INDEPENDENT FINANCIAL GROUP, LLC

RETIREMENT PLAN SERVICES BROCHURE

12671 High Bluff Drive
Suite 200
San Diego, CA 92130

858-436-3180 Phone
858-481-9033 Fax

Dated March 25, 2020

www.ifgsd.com

ITEM 1 – COVER PAGE

This ADV Part 2A Firm Brochure provides information about the qualifications and advisory business practices of Independent Financial Group, LLC. Independent Financial Group, LLC is a Registered Investment Adviser. Registration of an investment adviser does not imply any level of skill or training. If you have any questions about the contents of this brochure, please contact us at (858) 436-3180 or email us at **compliance@ifgsd.com**. Additional information about Independent Financial Group, LLC is also available on the SEC's website at **www.advisorinfo.sec.gov**.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

ITEM 2 – MATERIAL CHANGES

Brochure Amendment - This brochure dated March 25, 2020 is an amended disclosure brochure document reflecting updates since out last annual updating amendment on November 11, 2019.

Summary of Material Changes -There are no material changes since the last brochure update. In the future, any material changes to our brochure will be listed in this area, Item 2 – Material Changes, which will inform advisory Plan Sponsors of the revision(s) based on the nature of the updated information.

Brochure Availability - We will provide you with a new brochure at any time, without charge. Currently, our brochure may be requested by contacting Independent Financial Group, LLC at 858-436-3180 or compliance@ifgsd.com and is available at www.adviserinfo.sec.gov.

ITEM 3 – TABLE OF CONTENTS

Adviser Background. Independent Financial Group, LLC (IFG, Adviser, Firm) is a privately owned Registered Investment Adviser (RIA) registered with the Securities and Exchange Commission (SEC) since 2004, a broker/dealer and member of the Financial Industry Regulatory Authority (FINRA) since 2003 and a member of the Securities Investors Protection Corporation (SIPC). Independent Financial Group, Inc., a domestic entity is the principal owner of the Adviser.

Advisory Services. Adviser offers a variety of financial planning and advisory services through Investment Adviser Representatives (IARs) who are, in most cases, also Registered Representatives (RRs) affiliated with IFG. IARs are independent contractors and may be involved in other business activities including, but not limited to, insurance sales, estate planning and tax preparation. Additional information regarding a particular IAR's other business activities is disclosed in the respective IAR's Form ADV Part 2B.

Advisory services provided to sponsors of retirement plans (Plan Sponsors) are performed through the IFG's Retirement Plan Services. This Brochure provides information about Adviser and its Retirement Plan Services. If you would like information concerning IFG's other advisory services, you may request a copy of IFG's Form ADV 2A or Wrap Fee Brochure, as applicable, through the contact information on the cover of this brochure.

Types of Retirement Plan Services

Adviser offers the following Retirement Plan Services: (1) Discretionary Investment Management Services, (2) Non-Discretionary Investment Advisory Services and/or (3) Retirement Plan Consulting Services to employer-sponsored retirement plans and their participants. Depending on the type of the Plan and the specific arrangement with the Plan Sponsor, we may provide one or more of these services. Prior to being engaged by the Plan Sponsor, we will provide a copy of this Form ADV Part 2 along with a copy of our Privacy Policy and Retirement Plan Services Agreement ("Agreement") that contains the information required under Sec. 408(b)(2) of the Employee Retirement Income Security Act ("ERISA") as applicable.

The Agreement authorizes our IARs to deliver one or more of the following services:

Discretionary Investment Management Services
These services are designed to allow the Plan fiduciary to delegate responsibility for managing, acquiring and disposing of Plan assets that meet the requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"). We will perform selected investment management services through our IARs and charge fees as described in this Form ADV and the Agreement. If the Plan is subject to ERISA, we will perform these services as an "investment manager" as defined under ERISA Section 3(38) and as a "fiduciary" to the Plan as defined under ERISA Section 3(21). Specifically, the Plan Sponsor and Adviser/IAR may agree that we perform the following services:
SELECTION, MONITORING & REPLACEMENT OF DESIGNATED INVESTMENT ALTERNATIVES ("DIAs"): Adviser will review with Plan Sponsor the investment objectives, risk tolerance and goals of the Plan and assist Plan Sponsor in developing guidelines, which may be in the form of an IPS, from which Adviser will select, monitor and replace the Plan's DIAs. Once approved by Plan Sponsor, Adviser will review the investment options available to the Plan and will select the Plan's DIAs in accordance with the criteria agreed to by Plan Sponsor. On a periodic basis, Adviser will monitor and evaluate the DIAs and replace any DIA(s) that no longer meet the guidelines.
CREATION & MAINTENANCE OF MODEL ASSET ALLOCATION PORTFOLIOS ("MODELS") Adviser will create a series of risk-based Models comprised solely among the Plan's DIAs; and, on a periodic basis and/or upon reasonable request, Adviser will reallocate and rebalance the Models in accordance with the IPS or other guidelines approved by Plan Sponsor.
SELECTION, MONITORING & REPLACEMENT OF QUALIFIED DEFAULT INVESTMENT ALTERNATIVES ("QDIA(s)") Based upon the options available to the Plan, Adviser will select, monitor and replace the Plan's QDIA(s) in accordance with the IPS or other guidelines approved by Plan Sponsor.
MANAGEMENT OF TRUST FUND: Adviser will review with Plan Sponsor the investment objectives, risk tolerance and goals of the Plan and assist Plan Sponsor in developing for approval by Plan Sponsor an IPS that contains criteria from which Adviser will select, monitor and replace the Plan's investments. Adviser will review the investment options available to the Plan and will select the Plan's investments in accordance with the criteria set forth in the Plan Sponsor's approved IPS or investment guidelines. On a periodic basis, Adviser will monitor and evaluate the investments and replace any investment(s) that no longer meet the IPS or guidelines.

Non-Discretionary Fiduciary Services
These services are designed to allow the Plan Sponsor to retain full discretionary authority or control over assets of the Plan. We will solely be making recommendations to the Plan Sponsor. We will perform selected Non-Discretionary investment advisory services through our IARs and charge fees as described in this Form ADV and the Agreement. If the Plan is covered by ERISA, we will perform these investment advisory services to the Plan as a "fiduciary" defined under ERISA Section 3(21). The Plan Sponsor may engage us to perform one or more of the following Non-Discretionary investment advisory services:

INVESTMENT POLICY STATEMENT ("IPS"): Adviser will review with Plan Sponsor the investment objectives, risk tolerance and goals of the Plan. If the Plan does not have an IPS, Adviser will provide recommendations to Plan Sponsor to assist with establishing an IPS. If the Plan has an existing IPS, Adviser will review it for consistency with the Plan's objectives. If the IPS does not represent the objectives of the Plan, Adviser will recommend to Plan Sponsor revisions to align the IPS with the Plan's objectives.
ADVICE REGARDING DESIGNATED INVESTMENT ALTERNATIVES ("DIAs"): Based on the Plan's IPS or other guidelines established by the Plan, Adviser will review the investment options available to the Plan and will make recommendations to assist Plan Sponsor with selecting DIAs to be offered to Plan participants. Once Plan Sponsor selects the DIAs, Adviser will, on a periodic basis and/or upon reasonable request, provide reports and information to assist Plan Sponsor with monitoring the DIAs. If a DIA is required to be removed, Adviser will provide recommendations to assist Plan Sponsor with replacing the DIA.
ADVICE REGARDING MODEL ASSET ALLOCATION PORTFOLIOS ("MODELS"): Based on the Plan's IPS or other guidelines established by the Plan, Adviser will make recommendations to assist Plan Sponsor with creating risk-based Models comprised solely among the Plan's DIAs. Once Plan Sponsor approves the Models, Adviser will provide reports, information and recommendations, on a periodic basis, designed to assist Plan Sponsor with monitoring the Models. Upon reasonable request, and depending upon the capabilities of the recordkeeper, Adviser will make recommendations to Plan Sponsor to reallocate and/or rebalance the Models to maintain their desired allocations.
ADVICE REGARDING QUALIFIED DEFAULT INVESTMENT ALTERNATIVE ("QDIA(s)"): Based on the Plan's IPS or other guidelines established by the Plan, Adviser will review the investment options available to the Plan and will make recommendations to assist Plan Sponsor with selecting or replacing the Plan's QDIA(s).

Retirement Plan Consulting Services
Retirement Plan Consulting Services are designed to allow our IARs to assist the Plan Sponsor in meeting his/her fiduciary duties to administer the Plan in the best interests of Plan participants and their beneficiaries. Retirement Plan Consulting Services are performed so that they would not be considered "investment advice" under ERISA. The Plan Sponsor may elect for our IARs to assist with any of the following services:
Administrative Support
Assist Plan Sponsor in reviewing objectives and options available through the Plan
Review Plan committee structure and administrative policies/procedures
Recommend Plan participant education and communication policies under ERISA 404(c)
Assist with development/maintenance of fiduciary audit file and document retention policies
Deliver fiduciary training and/or education periodically or upon reasonable request
Assist with coordinating Plan participant disclosures under ERISA 404(a)
Recommend procedures for responding to Plan participant requests
Service Provider Support
Assist fiduciaries with a process to select, monitor and replace service providers
Assist fiduciaries with review of Covered Service Providers ("CSP") and fee benchmarking
Provide reports and/or information designed to assist fiduciaries with monitoring CSPs
Assist with use of ERISA Spending Accounts or Plan Expense Recapture Accounts to pay CSPs
Assist with preparation and review of Requests for Proposals and/or Information
Coordinate and assist with CSP replacement and conversion
Investments
Periodic review of investment policy in the context of Plan objectives
Assist the Plan committee with monitoring investment performance
Assist with monitoring Designated Investment Managers and/or third-party advice providers
Provide analysis of investment managers and model portfolios
Educate Plan committee members, as needed, regarding replacement of DIA(s) and/or QDIA(s)
Participant Services
Facilitate group enrollment meetings and coordinate investment education
Assist Plan participants with financial wellness education, retirement planning and/or gap analysis

Limitations of Services. If Plan Sponsor to an ERISA plan elects to engage IAR to perform any Non-Discretionary Fiduciary Services in the Agreement, such services will constitute "investment advice" under Section 3(21)(A)(ii) of ERISA. If Plan Sponsor elects to engage IAR to perform any Discretionary Investment Management Services, such services will constitute "investment manager" services under Section 3(38) of ERISA. In these cases, IAR will be deemed a "fiduciary" as such term is defined under the applicable sections of ERISA in connection with those services. Plan Sponsors should understand that to the extent the IAR is engaged to perform services other than Non-Discretionary Fiduciary Services or Discretionary Investment Management Services, then the services the IAR provides are not “investment advice” or “investment manager” service under ERISA and therefore, IFG and IAR will not be a “fiduciary” under ERISA with respect to those other services.

If a Plan offers company stock as an investment option within the Plan, IAR does not provide investment advice regarding company stock and is not responsible for the decision to offer company stock as an investment option. In addition, if participants in the Plan partake in individual brokerage accounts, mutual fund platforms or obtain a participant loan, the IAR does not provide any individualized advice to participant regarding these decisions.

Potential Additional Retirement Services Provided Outside of the Retirement Plan Services Agreement
In providing Retirement Plan Services, Adviser and its IARs may establish a client relationship with one or more Plan participants or beneficiaries. Such client relationships develop in various ways, including, without limitation:

1. as a result of a decision by the Plan participant or beneficiary to purchase services from Adviser not involving the use of Plan assets;
2. as part of an individual or family financial plan for which any specific recommendations concerning the allocation of assets or investment recommendations relating to assets held outside of the Plan; or
3. through a rollover of an Individual Retirement Account ("IRA Rollover").

If Adviser is providing Retirement Plan Services to a plan, IARs may, when requested by a Plan participant or beneficiary, arrange to provide services to that participant or beneficiary through a separate agreement. If a Plan participant or beneficiary desires to effect an IRA Rollover from the Plan to an account advised or managed by Adviser, IAR will have a conflict of interest if his/her fees are reasonably expected to be higher than those paid to Adviser in connection with the Retirement Plan Services. IAR will disclose relevant information about the applicable fees charged by Adviser prior to opening an IRA account. Any decision to affect the rollover or about what to do with the rollover assets remain that of the Plan participant or beneficiary alone.

In providing these optional services, we may offer employers and employees information on other financial and retirement products or services offered by Adviser and our IARs.

Individually Tailored Services
When providing investment fiduciary services, we will tailor our advice or (if applicable) discretion to meet the investment policies or other written guidelines adopted by the Plan Sponsor. When providing investment advice to participant, such advice will be based upon the investment objectives, risk tolerance and investment time horizon of each individual plan participant.

Wrap Fee Programs
As disclosed in the IFG Part 2A, Appendix 1 (Wrap Fee Brochure), IFG and its IARs also provide investment management services to retirement plans in wrap fee accounts held in custody at Pershing LLC. A wrap fee is a fee paid by the client that includes both investment management fees paid to Adviser, as well as costs associated with brokerage services. Please see the IFG Wrap Fee Brochure for complete information concerning IFG’s wrap fee services. There are no material differences between how accounts are managed in a wrap fee arrangement versus a non-wrap fee arrangement.

Client Assets under Management.
As of December 31, 2019, Adviser manages a total of $3,747,236,894 in assets of which $3,434,342,613 in assets are managed on a discretionary basis and services $312,894281 in non-discretionary assets.

ITEM 5 – FEES AND COMPENSATION

Compensation for Retirement Plan Services. Plan Sponsors will pay Adviser a fee (Fee) for services as set forth in the Retirement Plan Services Agreement. Adviser and IAR will share in the Fee. Fees for the Retirement Plan Services are negotiable. A description of the different types of fees for Retirement Plan Services appears in the fee schedule below:

Fee Type	Fee Range
Percentage of Plan Assets	Negotiable (not to exceed 2% of plan assets per year)
Flat Fee	Negotiable
Project Fee	Negotiable

Depending upon the capabilities and requirements of the Plan’s recordkeeper, custodian, we may collect our Fees in arrears or in advance. Typically, Plan Sponsors instruct the Plan’s recordkeeper or custodian to automatically deduct our Fees from the Plan account; however, in some cases a Plan Sponsor may request that we send invoices directly to the Plan Sponsor or recordkeeper/custodian.

Plan Sponsors receiving Retirement Plan Services may pay more than or less than a client might otherwise pay if purchasing the Retirement Plan Services separately or through another service provider. There are several factors that determine whether the costs would be more or less, including, but not limited to, the size of the Plan, the specific investments made by the Plan, the number of or locations of Plan participants, the Retirement Plan Services offered by another service provider, and the actual costs of Retirement Plan Services purchased elsewhere. In light of the specific Retirement Plan Services offered by Adviser, the Fees charged may be more or less than those of other similar service providers.

In determining the value of the Account for purposes of calculating any asset-based Fees, Adviser will rely upon the valuation of assets provided by Plan Sponsor or the Plan's custodian or recordkeeper without independent verification. If, however, there are circumstances which, in the Adviser's judgment, render the custodian's valuation inappropriate in which case Adviser will value securities listed on any national securities exchange at the closing price on the principal exchange on which they are traded and will value any other securities in a manner determined in good faith by Adviser to reflect fair market value. In all events, any such valuation will not be any guarantee of the market value of any of the assets in the Plan.

Unless we agree otherwise, no adjustments or refunds will be made in respect of any period for (i) appreciation or depreciation in the value of the Plan account during that period or (ii) any partial withdrawal of assets from the account during that period. If the Agreement is terminated by us or by Plan Sponsor, we will refund certain Fees to Plan Sponsor as provided in the Agreement. Unless we agree otherwise, all Fees shall be based on the total value of the assets in the account without regard to any debit balance.

No increase in the Fees will be effective without prior written notice.

Other Fees and Expenses. Plan Sponsors are responsible for paying charges imposed by third party custodians, brokers, third party money managers and other third parties. Examples of such fees include transaction fees/commissions, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund transfer fees and other fees on brokerage accounts and securities transactions.

All Fees paid to Adviser for Retirement Plan Services are separate and distinct from the fees and expenses charged by mutual funds, variable annuities and exchange traded funds to their shareholders. These fees and expenses are described in each investment's prospectus. These fees will generally include a management fee, other expenses, and possible distribution fees. If the investment also imposes sales charges, a client may pay an initial or deferred sales charge. The Retirement Plan Services provided by Adviser may, among other things, assist the client in determining which investments are most appropriate to each client's financial condition and objectives and to provide other administrative assistance as selected by the client. Accordingly, the client should review both the fees charged by the funds, the fund manager, the Plan's other service providers and the fees charged by Adviser to fully understand the total amount of fees to be paid by the client and to evaluate the Retirement Plan Services being provided.

Mutual Funds purchased in the advisory programs are no-load or load waived funds purchased at net asset value (NAV). Mutual fund investments are subject to early redemption fees, 12b-1 fees and mutual fund internal management fees as well as other mutual fund expenses that are disclosed in the fund's prospectus. In cases where the mutual fund purchased through an advisory program pays 12b-1 fees, the Adviser and the IAR do not retain 12b-1 fees and IFG has instructed Pershing to refund such fees to the client by crediting the 12b-1 fees to the client's cash balance. As cash balances are required to pay advisory fees and may be a part of the account's asset allocation or otherwise necessary for other reasons, the net effect on total client returns should be negligible. Clients should understand mutual funds generally offer multiple share classes based upon certain eligibility and/or purchase requirements. The assessment of any non-reimbursed internal charges or expenses to the client's holdings will have the effect of reducing the clients return on investment. Institutional share classes and other share classes specifically designed for investment advisory programs usually have a lower expense ratio than other non-advisory share classes. The Adviser and IAR have taken steps to utilize the most advantageous share class for the client by providing training to the IAR, signing selling agreements and/or ensuring institutional share classes are included as part of the available product offering and utilizing a fund conversion program. Regardless, client should not assume that they will be invested in the share class with the lowest possible expense ratio and is encouraged to discuss share class selection and their investments' internal charges with their IAR.

Many of the mutual funds available within the advisory programs may be purchased directly from the mutual fund sponsor. Therefore, client could avoid the additional layer of advisory fees by not using the services of Adviser and IAR and making their own investment decisions.

Termination. If the Fee is paid prior to services provided, the Plan will be entitled to a prorated refund of any prepaid fees for services not received upon termination of the client agreement.

No Assignment
Neither IFG nor the client may assign the client's agreement without obtaining consent of the other party.

<u>Additional Compensation Received by IFG and/or IARs</u>
Compensation and Economic Benefits from Pershing
As more fully disclosed in Item 12, clients are generally required to use IFG and Pershing as the broker-dealer and custodian for their advisory accounts. While IFG has negotiated competitive pricing and services with Pershing for the benefit of clients, the Firm's clearing relationship with Pershing provides the Firm with certain economic benefits, as further discussed below, by using itself as the broker-dealer for its advisory program accounts rather than an unaffiliated broker-dealer.

Other Charges and Fees - Pursuant to IFG's agreement with Pershing, IFG adds a markup to certain brokerage-related account charges and fees that are assessed to client advisory accounts held at Pershing. The charges and fees that are marked up include, but are not limited to: paper delivery surcharge fees for client confirmations, clearance and execution fees, outgoing account transfer fees, mandatory reorganization fees, checking account fees, wire fees, legal transfer fees, bond redemption fees, termination fees and IRA annual custodial maintenance fees. To the extent that your account is subject to these fees, IFG receives a portion of them. None of these fees that IFG receives is shared with IARs. IFG's participation in these fees presents a conflict of interest in that IFG has a financial incentive to recommend itself as introducing broker-dealer and Pershing as the clearing firm/custodian for client accounts rather than an unaffiliated broker-dealer/custodian where IFG would not receive a portion of these fees.

FundVest – IFG is a participant in Pershing's FundVest mutual fund no-transaction fee program. This program offers a wide range of mutual funds in which transaction costs are waived on certain purchases that would otherwise be assessed a transaction charge. This presents a conflict of interest to your IAR in types of accounts where your IAR would otherwise be assessed the ticket charge in that the IAR has a financial incentive to recommend a FundVest mutual fund that does not assess transaction costs over a mutual fund that does assess transaction costs.

In addition, IFG receives third-party compensation based on assets in the FundVest program. This compensation is a conflict of interest because there is a financial incentive to IFG for clients to utilize the FundVest program. However, this conflict is minimized as the compensation is retained by IFG and is not shared with your IAR. Therefore, your IAR does not have a financial incentive to recommend FundVest mutual funds over other investments.

Cash Sweep Program - Advisory accounts where Pershing serves as the custodian provide an automatic daily cash sweep program into money market funds offered by Federated Financial Services Company and Dreyfus Funds. Adviser will receive compensation of up to 0.15% of the assets invested in Dreyfus Insured Deposits and up to 0.35% of assets invested in Federated money market funds for non-retirement accounts. IFG's receipt of this compensation is a conflict of interest as it creates a financial incentive for IFG to recommend itself as introducing broker-dealer and Pershing as the clearing firm/custodian for client accounts rather than an unaffiliated broker-dealer/custodian where IFG would not participate in these fees. IARs do not receive any portion of these fees.

Please also carefully review the margin disclosure document for additional risks involved in utilizing borrowed funds in a margin account.

Please see Additional Benefits and Compensation Received from Product Sponsors in Item 14 below for information concerning additional compensation and revenue sharing arrangements in which IFG participates and the related conflicts of interest.

<u>**Additional Important Information**</u>

Enhanced Payout for Certain IARs and Advisory Programs

While no longer available to non-participating IARs, IFG offers a limited number of grandfathered IARs an enhanced payout based on their levels of assets under management in certain advisory programs. These IARs are eligible to receive an enhanced payout, consisting of a participation in IFG's program fee when assets in these programs exceed certain levels. These grandfathered IARs have an incentive to meet these levels, to select these programs over other advisory programs and to place more assets in the program. This is a conflict of interest in that these IARs have an incentive to recommend these programs over others in which they do not receive an enhanced payout.

Program Choice Conflicts

Clients should be aware that the compensation to IFG and IARs varies from one advisory program to another. Therefore, IARs have a financial incentive to recommend higher paying programs over other programs solely due to the additional compensation received. This is a conflict between the interests of IFG/ IAR and the client.

Investments Available without IFG's Services

With certain exceptions, you can purchase recommended investments outside of your advisory account without paying for and receiving the benefit of your IAR's management services which are designed, among other things, to assist you in determining which fund or funds are most appropriate to your financial condition and state investment objectives, risk tolerance and time horizon.

Verification and Reliance on Client's Information

In performing its services, IFG and IARs shall not be required to verify any information received from the client of from the client's other professionals (e.g., attorney, accountant, etc.) and are expressly authorized to rely on such information.

Please see Item 14 below for additional information concerning other types of compensation that IFG may receive and Item 12 for information concerning benefits IFG may receive from Broker/Custodians.

ITEM 6 – PERFORMANCE FEES

Adviser does not charge performance based fees or fees based on capital gains or capital appreciation for retirement plan consulting.

ITEM 7 – TYPES OF CLIENTS

Our Retirement Plan Services are available to clients that are sponsors or other fiduciaries to plans, including 401(k), 457(b), 403(b) and 401(a) plans. Plans include participant-directed defined contribution plans and defined benefit plans. Plans may or may not be subject to ERISA.

We do not require a minimum asset amount for Retirement Plan Services.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Sources of Information

If Plan Sponsors elect to engage an IAR to provide ongoing investment recommendations for a Plan, IAR may conduct analysis of mutual funds, exchange-traded funds ("ETFs"), collective investment trusts, annuity subaccounts and other securities using a technical/quantitative and/or fundamental/qualitative approach. The sources of information that an IAR may use to provide advice to Plans, include but are not limited to, research conducted by the IAR, research prepared and published by third parties, statistical and/or analytical industry databases, financial newspapers and magazines, and vendor or company press releases. In recommending specific funds, IARs may consider ratings and recommendations provided by third-party sources, fund availability, the fund's expense ratio, investment style, past performance, and an evaluation of the fund's management.

Pension Consulting Services

The trustees or other fiduciaries of a Plan may choose to select a number of different types of securities to make available the participants, including mutual funds, collective investment trusts, ETFs, annuity subaccounts or other securities. Each different type of security carries with it risks that are inherent in that specific type of security. Mutual funds, collective investment funds, ETFs and subaccounts may also invest in varying types of securities which carry these risks. Investing in securities involves the risk of loss that Plan Sponsors should be prepared to bear.

Investment Management Services

Investment strategies will be selected based on client needs. IAR may utilize strategies such as asset allocation, trend analysis, fundamental analysis, technical analysis or economic indicators. Each IAR may have their own strategies, therefore clients should discuss their objectives with their IAR thoroughly. No assumption can be made that any particular strategy will provide better returns than other investment strategies. Investing in securities involves the risk of loss that clients should be prepared to bear.

Before participating in any program or investing in any specific asset class, client should discuss their tolerance for risk with their IAR and carefully consider the risks associated with the investment by reviewing, as applicable, the prospectus, offering memorandum or disclosure brochure. All investment decisions involve risk including the potential loss of principal. The following describes common characteristics of risk associated with the most common investments:

- **Mutual Funds:** Each mutual fund has different risks and rewards. Generally, the higher the potential return, the higher the risk of loss. Investors may have to pay taxes on capital gains distributions received even if the fund goes on to perform poorly after the investor bought shares.
- **Money Market Funds:** Although Money Market Funds have relatively low risk, the NAV may fall below $1.00 if the fund performs poorly; therefore, losses are possible.
- **ETFs:** Exchange-Traded Funds, like stocks and index funds can carry a significant amount of market risk. ETFs are made up of many assets or companies. Unlike a mutual fund that prices at Net Asset Value at the end of the trading day, ETFs can be traded at any time during trading hours, like a stock. Investing in ETFs involves volatility and risk of loss that client should be able to withstand. The specific risks associated with a particular ETF depend on the fund's portfolio and investment objectives
- **Stable Value Funds:** a conservative fund investment option available only to participants in defined contribution plans, such as 401(k)s. Generally comprised of a portfolio of short and intermediate term bonds that is insured by a bank or insurance company for loss of capital or interest. The primary risks associated with stable value funds is the financial stability of the insurer (ability to guarantee the principal and interest) and inflation risk.
- **Guaranteed Investment Contracts (GIC):** An agreement with an insurance company where the insurance company provides a guaranteed rate of return in exchange for keeping a deposit for a certain period. The primary rick associated with GICs is the insurance company's ability to guarantee the principal and interest.

The following describes common characteristics of risk associated with specific types of investments that may also be recommended in client accounts.

- **Stocks:** Investment that represents an ownership share in a company. The risks associated with stock investments include business risk and market risk, but may also include other types of risks depending on the size of the company, the company's use of debt, location of the company's primary businesses, etc.
- **Closed-end Mutual Funds:** While similar to Mutual Funds above, closed-end funds trade intra-day and are priced by the market rather than being valued by the fund's holdings at the end of the day. Like Mutual Funds, the risks associated with specific Closed-end Mutual Funds depend on the fund's portfolio and investment objectives
- **Fixed Income Securities:** Fixed income investments tend to be more conservative than individual stocks; however, clients should be aware that bonds and bond funds do carry risks including, but not limited to, loss of principal, interest rate, credit, inflation, pre-payment and reinvestment.
- **Leveraged ETFs:** Leveraged ETFs, sometimes labeled as "ultra" or "2x", seek to deliver multiples of the performance of the index or benchmark they track. To achieve a return that is a multiple of index or benchmark, the underlying investment include derivatives that creates additional volatility and are very risky. Most leveraged ETFs "reset" daily, meaning that they are designed to achieve their stated objectives for the day and on a daily basis. Their performance over longer periods of time (over weeks or months or years) can differ significantly from the performance of their underlying index or benchmark during the same period of time. This effect can be magnified in volatile markets.

- **Leveraged Inverse ETFs:** Leveraged Inverse ETFs, sometimes labeled as "ultra short" or "2x", seek to deliver multiples of the inverse performance of the index or benchmark they track. To achieve a return that is a multiple of index or benchmark, the underlying investment include derivatives that creates additional volatility and are very risky. Most leveraged inverse ETFs "reset" daily, meaning that they are designed to achieve their stated objectives for the day and on a daily basis. Their performance over longer periods of time (over weeks or months or years) can differ significantly from the performance of their underlying index or benchmark during the same period of time. This effect can be magnified in volatile markets.
- **ETNs:** Exchange Traded Notes (ETNs) are senior, unsecured debt securities issued by an underwriting bank. Similar to debentures, ETNs have a maturity date and are backed only by the credit of the issuer. ETNs are designed to provide investors access to the returns of various market benchmarks. The returns of ETNs are usually linked to the performance of a market benchmark or strategy, less fees. When a client buys an ETN, the underwriting bank promises, upon maturity, to pay the amount reflected in the index, minus fees.
- **Unit Investment Trusts:** an investment company that offers a fixed portfolio, generally of stocks and bonds, as redeemable units to investors for a specific period of time and generally designed to provide capital appreciation and/or dividend income. UITs can vary in their investment strategies, risk profiles, performance and management fees. The risks of UITs are directly related to the underlying holdings.
- **Structured Products:** Structured products are securities derived from or based on a single security, a basket of securities, an index, a commodity, a debt issuance and/or a foreign currency. Structured products have a fixed maturity, but typically contain two components – a note and a derivative (which may be an option). Structured products are issued by financial institutions, such as investment banks, and are senior to the unsecured debt of the issuing institution. As such, structured products are subject to the credit worthiness of the issuer even if they are structured to offer principal protection, and any payments due at maturity are dependent on the issuer's ability to make payment. There may be little or no secondary market for the securities and information regarding market pricing for the securities may be limited even if the product has a ticker symbol or has been listed on an exchange. In addition to credit risk, other risks of investing in structured products include, but are not limited to, principal risk, liquidity risk, principal risk, limitations on upside participation. Generally tax considerations are not applicable to retirement plans.
- **Alternative Investments/DPPs/Private Placements:** Direct participation programs typically include limited partnerships, LLCs, and REITs. However, these programs also have significant risks associated with them. Direct Participation Programs rely upon the general partner to manage the investment. This type of program is often a blind pool because the investment may not be specifically identified, and as a result you cannot evaluate the risks of, or potential returns from, the investment. DPP's are highly illiquid and there is no guarantee of a secondary market for the investment. All or a substantial portion of the distributions from this type of investment may be a return of capital and not a return on capital, which will not necessarily be indicative of performance. DPPs are speculative investments which could result in the loss of the client's entire investment.
- **Interval Funds:** Interval funds are closed-end funds with varying investment strategies and investment objectives that may not give investors the right to redeem shares and a secondary market may not exist. While the fund may provide limited liquidity to shareholders by offering to repurchase a limited amount of shares on a periodic basis, there is no guarantee that clients will be able to sell their shares even if there is a repurchase offer. Also, the offer to repurchase shares may be suspended or postponed by the investment sponsor. An investment in an interval fund involves a considerable amount of risk.
- **Options:** Certain types of options strategies (such as selling covered calls or purchasing puts) are allowed in program accounts as a way to generate income or hedge existing positions. The use of options involves additional risks including the potential for the market to rise significantly, making your put options worthless and having a security called away (covered call writing) or the loss of the premium paid for the purchase of the option.

All investments and investment programs have certain risks that are associated with them and which the investor must bear. Following are the most common types of risk of investments that are purchased for clients or the investment strategies used:

- **Business Risk:** the risk that the price of an investment will change due to factors unique to that company, investment or market segment and not the market in general.

- **Liquidity Risk:** the risk associated with the ease of being able to quickly convert the value of a security into an equivalent amount of cash. For example, money market funds are readily convertible (liquid) while certain limited partnership units or real estate are not.

- **Financial Risk:** the risk to specific companies' future earnings due to their use of debt. Companies that borrow money must pay it back at some future date, plus the interest charges. This increases the uncertainty about the company because it must have enough income to pay back this amount at some time in the future.

- **Country (Political) Risk:** the risk that a major change in the political or economic environment of a foreign country may devalue investments made in that country. This risk is usually restricted to emerging or developing countries that do not have stable economic or political environments.

- **Market Risk:** the risk that the price of a particular investment will change as a result of overall market conditions that are not specific to that particular company or investment.

- **Interest Rate Risk:** the risk that interest rate changes will affect the price of a particular investment. For example, when interest rates rise, the price of bonds generally fall.
- **Inflation Risk:** the risk that inflation would exceed the return on an investment. For example, if inflation was 4% and an investment returned 2%, the investor would lose 2% in purchasing power.

The specific risks associated with third-party investment manager programs are disclosed in their respective disclosure brochures.

ITEM 9 – DISCIPLINARY ACTION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to Plan Sponsors' or prospective Plan Sponsors' evaluation and/or selection of an investment adviser.

In 2018, IFG self-reported an issue related to its disclosure regarding the receipt of 12b-1 fees for mutual fund shares purchased for advisory accounts where a lower cost share class of the same fund was available, creating a potential conflict of interest. The SEC determined that IFG's disclosure did not sufficiently clarify the conflict of interest when a firm and its representatives receive 12b-1 fees from a mutual fund company. Without admitting or denying fault, IFG consented to a cease and desist, censure, and disgorgement. The agreed to amount of disgorgement to affected investors is $1,250,386.58 and interest of $175,764.06. The Firm has amended its policies concerning the receipt of 12b-1 fees so that it does not receive 12b-1 fees on advisory accounts.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Adviser's principal business is as a full service general securities broker-dealer (Independent Financial Group, LLC). IFG also engages in business as an insurance broker..

Typically, Adviser's IARs are also registered representatives of IFG and would likely receive commissions if clients choose to implement recommendations through the broker-dealer. If clients choose to make such purchases through IFG, this will present a conflict of interest to the extent the IAR recommend products and services through IFG in lieu of another financial institution. No investment advisory client is obligated to implement commissionable transactions through IFG as a broker-dealer and may utilize the broker-dealer of their choice.

Certain registered representatives of IFG also provide advisory services independently of IFG through separate unaffiliated Registered Investment Advisers. Some of IFG's registered representatives may act as IARs of both the IFG and a separate RIA.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Adviser has adopted a Code of Ethics that is designed to comply with the Investment Advisers Act of 1940, SEC Rule 204A-1 and federal securities laws. The Code of Ethics requires certain covered persons, including IARs, to adhere to the highest business standards and conduct their affairs with integrity and competence when dealing with the public, clients, prospects and their employees. The Code of Ethics outlines acceptable and unacceptable activities for IARs. The Code of Ethics also requires IARs to report personal securities transactions to the Adviser on a quarterly basis and contains guidelines for how client transactions must be given preference over personal transactions by the IAR. A copy of the Code of Ethics is available to clients and prospects upon request.

Adviser and IAR may invest in, or otherwise own, an interest in the same investments that are recommended to clients within program accounts. In certain circumstances this creates the potential for a conflict of interest. When making personal investments, IAR is required to place the interest of client ahead of their own. Personal trading by IAR is monitored by the Adviser. IARs personal investment considerations are not always aligned with client investment considerations; therefore, an IAR may buy or sell a specific security for their own account which the IAR does not deem appropriate to buy or sell for clients.

Adviser and IAR may perform advisory and brokerage services for certain clients that differ in timing and nature from the advice given and/or services provided to other clients.

Adviser does not make a market in any securities. No principal transactions with Adviser shall be effected in the accounts. No agency-cross transactions as such term is defined in Advisers Act Rule 206(3)-2(b) will be executed by Adviser for client program accounts.

ITEM 12 – BROKERAGE PRACTICES

Broker Selection in Pension Consulting Services

With respect to its Retirement Plan Services and when appropriate based on the needs of each plan, the Firm's IARs may also recommend that a plan use a certain retirement plan platform or service provider (such as a recordkeeper, administrator or broker-dealer). Client must evaluate all such recommendations and is responsible for the final selection of retirement plan platform or service provider.

Broker Selection in Investment Management Services

As disclosed in Item 4 above, Adviser is also a broker/dealer and member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investors Protection Corporation (SIPC). As such, Adviser has certain recordkeeping and supervisory responsibilities under FINRA rules when its affiliated representatives provide investment management services and engage in securities transactions on behalf of investment advisory clients, including Retirement Plan Services clients. As a result, Adviser has a list of approved (Approved List) broker-dealers and custodians (Broker/Custodians) that IARs must select from. Adviser generally requires IARs to recommend Pershing LLC (Pershing), a subsidiary of The Bank of New York Mellon. Pershing is also is the clearing firm for Adviser when Adviser is acting in the role of fully disclosed introducing broker to investment management clients. However, depending on criteria established by the Firm, the Firm may permit IARs to use one or more other Broker/Custodians on its Approved List. When Pershing is used as the custodian for Retirement Plan Services clients, the arrangement will be a wrap fee arrangement. Please see IFG's Form ADV Part 2A, Appendix 1 (Wrap Fee Brochure) for complete information concerning wrap fee arrangements through Pershing.

Adviser requires clients who wish to use Adviser's investment management services to use a Broker/Custodian on the Firm's Approved List for brokerage and custody services. This Approved List currently includes (1) Pershing (as discussed above), (2) Schwab Advisor Services (SAS), a division of Charles Schwab & Co., Inc. (Schwab), member FINRA/SIPC and (3) TD Ameritrade Institutional, a division of TD Ameritrade, Inc. (TDA), member FINRA/SIPC.

In no case will Adviser or its IARs have discretionary authority to select the Broker/Custodians for custodial and execution services. All Broker/Custodian selections must be explicitly authorized by the client.

Clients should be aware of the following important facts regarding the exclusive use of Broker/Custodians on the Approved List:

- Not all investment advisors require clients to use specified Broker/Custodians.
- The limitation on the choice of Broker/Custodians may affect Adviser's ability to achieve most favorable execution of client transactions, and therefore may cost clients more money; and
- Clients should consider whether the limitation on the appointment of IFG as the broker-dealer and Adviser's clearing relationship with Pershing or any other Broker/Custodians on Adviser's Approved List results in certain costs or disadvantages to the client as a result of possibly less favorable executions. Adviser carefully considers all Approved List Broker/Custodians' abilities to execute, clear and settle transactions on behalf of clients. While Adviser attempts to obtain the best execution possible, there is no assurance that best execution will be obtained.

Brokerage Services Outside of Investment Advisory Retirement Plan Services

If the Plan Sponsor elects to engage IAR acting as a registered representative of IFG to provide brokerage services for separate business, then IFG and IAR will receive brokerage-related compensation for those services, such as commissions and/or trail fees. Information regarding such brokerage compensation is available on IFG's website at www.ifgsd.com. Plan Sponsors are under no obligation to implement a recommendation through IFG. Plan Sponsors should understand that the investment products, securities and services that an IAR may recommend as part of a retirement plan consulting service are available to be purchased through broker-dealers, investment advisors or other investment firms not affiliated with IFG.

Recommendation of Brokers

The Broker/Custodians that IARs recommend generally do not charge you separately for custody services but are compensated by charging you commissions or other fees on trades that they execute on your behalf or that settle into your account.

Except for the wrap fee program through Pershing, the brokerage commissions and/or transaction fees charged by any Broker/Custodians on Adviser's Approved List are exclusive of and in addition to Adviser's and IAR's fees. Please see the IFG Wrap Fee Brochure for information concerning the IFG wrap fee services.

Clients must evaluate any recommended Broker/Custodians before opening an account. The factors considered by IARs when making brokerage and/or custodial recommendations include that firm's ability to provide professional services, experience with the firm, the firm's reputation, the firm's quality of execution services and costs of such services, financial strength, research, and the availability of and access to independent managers, among other factors. Approved List Broker/Custodians provide access to many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Approved List Broker/Custodians may be higher or lower than those charged by other broker-dealers.

Products and Services Available to IFG From Broker/Custodians

The available Broker/Custodians provide clients and IARs with access to their institutional brokerage, trading, custody, reporting, and related services, many of which are not available to their retail customers. They also make available various support services to IARs. Some of those services help IARs manage or administer client's accounts, while others help IARs manage and grow their business. Some of the products, services and other benefits provided by our Broker/Custodians benefit IFG and IARs and may not benefit you or your account. An IAR's recommendation/requirement that you place assets with one of these Broker/Custodians may be based in part on benefits they provide IFG and/or IAR, and not solely on the nature, cost or quality of custody and execution services provided by the Broker/Custodian, which is a conflict of interest. As part of their fiduciary duty, Adviser and IARs endeavor at all times to put the interest of our clients first.

Services that Benefit You
The Broker/Custodian's services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The available investment products include some which we might not otherwise have access to or that would require a significantly higher minimum initial investment by our clients. These services generally benefit you and your account.

Services that May Not Directly Benefit You
The Broker/Custodians we utilize make available to Adviser and IARs other products and services that benefit IFG and/or IARs but may not benefit your accounts in every case. Some of these other products and services assist IARs in managing and administering your accounts. These include software and technology 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 our fees from your account, and assist with back-office functions, recordkeeping, reporting and supervision. Many of these services generally may be used to service all or a substantial number of accounts.

Services that Generally Benefit Only Adviser and IARs
The Broker/Custodians also make available to Adviser other services intended to help Adviser and its IARs manage and further develop our business enterprises. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, the Broker/Custodians may make available, arrange and/or pay for these services rendered to us by third parties. The Broker/Custodians 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. The Broker/Custodians may also provide Adviser and/or IARs with other benefits such as occasional business entertainment of personnel. Please see "Additional Compensation and Economic Benefits from Pershing" in Item 5 above for additional information concerning the compensation and benefits the Firm receives from Pershing.

Additional Important Information
If the Plan Sponsor decides to implement advisory/consulting services through an IFG approved advisory program or service, the IAR will provide Plan Sponsor at the time of engagement this Brochure, Retirement Plan Services agreement and other account paperwork that contain specific information about fees and compensation that the IAR and Adviser will receive in connection with that program. For third-party asset manager programs, client will also receive information regarding the third-party asset manager's fees and associated costs.

Clients may be able to obtain lower commissions and fees from other firms other than those listed on Adviser's Approved List or through other programs offered by those firms but not made available to IFG. The value of products, research and services given to Adviser and IARs by Broker/Custodians is not a factor in determining the selection of a broker/dealer or the reasonableness of their commissions. IARs place trades for your account subject to a duty to seek best execution and other fiduciary duties. The Broker/Custodian's execution quality may be different than other broker-dealers. We believe that offering Pershing, Schwab and TD Ameritrade as qualified custodians is in the best interest of clients. It is primarily supported by the overall scope, quality and price of Pershing's, Schwab's and TD Ameritrade's services and not the services that benefit only IFG and/or IAR.

As part of its fiduciary duty to clients, Adviser and its IARs endeavor at all times to put the interests of clients first. Clients should be aware, however, that the receipt of economic benefits by Adviser or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the recommendation of Broker/Custodians for custody and brokerage services.

The receipt of these services provides IFG and/or IARs an incentive to continue to use or expand the use of a particular Broker/Custodian's services. Our receipt of general program and platform services does not diminish the Firm's duty to act in the best interests of its clients, including the duty to seek best execution of trades for client accounts. Our Firm examined this potential conflict of interest when we chose to enter into the relationship with each Broker/Custodian and we have determined that the relationship is in the best interest of our Firm's clients and satisfies our client obligations.

The aforementioned research and brokerage services provided by Broker/Custodians are used by our Firm and/or it IARs to manage accounts. Without this arrangement, our Firm and/or IARs might be compelled to purchase the same or similar services at our own respective expenses.

In connection with the provision of third-party asset manager services, the choice of custodian will be limited to those choices offered by the third party asset manager.

Trade Aggregation, Allocation (Block Trades)
Adviser may aggregate transactions for a client with other clients where possible and advantageous for clients. When trades are aggregated, the actual prices applicable to the aggregated trades will be averaged, and the client's account will be deemed to have purchased or sold its proportionate share of the securities at the average price obtained. For orders that are only partially filled, Adviser will allocate trades pro-rata or on some other basis consistent with the goal of treating all clients fairly over time.

ITEM 13 – REVIEW OF ACCOUNTS

Your IAR will generally contact you at least once a year to review our Retirement Plan Services. It is important that you discuss any changes in the Plan's demographic information, investment goals, and objectives with your IAR. Plans may receive written reports directly from their IAR based upon the services being provided, including any reports evaluating the performance of Plan investment manager(s) or investments.

If services offered to the Plan include performance monitoring, IAR will review performance of investment manager(s) or investments selected by the Plan on a quarterly basis. If elected by the Plan, IAR will provide reports evaluating the performance of Plan investment manager(s) or investments, as applicable.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Payment for Client Referrals: Adviser does not pay direct or indirect compensation to any persons for client referrals.

Additional Benefits and Compensation Received from Product Sponsors and Other Third-Parties

While not necessarily related to the Retirement Plan Services, various vendors, product providers, distributors and others provide IFG with monetary and non-monetary compensation as further described below. If applicable, and in the event the payments are received in connection with or as a result of the Retirement Plan Services, we will disclose such fees to Plan Sponsors in accordance with ERISA and Department of Labor regulations

Additional Benefits and Compensation Received from Product Sponsors

Benefits from Sponsor Companies
Through its IARs, IFG provide access to a broad selection of securities products and investment programs. Many Sponsor Companies engage in activities designed to promote their products and services to IFG and IARs, including paying for travel, meals, and lodging expenses for IARs to attend educational programs and due diligence meetings that help IARs be more knowledgeable about the Sponsor Companies' products, operations and management. Sponsor Companies may also provide additional forms of non-cash compensation to IARs relating to the sale and distribution of their products, including merchandise, gifts, prizes and entertainment such as tickets to sporting events and leisure activities, as well as payment or reimbursement for the costs of business development expenses, client seminars, client appreciation events, software, and marketing materials designed to help promote the IARs' business.

If clients attend a training or education meeting or event promoted by an IAR and a Sponsor Company is present, clients should assume that the Sponsor Company has paid for some or all of the costs of the meeting or event.

Additional Compensation from Sponsor Companies
IFG generally receives extra compensation from Sponsor Companies for providing ongoing due diligence, operational oversight and marketing and education opportunities. IARs do not participate in this compensation. This additional compensation paid to IFG by Sponsor Companies is in addition to the charges and other fees described in the applicable prospectuses and varies between Sponsor Companies and over time. This additional compensation is in the form of annual payments directly from these companies' assets and revenues and no portion of these annual payments to IFG is paid from client assets. In compliance with the prohibited transaction requirements of ERISA, these firms pay extra compensation to IFG of a fixed dollar amount. Sponsor Companies may also pay the Firm's expenses or provide non-cash items and services to facilitate training and educational meetings for IARs. None of these Sponsor Companies payments depend on the amount of any plan's investment in any product or use of any Sponsor Companies services.

Your IAR also indirectly benefits from Sponsor Company payments when we use the money to support costs relating to product review, marketing or training. Such fees are paid from the Sponsor Company's revenues and assets and do not increase the fee paid by the client. However, a conflict of interest exists because the payment of this additional compensation by these Sponsor Companies poses a financial incentive to IFG to promote certain products over other products. Even so, IFG does not believe that these arrangements compromise the duty and service the IAR owes and provides to the client as these fees are retained by IFG and are not paid to IAR.

Additional Compensation from Strategic Partners
In addition to the above-referenced benefits that Sponsor Companies provide directly to IARs, certain of these companies (Strategic Partners) pay extra compensation to IFG in return for providing them with additional opportunities to make their products available in our programs and services. This additional compensation paid to IFG by Strategic Partners is in addition to the charges and other fees described in the applicable prospectuses and varies between Strategic Partners and over time. This additional compensation is in the form of annual payments directly from these companies' assets and revenues and no portion of these annual payments to IFG is paid from client assets. In compliance with the prohibited transaction requirements of ERISA, these firms pay extra compensation to IFG of a fixed dollar amount. Strategic Partners may also pay the Firm's expenses or provide non-cash items and services to facilitate training and educational meetings for IARs. None of these Strategic Partners payments depend on the amount of any plan's investment in any product or use of any Strategic Partners services.

Your IAR also indirectly benefits from Strategic Partner payments when IFG uses the money to support costs relating to product review, marketing or training. Additionally, the financial support, participation in due diligence meetings and educational activities, and gifts and entertainment received by IARs creates a conflict of interest for IARs as they incentivize IARs to focus more on or otherwise recommend or promote the products of Strategic Partners that provide this compensation over those that do not. Such fees are paid from the Strategic Partners' revenues and assets and do not increase the fee paid by the client. However, a conflict of interest exists because the payment of this additional compensation by these product sponsors poses a financial incentive to IFG to promote certain products over other products, participation as a Strategic Partner provides a greater opportunity than non-Strategic Partners to market and educate IARs on their investments and products and IFG provides Strategic Partners with additional opportunities to make their products available in programs or services offered by IFG. Even so, IFG does not believe that these arrangements compromise the duty and service the IAR owes and provides to the client as these fees are retained by IFG and are not paid to IAR.

Please see the disclosure section of our website at: http://ifgsd.com/disclosures/ for current information concerning these compensation arrangements, including participating companies and programs.

Additional Compensation from Retirement Strategic Partners
In addition to the above-referenced Strategic Partner program, IFG has Strategic Partner relationships with certain Retirement Partners (Retirement Strategic Partners), including plan recordkeeping platforms as well as investment managers of mutual funds and the issuers of annuities. In compliance with the prohibited transaction requirements of ERISA, these firms pay extra compensation to IFG of a fixed dollar amount. Retirement Strategic Partners may also pay the Firm's expenses or provide non-cash items and services to facilitate training and educational meetings for IARs. None of these Retirement Strategic Partner payments depend on the amount of any plan's investment in any product or use of any Retirement Strategic Partners services.

A conflict of interest exists in these Retirement Strategic Partner compensation arrangements in that IFG directly benefits from these payments. Additionally, your IAR also indirectly benefits from these payments when we use the money to support costs relating to product review, marketing or training. Additionally, these payments create a conflict of interest for IARs as they incentivize IARs to focus more on or otherwise recommend or promote the products or services of Retirement Strategic Partners that provide this compensation over those that do not. Such fees are paid from the Retirement Strategic Partners revenues and assets and do not increase the fee paid by the client. However, a conflict of interest exists because the participation as a Retirement Strategic Partner provides a greater opportunity than non-Strategic Partners to market and educate our IARs on products and services and IFG provides Retirement Strategic Partners with additional opportunities to make their products and services available in programs or services offered by IFG. Even so, IFG does not believe that these arrangements compromise the duty and service the IAR owes and provides to the client as these fees are retained by IFG and are not paid to IAR.

Please see the disclosure section of our website at: http://ifgsd.com/disclosures/ for current information concerning these arrangements, including participating companies and programs.

Please see Item 5 above for information concerning additional benefits and compensation received by IFG and/or IARs from Pershing in relation to accounts held at Pershing.

Please see Item 12 above for information concerning other benefits received from recommended custodial and brokerage firms relating to client accounts.

ITEM 15 – CUSTODY

Except for the direct billing of fees to client's accounts pursuant to written client authorization, Adviser does not maintain custody of Plan assets at any time. Custody shall be maintained at the client's selected qualified custodian. The trustees or other fiduciaries for the Plan will complete account paperwork with the custodian. The custodian for Plan assets is responsible for providing the Plan with periodic confirmations and statements. Plan Sponsors should review the statements and reports received directly from the custodian or investment sponsor. If IAR provides additional reporting, clients are encouraged to review and compare the account information in the additional IAR reports to the custodial statements.

ITEM 16 – INVESTMENT DISCRETION

When providing Retirement Plan Services described herein, we may exercise discretionary authority or control over the investments specified in the Agreement. We perform these services to ERISA plans as a fiduciary under ERISA Section 3(21) and investment manager under ERISA Section 3(38). We are legally required to act with the degree of diligence, care and skill that a prudent person rendering similar services would exercise under similar circumstances. This discretionary authority is specifically granted to us by Plan Sponsor, as specified in the Agreement (*see also, Item 4 above*). Services do not include advice regarding the interpretation of the Plan documents, the determination of participant eligibility, benefits, or vesting, and the approval of distributions to be made by the Plan.

Plan Sponsors who wish to utilize third-party advisers may be required by the third-party adviser to authorize the third-party adviser to exercise discretionary authority or control over their investments.

ITEM 17 – VOTING CLIENT SECURITIES

Plan Sponsors retains the right to vote all proxies solicited for securities held in client accounts. Adviser and IARs are precluded from voting proxies on behalf of the Plan Sponsor. Certain third party advisers may render advice or take action with respect to voting proxies if client authorization is granted in the third party adviser's agreement.

ITEM 18 – FINANCIAL INFORMATION

Adviser has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.