favorable under the circumstances. The determinative factor in the analysis of best execution is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of the recommended broker-dealer's services. Some of the factors we may consider when evaluating a broker-dealer for best execution include, without limitation, the broker-dealer's:

- execution capability;
- commission rates;
- financial responsibility;
- responsiveness and customer service;
- custodian capabilities;
- research services/ancillary brokerage services provided; and
- any other factors that we consider relevant.

Therefore, we will seek competitive commission rates, but we may not obtain the lowest possible commission rates for specific account transactions. With this in consideration, our firm will continue to require that clients engage the Recommended Custodians until their services do not result, in our opinion, in best execution of client transactions.

Directed Brokerage. Second 50 generally does not permit its clients to select a broker other than either Schwab or Fidelity for brokerage and custodial services (*i.e.,* directed brokerage). Clients should be aware of the fact that not all investment advisors require clients to use a particular firm for these services. You should further be aware that, because Second 50 requires certain clients to engage the Custodians exclusively, we may not be able to achieve the lowest cost of execution of specific client transactions. Accordingly, the exclusive use of only the Custodians may cost clients more money compared to other arrangements.

Soft Dollars. The Custodians we recommend to clients may provide us with certain brokerage and research products and services that qualify as "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act"). This is commonly referred to as a *"soft dollar"* arrangement. These research products and/or services will assist us in our investment decision making process. Such research generally will be used to service all of our client accounts, but brokerage charges paid by the client may be used to pay for research that is not used in managing that specific client's account. Your account may pay to the Custodians a charge greater than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the charge is reasonable in relation to the value of the brokerage and research services received.

Other Benefits Received From the Custodians. There may be other benefits we receive specific to our recommendation of the Custodian to clients, such as software and other technology that (i) provides us with access to client account data (such as trade confirmations and account statements); (ii) facilitates execution of client trades; (iii) provides us with research, pricing, and other market data; (iv) facilitates payment of fees from client accounts; and (v) assists us with back-office functions, recordkeeping, and client reporting.

Other services may include, but are not limited to, performance reporting, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, and access to consultants and other third party service providers who provide a wide array of business related services and technology with whom we may contract directly. Other brokers or custodians may provide us with similar benefits in the future in exchange for recommending their services to our advisory clients.

We do not pay a fee (or pay discounted fees) for these products and services and all client accounts may not be the direct or exclusive beneficiary of such products and services. It is further important to note that our receipt of such products and services creates an incentive for Second 50 to continue to require that clients engage the Custodian based upon our desire to continue to receive these items, rather than receiving best execution or purely the lowest price for client transactions. We mitigate this conflict of interest by periodically monitoring and reviewing the services provided to our clients by the Custodian for best execution.

Except as described above in this Item 12, we do not receive any compensation or incentive for referring you to Schwab or Fidelity for trade execution and custodial services. We do not receive client referrals in exchange for directing client transactions to Schwab or Fidelity.

B Trade Aggregation. Due to our policy of customizing client portfolios, Second 50 does not aggregate purchases and sales and other transactions amongst client accounts. Our practice of not combining multiple clients' buy and sell orders (*i.e.,* block trading) may result in our firm being unable to achieve for its clients the most favorable execution at the best price available, and accordingly, may cost clients more money than other arrangements.

Item 13 – Review of Accounts

A Account Review Policies. Portfolio management accounts are generally reviewed by the investment advisor representative(s) who are primarily responsible for overseeing the client's account. The specific individuals conducting account reviews may vary from time to time, as personnel join or leave our firm. The frequency of reviews is determined based on each client's unique investment objectives and needs. As a general matter, portfolio management accounts are reviewed at least annually.

Financial planning and consulting clients do not receive updates or account reviews following delivery of our written investment recommendations unless the client specifically requests such review and pays an additional advisory fee. Upon delivery of our final written financial plan, report, or summary to the client the client is offered the opportunity to have Second 50 implement certain recommended investments under a portfolio management engagement for an additional advisory fee. The client is never obligated to engage us for these additional services.

B More Frequent Account Reviews. More frequent reviews of portfolio management client accounts may be triggered by a change in the client's investment objectives; risk/return profile; tax considerations; contributions and/or withdrawals; large sales or purchases; security specific events; changes in the economy more generally; or upon client request. In some instances, additional fees may apply.

C Reporting to Clients. Clients receive standard account statements and trade confirmations from the custodian of their account on a monthly basis. Clients may receive additional written reports prepared by our firm upon request. Our reports will contain relevant account and/or market-related information such as an inventory of account holdings and account performance, as examples.

Item 14 – Client Referrals and Other Compensation

A As referenced in Item 12 above, Custodians may provide services and products to us without cost or at a discount that we may use to service some or all of our client accounts. We may enter into similar arrangement with other broker-dealers and custodians in the future. Additionally, investment sponsors and third-party money managers that Second 50 works with will occasionally pay for or reimburse Second 50 for costs associated with hosting events such as client appreciation and financial education events for existing and potential clients.

As part of our fiduciary duties to clients, Second 50 endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by our firm and/or our associated persons in and of itself creates a conflict of interest and may indirectly influence our decision to recommend investment sponsors, third-party money managers, and Custodians to clients for their respective services.

B Except as disclosed in this Item 14, we have no other arrangements, written or oral, in which we compensate others or are compensated by others for client referrals.

Item 15 – Custody

For portfolio management clients, the funds and securities we manage on your behalf will be held in an account titled in your name maintained by the Custodian of your account. The Custodian will be authorized to execute trades within your account upon our instructions, acting within the scope of the discretionary trading authority you grant to us in our written advisory agreement and the Custodian's account opening documentation. Except for our ability to directly deduct our advisory fees as outlined in Item 5 of this brochure, we will not hold, directly or indirectly, any client funds or securities, or have any authority to obtain possession of them.

We shall have no liability to you for any loss or other harm to any property in your accounts, including any harm to any property in your accounts resulting from the insolvency of any Custodian or any acts of the agents or employees of any Custodian and whether or not the full amount of such loss is covered by the SIPC or any other insurance which may be carried by such Custodian. Clients understand that SIPC provides only limited protection for the loss of property held by a Custodian. Private placement investments generally are not covered by the SIPC.

Item 16 – Investment Discretion

Portfolio management clients are required to grant our firm ongoing and continuous discretionary authority to execute our investment recommendations within their account(s) held at the Custodian *without* obtaining the client's prior approval for each specific transaction. In a discretionary arrangement, you authorize us to purchase and sell securities and instruments in your account(s), arrange for delivery and payment in connection with the foregoing, and act on your behalf in all matters necessary or incidental to the handling of the account, including monitoring of your assets and the engagement and termination of Independent Managers. Except for direct deductions of its advisory fees or where you otherwise explicitly authorize us to do so in writing (under a standing letter of authorization or otherwise), Second 50 will not be permitted to initiate transfers of funds in to or out of client accounts. Our discretionary management of your account will be conducted in strict accordance with your stated investment objectives and limitations.

Financial planning and consulting services are non-discretionary in nature. The client makes all final investment decisions.

Item 17 – Voting Client Securities

A We will not vote proxies on behalf of clients and will not provide advice to clients on how the client should vote.

B We do not accept authority to vote client securities. Most clients will receive proxies and other solicitations directly from the custodian or transfer agent. If any proxy materials are received on behalf of a client, they will be sent directly to the client or a designated representative of the client, who is responsible to vote the proxy.

Item 18 – Financial Information

A We do not require or solicit prepayment of more than $1,200 in fees per client, six months or more in advance.

B Advisors who have discretionary authority over client accounts, custody of client assets, or who require or solicit pre-payment of more than $1,200 in fee per client, six months or more in advance, are required to disclose any financial condition that is reasonably likely to impair their ability to meet contractual commitments to clients. Second 50 maintains discretionary authority over client funds and securities. We have no financial commitments that would impair our ability to meet contractual and fiduciary commitments to our clients.

C Neither Second 50, nor any of its principals, have been the subject of a bankruptcy petition at any time in the past.