



# Portsmouth-SmartLife

## FINANCIAL GROUP

**Firm Brochure (Part 2A of Form ADV)  
Updated: January 1, 2023**

### **Cover Page – Item 1**

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This Firm Brochure provides information about the qualifications and business practices of Portsmouth-SmartLife Financial Group LLC (“PSSLFG”). If you have any questions about the contents of this Firm Brochure, please contact us at (678) 202-4066. The information in this Firm Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

PSSLFG’s CRD#168299 and SEC#801-119231 is a SEC registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. Additional information about PSSLFG, is available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### **Material Changes – Item 2**

This section of the Firm Brochure will address only those “material changes” that have been made since our last delivery or posting of the Firm Brochure on the SEC’s public disclosure website (IAPD) at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

We may, at any time, update this Firm Brochure and send a copy to you including a summary of material changes, or a summary of material changes that includes an offer to send you a copy either by email or in hard copy form. If you would like another copy of this Firm Brochure, please download it from the SEC website as indicated above or you may contact our Chief Compliance Officer at 678-202-4066.

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### **Advisory Business – Item 4 Firm Description**

PSSLFG LLC formerly known as Davenport Wealth Management, LLC, was approved as an investment adviser with the State of Florida in December 2013. The Adviser’s investment advisory services provide clients with investment advice and recommendations that are intended to assist our clients in meeting their financial goals. PSSLFG is currently registered as a SEC registered Investment Advisor. PSSLFG currently notice files in the following States, and we are incorporated in the State of GA. AL, AZ, CA, CO, CT, DE, DC, FL, GA, HI, ID, KY, ME, MD, MA, MI, MN, NV, NH, NJ, NM, NY, NC, ND, OH, OR, PA, TN, TX, UT, VT, VA, and WA.

Investment advice is provided on either a discretionary or non-discretionary basis, with each client making the final decision on investment management agreement selection when being advised on a non- discretionary basis. When the Adviser is advising clients on a discretionary basis, PSSLFG is authorized to make the investment decisions and place trades for clients under a limited power of attorney. PSSLFG does not act as a custodian for our client’s assets. While it is the Adviser’s goal to offer a full range of advisory products and services, there are products and services that PSSLFG does not offer currently. We provide referrals or act as a solicitor to other professionals to satisfy our clients’ needs for products and services not currently offered at PSSLFG. The Adviser receives referral fees for such referrals.

## **Principal Owners**

Mike Baratta is 45% owner, Ray Lent is 22.5% owner, Echo Chien is 22.5% owner and Michael Chadwick is 10% owner.

## **Tailored Relationships – Portfolio Management**

PSSLFG will offer its clients tailored portfolio management. The goals and objectives for each client will be documented by the Adviser and typically will vary by client. Investment policy statements may be created that reflect the stated goals and objectives of each client. When providing tailored portfolio management services, Investment Adviser Representatives (“IARs”) work with clients to identify their investment goals and objectives, as well as risk tolerance, to develop an initial portfolio allocation designed to complement the client’s financial situation and personal circumstances. Depending on the client's investment profile, a client's investment allocations may be placed in a model portfolio.

The initial meeting to review clients’ investment goals and objectives may be conducted by telephone or in person and is free of charge. The initial meeting is considered exploratory to determine the extent to which investment management may be beneficial to the client.

The portfolio may be managed by the IAR or by a third-party money manager. In either case, it will be designed to provide for medium-term or long-term investments, with a balance of equity and fixed income investments based on the client's risk tolerance and investment objectives. Investors who can tolerate above average volatility and risk for the prospect of above average returns, consider an investment time horizon of five or more years.

At their discretion, IARs may choose not to use index targets, while focusing on the client's overall goals and expectations. Our advisers may have different strategies to meet similar financial goals, so one may have a more concentrated portfolio while another may diversify more across the same product or diverse products. While all strategies involve underlying risk, the risks are greater when securities are more concentrated. Additionally, advisors may actively manage while others may hold one or all securities for a longer duration.

A portfolio can consist of a range of different security types, including but not necessarily limited to equities, equity options (primarily for hedging), fixed income securities (primarily investment grade), alternative investments, exchange traded funds (ETFs), and mutual funds. This may include both mature companies and young companies. Care will be taken to identify a proper portfolio based on the client's needs, which will be determined by but not necessarily limited to their risk tolerance, investment objectives, liquidity needs and short-term and long-term needs. PSSLFG will only allow use of alternative investments in client accounts when their investment objectives and risk tolerances permit their inclusion. Alternative investments typically include Non-Traded REITs, Equipment Leasing, Oil & Gas, Hedge Funds and Managed Futures. It is a requirement to complete an exam on (iCapital) AI Insight prior to the investment being purchased for the client.

When analyzing a potential investment, your IAR will review aspects of the underlying security, including the company's business fundamentals, technical analysis of the current trend (company, sector, market), significant news and research and other key issues that may be perceived as positive or negative to a company's overall performance.

The IAR may periodically re-balance the client's account to maintain the initially agreed upon strategic and tactical asset allocation. However, no changes are made to the agreed-upon asset allocation in non-discretionary accounts without prior client review and consent.

Clients have ready access to their respective IAR. IARs are not required to be available for unscheduled or unannounced visits by clients. However, IARs are expected to periodically meet with clients and should be available to take client telephone calls on advisory-related matters. Each client can place reasonable restrictions on the type of investments to be held in the portfolio.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) may be recommended to clients or engaged directly by the client on an as-needed basis. Conflicts of interest related to recommendations of other professionals will be disclosed to the client in the event they should occur.

### **Advisory Service Agreement**

The scope of work and fee for an Advisory Service Agreement ("Advisory Agreement") is provided to the client in writing prior to the start of the relationship. The scope of work may include cash flow management, investment management, education planning, retirement planning, estate planning, as well as the implementation of recommendations within each area.

### **Seminars**

PSSLFG may host educational seminars and/or workshops to educate current clients or new prospective clients. These seminars can be product specific such as introducing a new product/service or may be more broad-based, such as discussing market conditions, investment goals, economic issues, or other broad-based aspects of investing. These seminars will be at no cost to the client. Seminars may be targeted to investors or may be available to the public.

### **Asset Management**

Client's portfolio may consist of a variety of financial products, including, but not limited to ETFs, mutual funds, equities, options, bonds, structured notes, and potentially other products. The investment strategies utilized, and portfolios constructed and managed depend on the individual client's investment objectives and goals as provided to the IAR. Initial public offerings ("IPOs") are not available through PSSLFG.

Please note that investment products are typically purchased or sold through a brokerage account. Clients are required to utilize broker-dealer/custodians of the Adviser's choice. PSSLFG currently uses two custodians – Pershing Advisor Solutions and Charles Schwab. PSSLFG will not receive special compensation for recommending such broker-dealers. However, while PSSLFG may not

receive special compensation for the recommendation, supervised persons of PSSSLFG may receive compensation as registered representatives of the broker-dealer for the recommendation.

PSSSLFG will place orders for the execution of transactions or for asset management services with or through such Broker, dealers, or financial companies that the Adviser selects, including Pershing Advisor Solutions and Charles Schwab & Co., Inc. which are also registered with FINRA, the SEC, and various states.

### **Solicitation for Other Advisers**

PSSSLFG IARs also serve as solicitors for third-party money managers. The IARs enter into Solicitation Agreements with the third-party money managers that describe the role of the IAR, the terms of the relationship, and the compensation arrangement. Clients will be provided with a Solicitor Disclosure Document that describes the solicitation arrangement.

### **Financial Planning**

We make available a variety of financial planning services. The scope of the services and the fee for these services is pursuant to a written Financial Planning Agreement (“FPA”). Such financial planning services will involve preparing a written financial plan for our clients based on their current situation, financial goals, and objectives. Financial plans will be performed in any of the following areas:

1. Identification and analysis of financial problems
2. Insurance & risk management planning
3. Investment planning (securities)
4. Legacy planning
5. College planning
6. Social Security planning
7. Retirement planning
8. Tax planning
9. Cash flow and income planning
10. Trust funding

PSSSLFG offers two financial planning options: Specified Financial Planning Services or Expansive Financial Planning Services.

**Specified Financial Planning Services.** This level of financial planning may include identification and analysis of financial problems, legacy planning, retirement planning, cash flow and income planning, social security planning, insurance & risk management planning, investment planning (securities), tax planning, trust funding, college planning and/or any number of individualized projects as requested by clients.

**Expansive Financial Planning Services.** Rather than describing a point in time that involves only the

client, Expansive Financial Planning describes a process that takes place over time involving multiple interactions between the client and their advisers.

Clients will receive a one-time written financial plan addressing the specific agreed upon objectives laid out in the FPA. Engagement in future planning services is at the discretion of the client and a new FPA will be executed based on the new objectives, given the revised scope of those objectives.

### **Wrap Fee Programs**

PSSLFG does not intend to offer wrap fee service currently. Assets under Management As of December 31, 2022, we managed \$211.2 million on a discretionary basis.

### **Item 5 - Fees and Compensation Asset Management Fees**

PSSLFG bases its advisory fees for asset management on the value of assets under management (“AUM”), as disclosed on the client’s periodic statement with the Custodian. These fees are negotiable between the Adviser and the client and are calculated as a percentage of the AUM according to the following schedule:

The minimum annual fee is \$1,000 and is negotiable. The range for the use of outside Asset Managers will fall in the range of the above schedule. The fees will not exceed more than 2% of assets under management per year. However, similar services may be available through other advisers at a lower fee. PSSLFG does not allow the use of margin accounts.

PSSLFG, in its sole discretion, may waive its minimum fee based upon certain considerations including, but not limited to, the IAR’s historical relationship with the client, related accounts, anticipated future assets, types of assets, etc. For accounts that are managed under the Representative as Manager Program, the fees are 1% to 2% as agreed by client. The Representative as Manager Program fee is negotiable and is based upon the Adviser’s and client’s agreement on the services that will be provided, and the amount of AUM.

### **Solicitation Fees**

Clients who are referred to third-party money managers enter into an Asset Management Agreement with the third-party money manager. Management fees are charged by the third-party money manager pursuant to the asset management agreement, which are negotiable. The third-party money manager charges a total fee not to exceed 2%. If a client selects a third-party money manager to manage all or a portion of the client’s assets, the third-party money manager will pay PSSLFG a portion of the fees charged to the client by the third-party money manager. PSSLFG IARs will receive compensation via a referral fee for referring clients to third-party money managers. Specifically, PSSLFG IARs are compensated directly by the third-party money manager, which the portion of the fees are negotiable and ranges from 1.25% to 1.50% of the total fees charged to the clients.

PSSLFG will provide a copy of the third-party money manager's disclosure brochure to clients when referring clients to the third-party money manager.

### **Financial Planning**

**Specified Financial Planning Services.** Fees for this service are negotiable and may be charged at an hourly rate of \$150 to \$350 per hour or at a flat rate ranging from \$250 for a single Financial Project to \$4,000 for multiple Financial Plans depending on the depth and range of services requested, the complexity of the situation, and the estimated number of hours required to complete. PSSLFG may, at its discretion, negotiate other fee-paying arrangements.

**Expansive Financial Planning Services.** Fees for the initial financial plan are negotiable and can range from a minimum of \$500 to \$4,000 depending on the depth and range of services requested, the complexity of the situation, and the estimated number of hours required to complete.

**Annual Review.** At client's discretion, an annual review and planning snapshot update is available for a flat fee ranging from \$150 to \$1,500. Factors which influence the fixed fee range for annual review of PSSLFG's financial planning services are client's change in financial or family status, and new client investment objectives.

### **Fee Billing**

#### **Asset Management**

Fees are billed monthly or quarterly in arrears. Clients will be provided with an invoice that indicates the amount of the fee, the value of assets upon which the fee is based, the period covered by the fee and the computation of the fee. Payment of the invoice may be made by direct deduction from the client's account with the custodian. For the Adviser to receive its fee directly from the custodian, the client must provide written authorization to the custodian in advance.

#### **Financial Planning**

Prior to the planning process the financial planning fees will be agreed upon in writing before services are provided. Fees are payable in advance upon signing of FPA by both parties. All work will be completed, and the plan will be delivered within sixty days from the date of the signed FPA.

### **Other Fees**

Our fees do not include brokerage commissions, transaction fees, and other brokerage related costs and expenses that are paid by you. You may pay additional fees imposed by custodians, brokers, and other third parties. The advisory fee does not cover charges imposed by third parties for investments held in the account, such as management fees charged by mutual funds for their services as investment managers. These fees are in addition to the fees paid by you to PSSLFG. Clients will incur brokerage and other transaction costs as discussed in Item 12 of our disclosure brochure that discusses brokerage.



## **Termination of Agreement**

### **Asset Management – Advisory Agreement.**

Either the client or PSSSLFG may terminate the Advisory Agreement at any time by providing the other party with written notice. Unpaid fees will only be calculated and charged up to the date of termination. Any refunds will be sent by check to the client's address of record within 30 days, unless otherwise directed in writing by the client.

### **Financial Planning**

During the first sixty days after signing the FPA, the FPA may be canceled by the client for any reason and the client will receive a full refund of fees paid up to the date of cancellation. Under this provision, a client may receive a 100% refund by check of all hourly and/or project fees paid, which will be paid to the client by check within thirty (30) days when the following conditions are met: The client must deliver a written notice of cancellation to PSSSLFG prior to the intended date of cancellation, and return all materials received up to and including the date of cancellation.

**IMPORTANT:** If you have not received the Firm's Brochure at least 48 hours prior to signing an investment advisory contract, you may terminate the investment advisory contract within five (5) business days of signing the contract without incurring any advisory fees.

Your IAR may operate in various capacities including, but not limited to, as an IAR offering you various advisory services, or as an insurance agent recommending the purchase of insurance products. Therefore, your IAR may recommend investment or insurance products.

We or your supervised person has an incentive to recommend investment products (insurance) based on the compensation received, rather than on a client's needs. As such, a conflict of interest may exist in the compensation your IAR receives for services offered through the Firm and the compensation your IAR may receive as an insurance agent on the purchase or sale of investment or insurance products.

To reduce this conflict of interest, if your IAR recommends investment or insurance products, you have the option to purchase or sell such investment or insurance products through other brokers or agents who are not affiliated with us.

## **Item 6 - Performance-Based Fees and Side-by-Side Management**

PSSSLFG does not charge performance-based fees. Our fee structure is described in detail in Item 5 above.

## **Item 7 - Types of Clients Description**

PSSSLFG will provide investment advisory services to individuals including high net worth individuals. Client relationships will vary in scope and length of service.

## Account Minimums

The Adviser does not currently require a minimum balance to open an account. PSSSLFG reserves the right to implement a minimum balance.

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

PSSSLFG's methods of analysis may include charting, fundamental analysis, technical analysis, and cyclical analysis.

**Charting:** In this type of technical analysis, we review charts of market and security activities to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

**Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis:** We analyze past market movements and apply that analysis to the present to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly managed or financially unsound company may underperform regardless of market movement.

**Cyclical Analysis:** We analyze business cycles to find favorable conditions for buying and/or selling a security.

Our primary sources of information include financial websites, newspapers, magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

## Investment Strategies

The investment strategy for a client is based on the client's objectives. PSSSLFG's investment strategies may include passive and/or active asset management and may involve long-term trading, and short-term trading.

## Risk of Loss

All investment programs have certain risks that are borne by the investor. Although our investment approach considers the risk of loss, investors face the following investment risks:

**Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

**Market Risk:** The price of a security may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events.

**Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

**Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

**Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.

**Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

**Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Assets are more liquid if traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

**Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

**Equity Risk:** Common stocks have greater risk than preferred stocks or fixed income investments and are subject to market value increases or decreases as market confidence and perceptions of these companies change. Stocks of different asset classes such as technology or consumer companies have different volatility levels. Volatility affects the value of the client's overall portfolio. Small and Mid-cap stocks are subject to additional risks and may experience greater volatility, more limited markets, higher failure rates and less management experience than larger-

cap companies. Smaller to Mid-cap companies may also have a lower trading volume which may affect the market price and more vulnerable to selling pressure in the marketplace. Not all common stocks pay dividends.

**Equity Options:** PSSSLFG does not allow option trading.

**Fixed Income Securities:** Although fixed income securities may be less volatile than equities, they are still subject to default by the issuer. Additionally, their rate of interest may be eroded by the rate of inflation. The lower the credit rating of a bond, the greater risk that the issuer will default on its obligation. If a rating agency rates a bond with a lower rating, the value of the bond will decline. As interest rates rise, the value of fixed income securities is likely to decrease.

**ETF/Mutual Fund Risk:** Investors should be aware that they will absorb additional expenses based on their pro-rated share of the ETF or Mutual Fund, including the duplication of management fees. The risk of ETF and Mutual fund is like the risk from investing in equities. When investing in mutual funds or ETFs, the investor will bear their share of any fees and expenses payable directly by those funds. An investors overall portfolio may be affected by losses of an underlying fund and the results of the practices of the managers in the underlying fund. ETFs are subject to shares trading at a market price that is above or below their Net Asset Value, the trading of an ETFs shares may be halted and effect liquidity which advisers have no control over risks related to the underlying securities in funds in which a client invests.

**Alternative Investments:** Alternative investments are not traded on an exchange and may have limited opportunity to liquidate the investor's holdings. Accordingly, the investor may lose some or all their investment because of their inability to liquidate their position.

The above risks are not meant to represent all risks associated with investing, and investments typically carry the potential for a loss of your total investment. Please discuss the risks associated with investing with your investment adviser representative to ensure you are comfortable with the level of risks in your portfolio.

#### **Item 9 - Disciplinary Information Legal and Disciplinary**

Neither PSSSLFG, nor any of our management persons have been involved in any legal or disciplinary events. Please refer to the Form ADV Part 2B Brochure Supplement(s) for your IAR's individual legal and disciplinary events.

#### **Item 10 - Other Financial Industry Activities and Affiliations Financial Industry Activities and Affiliations**

Neither the Adviser nor any of our management persons are registered or have an application pending to register as a broker-dealer or a registered representative of a broker- dealer.

Furthermore, neither the Adviser nor any of our management persons are registered or have an application pending to register as a futures commission merchant, commodity pool operator, commodity trading advisor or as an associated person (or registered representative) of the foregoing entities.

In addition, neither the Adviser nor any of our management persons have any relationship or arrangement that is material to our advisory business or to our clients that the Adviser or any of our management persons have with any related person listed below, that is under common control and ownership with the Adviser:

- Broker-dealer, municipal securities dealer, or government securities dealer or broker,
- Investment company or other pooled investment vehicle,
- Other investment adviser or financial planner,
- Futures commission merchant (or commodity pool operator or commodity trading advisor),
- Banking or thrift institution,
- Accountant or accounting firm,
- Lawyer or law firm,
- Insurance company or agency,
- Pension consultant,
- Real estate broker or dealer, or
- Sponsor or syndicator of limited partnerships.

However, certain of our IARs are registered representatives of Portsmouth Financial Services (“Portsmouth”), registered broker dealer member FINRA & SIPC with various state regulatory agencies. Portsmouth also has a state registered investment adviser. Portsmouth Investment Advisor has decided to postpone its withdraw. We have chosen to deliver their services in this fashion to offer their clients diverse and extensive investment and planning opportunities. This may represent a conflict of interest since their time is split between two business operations. Such IARs are compensated by a fee based on assets in the advisory accounts or fee for financial planning rather than receiving commissions. Additionally, our IARs may receive compensation (commission) based upon the sale of an investment product, including distribution and service fees from the sale of mutual funds in non-managed accounts as registered representatives of Portsmouth. Prior to these transactions being executed, registered representatives will disclose this conflict of interest. Clients are under no obligation to engage the services of any such recommended professionals. Clients retain absolute discretion over all such implementation decisions and are free to accept or reject any recommendations. You may effect any such transactions wherever you desire.

Certain of our IARs are licensed to sell insurance products through various companies. Appropriately licensed IARs will receive compensation for the sale of such products. You are under no obligation to purchase insurance products through any insurance agency or IAR and may effect any such transactions wherever you desire.

Previously described in Items 4 and 5 of this Firm Brochure, PSSFLG IARs may serve as solicitors for third-party money managers. If you select a third-party money manager to manage all or a portion of your assets, the third-party money manager will pay us a portion of the fees charged to you by the third-party money manager. Please refer to Items 4 and 5 for full details regarding the programs and fees. Because we receive a portion of the advisory fee from these third parties, our IARs have an incentive to recommend such advisors. However, we have developed and implemented policies and procedures to conduct due diligence on such advisors.

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

### **Code of Ethics**

The Advisers Act imposes a fiduciary duty on Investment Advisors. As a fiduciary, PSSFLG has a duty of utmost good faith to act solely in the best interest of each of our clients. Our clients entrust us with their funds and/or investments, which in turn places a high standard on our conduct and integrity. Our fiduciary duty compels all employees to act with the utmost integrity in all their dealings. This fiduciary duty is the core principle underlying our “Code of Ethics” and represents the expected basis of all our dealings with our clients. The Code includes policies and procedures developed to protect client’s interests in relation to the following topics:

- The duty always to place the interests of clients first.
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics and to avoid any actual or potential conflict of interest or any abuse of an employee’s position of trust and responsibility.
- The principle that investment advisor personnel should not take inappropriate advantage of their positions.
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

We will provide a copy of the Code to any client or prospective client upon request within a reasonable period at the current client’s address of record.

Employees must comply with the provisions of the Adviser’s Compliance Policies and Procedures, as well as its Code of Ethics.

## **Participation or Interest in Client Transactions**

Neither PSSFLG nor any of our related persons provide recommendations for your accounts in securities that we (or our related persons) have a material financial interest.

Furthermore, we do not, nor any of our related persons, execute transactions on a principal or agency cross basis.

Neither PSSFLG nor any of our related persons invests in the same securities (or related securities) that we or a related person recommends to clients.

Additionally, neither PSSFLG nor any of our related persons recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that we or a related person buys or sells the same securities for our own (or the related person's own) account.

## **Personal Trading**

The Chief Compliance Officer of PSSFLG will review all employee trades no less than quarterly to ensure that client interests come first.

## **Item 12 - Brokerage Practices Selecting Brokerage Firms**

The selection of the broker-dealer will be based on which broker is able to effect the transaction efficiently. Additionally, the research and services provided by the broker-dealer with respect to the investment may be a factor in the selection process. Therefore, we may have an incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on our clients' interest in receiving the most favorable execution. The commissions payable to such broker-dealers may in certain cases be higher than those attainable from other broker-dealers who do not provide such research and services. In the event PSSFLG were to enter a soft dollar arrangement with a brokerage firm, the Firm would use soft dollar benefits to service either (a) all the Firm's clients' accounts; or (b) only those client accounts that paid for the benefits through the higher commission costs. PSSFLG will only refer clients to broker-dealers that are registered to do business in your state of residence. PSSFLG currently uses two custodians – Pershing Advisor Solutions and Charles Schwab. Clients are required to utilize broker-dealer/custodians of the Adviser's choice.

## **Best Execution**

Client transactions will be executed through FINRA and SEC regulated broker-dealers. Such broker-dealers are required to provide best execution of client transactions. PSSFLG will periodically review executions to determine whether fair market prices were received. More detailed reviews related to the quality of execution will also be performed quarterly. All such reviews will be documented by the Adviser.

## **Research and Other Soft Dollars Benefits**

PSSLFG does not currently maintain any soft dollar arrangements. Brokerage for Client Referrals  
The Adviser does not consider, in selecting or recommending broker-dealers, whether the Adviser or a related person receives client referrals from such broker-dealer or third party.

## **Directed Brokerage**

We do not routinely recommend, request, or require that a client direct us to execute transactions through a specified broker-dealer nor do we permit clients to direct brokerage.

## **Order Aggregation**

When PSSLFG provides asset management services, we review each client portfolio individually. Orders are placed separately as the IAR deems appropriate given the market conditions. This could result in situations where we do not aggregate trades across multiple accounts trading in the same security. Order aggregation for multiple clients will not occur unless there is a definitive benefit to the clients from aggregating of such trades. Order aggregation will only occur for accounts that have agreed in writing to allow for discretionary orders. If we cannot or do not aggregate your trades, you may receive a higher price than you could have if we did aggregate your trades. However, we will block trades where possible and when advantageous to you. Blocking trades permits the trading of aggregate blocks of securities composed of assets from multiple accounts so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block. Block trading allows us to execute trades in a more timely, equitable and efficient manner and to seek to reduce overall commission charges to you. We have developed and implemented a Compliance Program to monitor our trading and to ensure that all client accounts receive fair and equitable treatment.

## **Administrative Trade Errors**

From time-to-time we may make an error in submitting a trade order on your behalf. Trading errors may include situations, such as:

- The wrong security is bought or sold for a client.
- A security is bought instead of sold.
- A transaction is executed for the wrong account,
- Securities transactions are completed for a client that had a restriction on such security; or
- Securities are allocated to the wrong accounts.

When this occurs, we may place a correcting trade with the broker-dealer that has custody of your account within 2 days of the error being discovered. If an investment gain results from the corrective action, the gain will remain in your account unless it is legally not permissible for you to



retain the gain, or we confer with you and you decide to forego the gain (e.g., due to tax reasons). If a loss occurs due to our administrative trade error, we are responsible and will reimburse your account for the loss to ensure that you are made whole.

**Note:** To limit the respective administrative expenses and burden of processing small trade

errors, it should be noted custodians (at their own discretion) may elect not to invoice us if the trade error involves a de minimis dollar amount (usually less than \$100). If related trade errors result in both gains and losses in your account, they may be netted.

In all cases, we will act in your best interests.

### **Item 13 - Review of Accounts**

#### **Asset Management Periodic Reviews**

Account reviews are performed periodically, no less than quarterly by each IAR and by the CCO to ensure the advisory services provided to you are consistent with your investment needs and objectives. Each IAR and the CCO shall review your accounts for best execution, suitability, and service. Account reviews are performed more frequently when market conditions dictate and as requested by PSSFLG's clients. PSSFLG Client accounts are reviewed at least quarterly by each adviser and SmartLife Financial Group's Compliance Officer. Client accounts can also be reviewed at any time because of the on-line platform utilized by PSSFLG and their IARs. These reviews are conducted to review portfolio allocations, performance, and to ensure the advisory services provided to clients are consistent with their investment needs and objectives.

#### **Review Triggers**

The triggers for a preemptive review include significant changes in the market, either upwards or downwards, market activity in the securities held in the client accounts, changes in the tax laws, new investment information, and changes in a client's own financial situation.

#### **Regular Reports**

All Clients have access to their account statements and can review account holdings and activity directly from the asset custodian(s). Statements are prepared monthly if there is activity in the account, otherwise quarterly. Statements can also be printed and mailed to a client. Clients may also receive periodic reports or information directly from the fund/alternative investment company. PSSFLG may provide Clients with quarterly evaluation reports which will disclose an inventory of account holding and analyze the performance of the securities in the Client's account to assist the Client in determining whether to re-allocate investment of account assets among available securities. Clients are urged to carefully compare any statement provided by PSSFLG to official statements provided by the account custodian, and to notify the firm or the IAR immediately if there are any discrepancies. Clients are provided, at least quarterly, with written summary account statements directly from their custodian.

### **Financial Planning**

All work will be completed, and a one-time written financial plan will be delivered within sixty days from the date of the signed FPA. At client's discretion, an annual review and planning snapshot update is available for an additional flat fee and a new FPA will be executed.

### **Item 14 - Client Referrals and Other Compensation Incoming Referrals**

PSSLFG does not currently pay individuals for referrals.

### **Referrals Out**

PSSLFG may receive compensation from other professionals when a prospect or client is referred to them. Such compensation would be pursuant to a written agreement with PSSLFG.

### **Other Compensation**

PSSLFG's IARs who are licensed insurance agents may receive compensation for such services outside the scope of the IAR's relationship with the Adviser. Clients of PSSLFG are under no obligation to purchase or use other services provided by affiliates or agents of PSSLFG. Comparable services may be available elsewhere at more competitive rates.

### **Item 15 - Custody Account Statements**

We do not take physical possession of client funds or securities. However, given that we may be granted authority to deduct the advisory fees from your account, we are deemed to have custody under the State of Florida regulations. We will comply with the safekeeping requirements imposed by the State of Florida in that we will obtain prior written authorization from you to deduct advisory fees from your account. All assets are held at qualified custodians, which mean the custodians provide account statements directly to clients at their address of record at least quarterly. PSSLFG does not hold any client assets. We will send a copy of your invoice with the amount of the fee to be deducted from your account to the qualified custodian while we send the invoice to you. The invoice will specify the amount of the fee including the formula used to calculate the fee, the amount of AUM the fee was based on, and the time covered by the fee. The custodian will send to you, at least quarterly, an account statement providing a detailed report of the assets in the account at the end of the period and setting forth all transactions in the account during that period, including the amount of advisory fees paid directly to us.

### **Performance Reports**

Clients are urged to compare the account statements received directly from their custodians to any performance reports provided by PSSLFG. In the event of a discrepancy, clients should rely on the account statements from the custodian as a true and accurate record of your holding(s). Our clients are urged to bring any discrepancies to our immediate attention.

### **Item 16 - Investment Discretion Discretionary Authority for Trading**

PSSLFG accepts discretionary authority to manage securities accounts on behalf of clients upon receipt of the executed Advisory Agreement. In such cases, PSSLFG will have the authority to

determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold as well as the authority to determine the broker or dealer to be used for the purchase or sale of securities for the client's account. Such authority will only occur for accounts that have agreed in writing to allow for discretionary trading.

Discretionary trading authority facilitates placing trades in your accounts on your behalf so that we may promptly implement the investment policy that you have approved in writing.

In managing an investment portfolio, we act in a manner in keeping with what we understand and believe to be in your best interest. In making these buy and sell decisions, we follow general guidelines established by you which may include instructions to have PSSFLG refrain from purchasing certain securities. Any restrictions must be submitted to us in writing.

#### **Item 17 - Voting Client Securities Proxy Votes**

PSSFLG does not vote proxies on behalf of clients currently. Our client advisory agreements, or other client documents, provide that our advisory clients expressly retain the authority and responsibility for voting proxies of portfolio securities. We may provide advisory clients with administrative assistance regarding proxy voting or issues; however, you have the responsibility to receive and vote any proxies. Clients will receive their proxies or other solicitations directly from their custodian or a transfer agent. Clients should contact their custodian or a transfer agent with questions about a particular solicitation.

#### **Item 18 - Financial Information Financial Condition**

PSSFLG does not have any financial impairment that will preclude the Adviser from meeting contractual commitments to clients. PSSFLG is currently meeting all state financial requirements for it to act as an Investment Advisor.

PSSFLG does not maintain custody of our client's funds or securities. In addition, we do not require or solicit prepayment of more than \$500 in fees per client six months in advance.

In addition, we are not currently, nor at any time in the past ten years been the subject of a bankruptcy petition.

#### **Item 19 - Requirements for State Registered Advisers**

##### **Item 19a - Principal Executive Officers and Management Persons**

Each of our principal executive officers and management persons, currently only Kenneth Ackerman (CRD #847256), COO of PSSFLG, will provide their formal education and business background, including any business in which he is actively engaged (other than giving investment advice) and the approximate amount of time spent on that business in a separate disclosure, the Form ADV Part 2B Supplement.

**Item 19b - Additional Business Activities**

Certain Investment Advisor Representatives are also registered representatives of a broker-dealer and as such as licensed to sell securities. Certain Investment Advisor Representatives are also licensed as insurance brokers or agents.

**Item 19c - Performance Based Fees**

Neither the Adviser nor its supervised persons receive compensation in the form of performance-based fees.

**Item 19d - Material Disclosures**

Neither the Adviser nor its supervised persons have material disclosures to report currently.

**Item 19e - Relationships with Issuers of Securities**

Neither the Adviser, nor any of our management persons maintain any relationships or have arrangements with any issuers of securities that are not listed in Item 10 of this Firm Brochure.