

FORM ADV PART 2A DISCLOSURE BROCHURE



Office Address:
2213 Allison Lane
Jeffersonville, IN 47130

Tel: 812-288-9000

sstewart@brookstonefinancial.com

www.brookstonefinancial.com

This brochure provides information about the qualifications and business practices of PMB Capital Management LLC DBA Brookstone Financial. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 812-288-9000. 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.

Additional information about PMB Capital Management LLC DBA Brookstone Financial (CRD #168185) is available on the SEC's website at www.adviserinfo.sec.gov

MARCH 16, 2022

Item 2: Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

Material Changes since the Last Update

This update is in accordance with the required annual update for Registered Investment Advisors. Since the last filing on August 3, 2021 the following changes have occurred:

- Item 4 has been updated with the firm's most recent assets under management calculation.
 - Item 5 has been updated to disclose the fee schedule when using American Funds.
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Full Brochure Available

This Firm Brochure being delivered is the complete brochure for the Firm.

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Item 4: Advisory Business

Firm Description

PMB Capital Management LLC DBA Brookstone Financial ("Brookstone") was founded in 2013. Seth Stewart is 100% owner.

Types of Advisory Services

ASSET MANAGEMENT

Brookstone offers discretionary asset management services to advisory Clients. Brookstone will offer Clients ongoing asset management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program will be based on the above factors. The Client will authorize Brookstone discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

When deemed appropriate for the Client, Brookstone may hire Sub-Advisors to manage all or a portion of the assets in the Client account. Brookstone has full discretion to hire and fire Sub-Advisors as they deem suitable. Sub-Advisors will maintain the models or investment strategies agreed upon between Sub-Advisor and Brookstone. Sub-Advisors execute trades on behalf of Brookstone in Client accounts. Brookstone will be responsible for the overall direct relationship with the Client. Brookstone retains the authority to terminate the Sub-Advisor relationship at Brookstone's discretion.

FINANCIAL PLANNING AND CONSULTING

If financial planning and consulting services are applicable, a comprehensive evaluation of an investor's current and future financial state will be provided by using currently known variables to predict future cash flows, asset values and withdrawal plans. Brookstone will use current net worth, tax liabilities, asset allocation, and future retirement and estate plans in developing financial plans.

Typical topics reviewed in a financial plan may include but are not limited to:

- **Financial goals:** Based on an individual's or a family's clearly defined financial goals, including funding a college education for the children, buying a larger home, starting a business, retiring on time or leaving a legacy. Financial goals should be quantified and set to milestones for tracking.
- **Personal net worth statement:** A snapshot of assets and liabilities serves as a benchmark for measuring progress towards financial goals.
- **Cash flow analysis:** An income and spending plan determines how much can be set aside for debt repayment, savings and investing each month.
- **Retirement strategy:** A strategy for achieving retirement independent of other financial priorities. Including a strategy for accumulating the required retirement capital and its planned lifetime distribution.
- **Comprehensive risk management plan:** Identify all risk exposures and provide the necessary coverage to protect the family and its assets against financial loss. The risk management plan includes a full review of life and disability insurance, personal liability coverage, property and casualty coverage, and catastrophic coverage.
- **Long-term investment plan:** Include a customized asset allocation strategy based on specific investment objectives and a risk profile. This investment plan sets

guidelines for selecting, buying and selling investments and establishing benchmarks for performance review.

- **Tax reduction strategy:** Identify ways to minimize taxes on personal income to the extent permissible by the tax code. The strategy should include identification of tax-favored investment vehicles that can reduce taxation of investment income.
- **Estate preservation:** Help update accounts, review beneficiaries for retirement accounts and life insurance, provide a second look at your current estate planning documents, and prompt you to update your plan when the legal environment changes or you have major life events such as a marriage, death, or births.

Financial plans will be completed and delivered inside of thirty (30) days contingent upon timely delivery of all required documentation.

Brookstone will offer the following additional assistance in conjunction with the above financial planning or consulting or as a stand-alone service, to be provided at the client's request:

- Retirement Income Planning Services
- Generational Wealth Transfer Strategies
- Outside Account Services
 - Asset Allocation Consulting
 - Annual Contribution Guidance
 - Document Assistance
 - Tax Form Gathering & Review

Additional services will be completed within 30 days of client request.

If a conflict of interest exists between the interests of Brookstone and the interests of the Client, the Client is under no obligation to act upon Brookstone's recommendation. If the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through Brookstone.

THIRD-PARTY MANAGERS

When deemed appropriate for the Client, we may recommend that Clients utilize the services of a Third-Party Manager (TPM) to manage a portion of, or your entire portfolio. All TPMs that we recommend must either be registered as investment advisers with the Securities and Exchange Commission or with the appropriate state authority(ies).

After gathering information about your financial situation and objectives, an investment advisor representative of our firm will make recommendations regarding the suitability of a TPM or investment style based on, but not limited to, your financial needs, investment goals, tolerance for risk, and investment objectives. Upon selection of a TPM(s), we will monitor the performance of the TPM(s) to ensure their performance and investment style remains aligned with your investment goals and objectives.

In such circumstances, Brookstone receives solicitor fees from the TPM. We act as the liaison between the Client and the TPM in return for an ongoing portion of the advisory fees charged by the TPM. We help the Client complete the necessary paperwork of the TPM, provides ongoing services to the Client. Ongoing services include but are not limited to:

1. Meet with the Client to discuss any changes in status, objectives, time horizon or suitability;
2. Update the TPM with any changes in Client status which is provided to Brookstone by the Client;

3. Review the statements provided by the TPM; and
4. Deliver the Form ADV Part 2, Privacy Notice and Solicitors Disclosure Statement of the TPM to the Client.

Brookstone will provide the TPM with any changes in Client status as provided to us by the Client and review the quarterly statements provided by the TPM. Brookstone will deliver the Form ADV Part 2, Privacy Notice and Solicitors Disclosure Statement of the TPM. Clients placed with TPM will be billed in accordance with the TPM's Fee Schedule which will be disclosed to the Client prior to signing an agreement.

ERISA PLAN SERVICES

Brookstone provides service to qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit-sharing plans, cash balance plans, and deferred compensation plans. Brookstone may act as either a 3(21) or 3(38) advisor:

Limited Scope ERISA 3(21) Fiduciary. Brookstone may serve as a limited scope ERISA 3(21) fiduciary that can advise, help and assist plan sponsors with their investment decisions. As an investment advisor Brookstone has a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using Brookstone can help the plan sponsor delegate liability by following a diligent process.

1. Fiduciary Services are:

- Provide investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options. Brookstone acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.
- Provide investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5) and 404(a)-5.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands Brookstone's assistance in education of the Plan participants shall be

consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, Brookstone is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. Brookstone will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.

- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

Brookstone may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Brookstone and Client.

3. Brookstone has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of Fees paid to Brookstone on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

ERISA 3(38) Investment Manager. Brookstone can also act as an ERISA 3(38) Investment Manager in which it has discretionary management and control of a given retirement plan's assets. Brookstone would then become solely responsible and liable for the selection, monitoring and replacement of the plan's investment options.

1. Fiduciary Services are:

- Brookstone has discretionary authority and will make the final decision regarding the initial selection, retention, removal and addition of investment options in accordance with the Plan's investment policies and objectives.
- Assist the Client with the selection of a broad range of investment options consistent with ERISA Section 404(c) and the regulations thereunder.
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan.
- Provide discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5).

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands the Brookstone's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, the Brookstone is not providing fiduciary advice as defined by ERISA to the Plan participants. Brookstone will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

Brookstone may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Brookstone and Client.

3. Brookstone has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of Fees paid to the Adviser on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

SEMINARS AND WORKSHOPS

Brookstone holds seminars and workshops to educate the public on different types of investments and the different services they offer. The seminars are educational in nature and no specific investment or tax advice is given.

Client Tailored Services and Client Imposed Restrictions

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without written Client consent.

Wrap Fee Programs

Brookstone does not sponsor any wrap fee programs.

Client Assets under Management

As of December 31, 2021, Brookstone had \$26,460,653 of Client assets under management on a discretionary basis and \$0 on a non-discretionary basis.

Item 5: Fees and Compensation

Method of Compensation and Fee Schedule

ASSET MANAGEMENT

Brookstone offers discretionary direct asset management services to advisory Clients. Brookstone charges an annual investment advisory fee based on the total assets under management as follows:

Assets Under Management	Annual Fee	Quarterly Fee
Up to \$49,999	2.00%	0.50%
\$50,000 - \$99,999	1.75%	0.4375%
\$100,000 - \$499,999	1.50%	0.375%
\$500,000 - \$999,999	1.25%	0.3125%
\$1,000,000 - \$1,999,999	1.00%	0.25%
\$2,000,000 - \$4,999,999	0.75%	0.1875%
Over \$5,000,000	0.50%	0.125%

This is a tiered or breakpoint fee schedule, the entire portfolio is charged the same asset management fee. The annual fee is negotiable based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.). Fees are billed quarterly in arrears based on the amount of assets managed as of the close of business on the last business day of the previous quarter. Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. After the initial five (5) business days, the agreement may be terminated by Brookstone with thirty (30) days written notice to Client and by the Client at any time with written notice to Brookstone. For accounts opened or closed mid-billing period, fees will be prorated based on the days services are provided during the given period. All unpaid earned fees will be due to Brookstone. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

Brookstone may also utilize the services of a Sub-Advisor to manage Clients' investment portfolios. Brookstone will enter into Sub-Advisor agreements with other registered investment advisor firms. When using Sub-Advisors, the Client will not pay additional fees. The Sub-Advisors fees are inclusive of the fees charged by Brookstone.

American Funds

When using American Funds, Brookstone charges an annual investment advisory fee based on the total assets under management as follows:

Assets Under Management	Annual Fee	Quarterly Fee
Up to \$499,999	1.50%	0.375%
\$500,000 - \$999,999	1.25%	0.3125%
\$1,000,000 - \$1,999,999	1.00%	0.25%
\$2,000,000 - \$4,999,999	0.75%	0.1875%
Over \$5,000,000	0.50%	0.125%

This is a tiered or breakpoint fee schedule, the entire portfolio is charged the same asset management fee. The annual fee is negotiable based upon certain criteria (e.g., historical

relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.). Fees are billed quarterly in arrears based on the amount of assets managed as of the close of business on the last business day of the previous quarter. Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. After the initial five (5) business days, the agreement may be terminated by Brookstone with thirty (30) days written notice to Client and by the Client at any time with written notice to Brookstone. For accounts opened or closed mid-billing period, fees will be prorated based on the days services are provided during the given period. All unpaid earned fees will be due to Brookstone. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

FINANCIAL PLANNING AND CONSULTING

Brookstone charges either a \$200 hourly fee or fixed fee between \$500 and \$2,500 for initial financial planning and consulting services needs. Prior to the planning process the Client will be provided an estimated plan fee. Initial services are completed and delivered inside of thirty (30) days contingent upon timely delivery of all required documentation. Fees for financial plans are due upon delivery of the completed plan.

In addition, Clients will have the opportunity to engage in additional services as stated above in Item 4. Fees for these services will be based on an hourly rate of \$200. Client and Brookstone will determine a set number of hours in the financial planning and consulting agreement. Brookstone will provide a detailed invoice in the quarters services are provided. Additional services will be completed within 30 days of client request.

For example, Client will sign the contract stating additional financial planning services will not exceed 10 hours. In quarters where services are provided, Client will receive a detailed invoice describing services delivered. Fees are due upon receipt of invoice. A new contract will be required once agreed upon number of hours has been fulfilled.

Client may cancel within five (5) business days of signing Agreement with no obligation and without penalty. If the Client cancels after five (5) business days, any unpaid earned fees will be due to Brookstone. Brookstone reserves the right to waive the fee should the Client implement the plan through Brookstone.

THIRD-PARTY MANAGERS

Morningstar Investment Services, LLC

Brookstone may offer Clients the Morningstar Managed Portfolios program ("Program"). This Program is a discretionary investment advisory program offered by Morningstar Investment Services, LLC ("MIS"), a federally registered investment advisor. MIS will delegate certain services to Brookstone such as assisting each Client in completing a questionnaire and other applicable account opening forms, determining suitability, meeting with the Client at least annually to obtain any changes in their financial situation and acting as liaison between MIS and the Brookstone Client. For these services, Brookstone will receive a portion of the fee paid by each Client participating in this Program.

For these services, the Brookstone will receive a portion of the fee paid by each Client participating in this Program. Program fee is charged quarterly either in advance based on

the prior period's ending balance or in arrears based on the average daily balance for the applicable period. The fee will be disclosed to the Client in the Investment Advisory Agreement.

Mutual Fund Strategies

The standard fee schedule for the Mutual Fund Strategies is:

	First \$500K	Next \$500K	Next \$1MM	Over \$2MM
MIS Fee	0.40%	0.35%	0.30%	0.20%
Brookstone Fee	1.10%	1.05%	1.00%	0.90%
Total Fee	1.50%	1.40%	1.30%	1.10%

Annual Minimum MIS Fee: \$200

Select Stock Basket Strategy

The standard fee schedule for the Select Stock Basket Strategy is:

	First \$1MM	Next \$4MM	Thereafter
MIS Fee	0.55%	0.50%	0.45%
Brookstone Fee	1.10%	1.10%	1.10%
Total Fee	1.65%	1.60%	1.55%

Annual Minimum MIS Fee – Custom: \$1,375

Annual Minimum MIS Fee – Strategist: \$550

ETF Only Strategies

The standard fee schedule for the ETF Only Strategies is:

	First \$1MM	Next \$4MM	Thereafter
MIS Fee	0.30%	0.25%	0.20%
Brookstone Fee	1.10%	1.10%	1.10%
Total Fee	1.40%	1.35%	1.30%

Annual Minimum MIS Fee: \$150

Retirement Management Systems (“RMS”)

Brookstone will refer retirement plan participants who may be interested in the Savings Plan Management advisory program provided by RMS. RMS will manage the assets according to the Investment Policy Statement corresponding the portfolio selection confirmed on the Investor Profile and manage the account in the Plan identified on Schedule A of the RMS client agreement by allocating, rebalancing and reallocating Client Assets among the Plan's investment options. Fees are billed as follows:

Assets Under Management	Maximum Annual Fee	RMS Fee	Brookstone Fee
All Assets	1.00%	0.12%	0.88%

RMS does charge a minimum annual fee of \$240. Brookstone's portion of the annual fee is negotiable based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, etc.). Fees are billed either quarterly or monthly in advance based on the amount of assets managed as of the close of business on the last business day of the previous billing cycle. Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. After the initial five (5) business days, the agreement may be terminated by Brookstone with thirty (30) days written notice to

Client and by the Client at any time with written notice to Brookstone. For accounts opened or closed mid-billing period, fees will be prorated based on the days services are provided during the given period. All prepaid unearned fees will be refunded to the Client. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

ERISA PLAN SERVICES

The annual fees are based on the market value of the Included Assets and will not exceed 1%. The annual fee is negotiable and may be charged as a percentage of the Included Assets or as a flat fee. Fees may be charged quarterly or monthly in arrears or in advance based on the assets as calculated by the custodian or record keeper of the Included Assets (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets). If the services to be provided start any time other than the first day of a quarter or month, the fee will be prorated based on the number of days remaining in the quarter or month. If this Agreement is terminated prior to the end of the billing cycle, Brookstone shall be entitled to a prorated fee based on the number of days during the fee period services were provided or Client will be due a prorated refund of fees for days services were not provided in the billing cycle.

The fee schedule, which includes compensation of Brookstone for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees, however the Plan Sponsor may elect to pay the fees. Client may elect to be billed directly or have fees deducted from Plan Assets. Brookstone does not reasonably expect to receive any additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, Brookstone will disclose this compensation, the services rendered, and the payer of compensation. Brookstone will offset the compensation against the fees agreed upon under the Agreement.

SEMINARS AND WORKSHOPS

Brookstone holds seminars and workshops to educate the public on different types of investments and the different services they offer. The seminars are educational in nature and no specific investment or tax advice is given.

Brookstone offers these seminars for a fee between \$25-\$75 to cover the cost of books and materials.

Client Payment of Fees

Fees for asset management services are deducted from a designated Client account to facilitate billing or they may pay Brookstone directly. The Client must consent in advance to direct debiting of their investment account.

Fees for ERISA services will either be deducted from Plan assets or paid directly to Brookstone. The Client must consent in advance to direct debiting of their investment account.

Fees for financial plans will be billed to the Client and paid directly to Brookstone.

Fees for asset management services provided by TPM are deducted from a designated Client account by TPM to facilitate billing. The Client must consent in advance to direct debiting of their investment account.

Additional Client Fees Charged

Custodians may charge brokerage commissions, transaction fees, and other related costs on the purchases or sales of mutual funds, equities, bonds, options and exchange-traded funds. Mutual funds, money market funds and exchange-traded funds also charge internal management fees, which are disclosed in the fund's prospectus. Brookstone does not receive any compensation from these fees. All of these fees are in addition to the management fee you pay to Brookstone. For more details on the brokerage practices, see Item 12 of this brochure.

Prepayment of Client Fees

Brookstone does not require any prepayment of fees of more than \$500 per Client and six months or more in advance.

Fees for ERISA 3(21) and/or 3(38) services may be billed in advance.

If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to Brookstone.

External Compensation for the Sale of Securities to Clients

Investment Advisor Representatives of Brookstone receive external compensation from sales of investment related products such as insurance as licensed insurance agents. This represents a conflict of interest because it gives an incentive to recommend products based on the commission received. This conflict is mitigated by disclosures, procedures, and Brookstone's fiduciary obligation to place the best interest of the Client first and Clients are not required to purchase any products or services. Clients have the option to purchase these products through another insurance agent of their choosing.

Item 6: Performance-Based Fees and Side-by-Side Management**Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Brookstone does not use a performance-based fee structure because of the conflict of interest. Performance based compensation may create an incentive for Brookstone to recommend an investment that may carry a higher degree of risk to the Client.

Item 7: Types of Clients**Description**

Brookstone generally provides investment advice to individuals, high net worth individuals, trusts, estates, corporations or business entities and charities. Client relationships vary in scope and length of service.

Account Minimums

Brookstone does not require a minimum to open an account unless the account is a donor advised fund which requires a minimum initial contribution of \$5,000.

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

Methods of Analysis

Security analysis methods may include fundamental analysis, technical analysis, charting, and cyclical analysis. Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

Charting analysis strategy involves using and comparing various charts to predict long and short-term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are twofold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

TPMs utilized by Brookstone may use various methods of analysis to determine the proper strategy for the Client referred and these will be disclosed in the TPM's Form ADV Part 2. Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns. Other strategies utilized by TPMs may include long-term purchases, short-term purchases, trading, and option writing (including covered options, uncovered options or spreading strategies).

In developing a financial plan for a Client, Brookstone's analysis may include cash flow analysis, investment planning, risk management, tax planning and estate planning. Based on the information gathered, a detailed strategy is tailored to the Client's specific situation.

The main sources of information include financial newspapers and magazines, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

Investment Strategy

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time by providing written notice to Brookstone. Each Client executes a Client profile form or similar form that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases and trading.

Security Specific Material Risks

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks and should discuss these risks with Brookstone:

- *Market Risk:* The prices of securities in which Clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by a fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value.
- *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.
- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than 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.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Management Risk:* The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the Client's portfolio may suffer.
- *Equity Risk:* Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. This volatility affects the value of the Client's overall portfolio. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies.
- *Fixed Income Risk:* The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return. As nominal interest

rates rise, the value of fixed income securities held by a fund is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.

- *Investment Companies Risk:* When a Client invests in open end mutual funds or ETFs, the Client indirectly bears their proportionate share of any fees and expenses payable directly by those funds. Therefore, the Client will incur higher expenses, which may be duplicative. In addition, the Client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value or (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. Adviser has no control over the risks taken by the underlying funds in which Client invests.
- *Foreign Securities Risk:* Funds in which Clients invest may invest in foreign securities. Foreign securities are subject to additional risks not typically associated with investments in domestic securities. These risks may include, among others, currency risk, country risks (political, diplomatic, regional conflicts, terrorism, war, social and economic instability, currency devaluations and policies that have the effect of limiting or restricting foreign investment or the movement of assets), different trading practices, less government supervision, less publicly available information, limited trading markets and greater volatility. To the extent that underlying funds invest in issuers located in emerging markets, the risk may be heightened by political changes, changes in taxation, or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.
- *Long-term purchases:* Long-term investments are those vehicles purchased with the intension of being held for more than one year. Typically, the expectation of the investment is to increase in value so that it can eventually be sold for a profit. In addition, there may be an expectation for the investment to provide income. One of the biggest risks associated with long-term investments is volatility, the fluctuations in the financial markets that can cause investments to lose value.
- *Short-term purchases:* Short-term investments are typically held for one year or less. Generally, there is not a high expectation for a return or an increase in value. Typically, short-term investments are purchased for the relatively greater degree of principal protection they are designed to provide. Short-term investment vehicles may be subject to purchasing power risk — the risk that your investment's return will not keep up with inflation.
- *Trading risk:* Investing involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund or investment will be achieved.

The risks associated with utilizing TPMs or Sub-Advisors include:

- Manager Risk
 - TPM or Sub-Advisor fails to execute the stated investment strategy
- Business Risk
 - TPM or Sub-Advisor has financial or regulatory problems

- The specific risks associated with the portfolios of the TPM or Sub-Advisor is disclosed in the TPM's or Sub-Advisor's Form ADV Part 2.

Item 9: Disciplinary Information

Criminal or Civil Actions

Brookstone and its management have not been involved in any criminal or civil action.

Administrative Enforcement Proceedings

Brookstone and its management have not been involved in administrative enforcement proceedings.

Self-Regulatory Organization Enforcement Proceedings

Brookstone and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective Client's evaluation of Brookstone or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

Broker-Dealer or Representative Registration

Brookstone is not registered as a broker-dealer and no affiliated representatives of Brookstone are registered representatives of a broker-dealer.

Futures or Commodity Registration

Neither Brookstone nor its affiliated representatives are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

Material Relationships Maintained by this Advisory Business and Conflicts of Interest

Managing Member Seth Stewart is the President and a licensed insurance agent with Brookstone Financial, LLC. Less than 10% of his time is spent on these activities. He receives commissions from the sale of insurance products.

These practices represent conflicts of interest because it gives an incentive to recommend products based on the commission amount received. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to place the best interest of the Client first and the Clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent of their choosing.

Seth B. Stewart is also President/Owner of 62 Sales, LLC - RV and Boat Sales, Brookstone Development - Commercial Contracting and Brookstone Holdings, LLC - Real Estate Investments & Holdings. Approximately 50% of his time is spent on these activities.

These practices don't represent conflicts of interest because services from these businesses will not be offered to Clients of Brookstone.

Recommendations or Selections of Other Investment Advisors and Conflicts of Interest

Clients placed with TPM will be billed in accordance with the TPM's fee schedule which will be disclosed to the Client prior to signing an agreement. When referring Clients to a TPM, the Client's best interest will be the main determining factor of Brookstone. Brookstone ensures that before selecting other advisors for Client that the other advisors are properly licensed or registered as an investment advisor.

These practices represent conflicts of interest because Brookstone is paid a Solicitor Fee for recommending the TPM and may choose to recommend a particular TPM based on the fee Brookstone is to receive. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to act in the best interest of his Clients. Clients are not required to accept any recommendation of TPM given by Brookstone and have the option to receive investment advice through other money managers of their choosing.

Brookstone may also utilize the services of a Sub-Advisor to manage Clients' investment portfolios. Sub-Advisors will maintain the models or investment strategies agreed upon between Sub-Advisor and Brookstone. Sub-Advisors execute all trades on behalf of Brookstone in Client accounts. Brookstone will be responsible for the overall direct relationship with the Client. Brookstone retains the authority to terminate the Sub-Advisor relationship at Brookstone's discretion.

In addition to the authority granted to Brookstone under the Agreement, Client will grant Brookstone full discretionary authority and authorizes Brookstone to select and appoint one or more independent investment advisors ("Advisors") to provide investment advisory services to Client without prior consultation with or the prior consent of Client. Such Advisors shall have all of the same authority relating to the management of Client's investment accounts as is granted to Brookstone in the Agreement. In addition, at Brookstone's discretion, Brookstone may grant such Advisors full authority to further delegate such discretionary investment authority to additional Advisors.

This practice represents a conflict of interest as Brookstone may select Sub-Advisors who charge a lower fee for their services than other Sub-Advisors. This conflict is mitigated by disclosures, procedures, and by the fact that Brookstone has a fiduciary duty to place the best interest of the Client first and will adhere to their code of ethics.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics Description

The affiliated persons (affiliated persons include employees and/or independent contractors) of Brookstone have committed to a Code of Ethics ("Code"). The purpose of our Code is to set forth standards of conduct expected of Brookstone affiliated persons and addresses conflicts that may arise. The Code defines acceptable behavior for affiliated persons of Brookstone. The Code reflects Brookstone and its supervised persons' responsibility to act in the best interest of their Client.

One area which the Code addresses is when affiliated persons buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our Clients. We do not allow any affiliated persons to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our Clients.

Brookstone's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other affiliated person, officer or director of Brookstone may recommend any transaction in a security or its derivative to advisory Clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

Brookstone's Code is based on the guiding principle that the interests of the Client are our top priority. Brookstone's officers, directors, advisors, and other affiliated persons have a fiduciary duty to our Clients and must diligently perform that duty to maintain the complete trust and confidence of our Clients. When a conflict arises, it is our obligation to put the Client's interests over the interests of either affiliated persons or the company.

The Code applies to "access" persons. "Access" persons are affiliated persons who have access to non-public information regarding any Clients' purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to Clients, or who have access to such recommendations that are non-public.

Brookstone will provide a copy of the Code of Ethics to any Client or prospective Client upon request.

Investment Recommendations Involving a Material Financial Interest and Conflict of Interest

Brookstone and its affiliated persons do not recommend to Clients securities in which we have a material financial interest.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Brookstone and its affiliated persons may buy or sell securities that are also held by Clients. In order to mitigate conflicts of interest such as trading ahead of Client transactions, affiliated persons are required to disclose all reportable securities transactions as well as provide Brookstone with copies of their brokerage statements.

The Chief Compliance Officer of Brookstone is Seth Stewart. He reviews all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over associated persons' transactions.

Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

Brookstone does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist. However, affiliated persons may buy or sell securities at the same time they buy or sell securities for Clients. In order to mitigate conflicts of interest such as front running, affiliated persons are required to disclose all reportable securities transactions as well as provide Brookstone with copies of their brokerage statements.

The Chief Compliance Officer of Brookstone is Seth Stewart. He reviews all trades of the affiliated persons each quarter. The personal trading reviews ensure that the personal trading of affiliated persons does not affect the markets and that Clients of the firm receive preferential treatment over associated persons' transactions.

Item 12: Brokerage Practices

Factors Used to Select Broker-Dealers for Client Transactions

Brookstone may recommend the use of a particular broker-dealer such as TD Ameritrade Institutional, a Division of TD Ameritrade, Inc., Member FINRA/SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. Brookstone will select appropriate brokers based on a number of factors including but not limited to their

relatively low transaction fees and reporting ability. Brookstone relies on its broker to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by Brookstone.

Brookstone participates in the TD Ameritrade Institutional program. TD Ameritrade is an independent SEC-registered broker-dealer and is not affiliated with Brookstone. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Brookstone receives some benefits from TD Ameritrade through its participation in the program. Any TD Ameritrade account maintained on the Institutional platform that is under transactional based pricing is subject to the same zero commissions as retail Clients. Although TD Ameritrade recently reduced their online equity trade commissions to zero, it only applies to U.S. exchange listed stocks, ETFs and options trades.

- *Directed Brokerage*
Brookstone does not allow directed brokerage accounts.
- *Brokerage for Client Referrals*
Brookstone does not receive Client referrals from any custodian in exchange for using that broker-dealer.
- *Best Execution*
Investment advisors who manage or supervise Client portfolios have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is affected, the ability to effect the transaction where a large block is involved, the operational facilities of the broker-dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. Brookstone does not receive any portion of the trading fees.
- *Soft Dollar Arrangements*
The Securities and Exchange Commission defines soft dollar practices as arrangement under which products or services other than execution services are obtained by Brookstone from or through a broker-dealer in exchange for directing Client transactions to the broker-dealer. As permitted by Section 28(e) of the Securities Exchange Act of 1934, Brookstone receives economic benefits as a result of commissions generated from securities transactions by the broker-dealer from the accounts of Brookstone. These benefits include both proprietary research from the broker and other research written by third parties.

A conflict of interest exists when Brookstone receives soft dollars. This conflict is mitigated by the fact that Brookstone has a fiduciary responsibility to act in the best interest of its Clients and the services received are beneficial to all Clients.

Brookstone utilizes the services of custodial broker dealers. Economic benefits are received by Brookstone which would not be received if Brookstone did not give investment advice to Clients. These benefits include: A dedicated trading desk, a dedicated service group and an account services manager dedicated to Brookstone's accounts, ability to conduct "block" Client trades, electronic download of trades,

balances and positions, duplicate and batched Client statements, and the ability to have advisory fees directly deducted from Client accounts.

Aggregating Securities Transactions for Client Accounts

Brookstone is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other Clients of Brookstone. All Clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a pro-rated basis.

Item 13: Review of Accounts

Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

Account reviews are performed quarterly by the Chief Compliance Officer of Brookstone. Account reviews are performed more frequently when market conditions dictate. Reviews of Client accounts include, but are not limited to, a review of Client documented risk tolerance, adherence to account objectives, investment time horizon, and suitability criteria, reviewing target bans of each asset class to identify if there is an opportunity for rebalancing, and reviewing accounts for tax loss harvesting opportunities.

Financial plans generated are updated as requested by the Client and pursuant to a new or amended agreement, Brookstone suggests updating at least annually.

Review of Client Accounts on Non-Periodic Basis

Other conditions that may trigger a review of Clients' accounts are changes in the tax laws, new investment information, and changes in a Client's own situation.

Content of Client Provided Reports and Frequency

Clients receive written account statements no less than quarterly for managed accounts. Account statements are issued by Brookstone's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs.

Item 14: Client Referrals and Other Compensation

Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest

As disclosed under Item 12 above, Brookstone participates in TD Ameritrade's institutional customer program and Brookstone may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Brookstone's participation in the program and the investment advice it gives to its Clients, although Brookstone receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Brookstone participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional

money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Brookstone by Third-Party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by Brookstone's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Brookstone but may not benefit its Client accounts. These products or services may assist Brookstone in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Brookstone manage and further develop its business enterprise. The benefits received by Brookstone or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to Clients, Brookstone endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits by Brookstone or its related persons in and of itself creates a conflict of interest and may indirectly influence the Brookstone's choice of TD Ameritrade for custody and brokerage services.

Brookstone receives a portion of the annual management fees collected by the TPM(s) to whom Brookstone refers Clients.

This situation creates a conflict of interest because Brookstone and/or its Investment Advisor Representative have an incentive to decide what TPMs to use because of the higher solicitor fees to be received by Brookstone. However, when referring Clients to a TPM, the Client's best interest will be the main determining factor of Brookstone.

Investment Advisor Representatives of Brookstone receive external compensation for the sale of securities to Clients as a registered representative of Center Street Securities, Inc., a broker-dealer. This represents a conflict of interest because it gives an incentive to recommend products based on the commission received. As registered representatives, they do not charge advisory fees for the services offered through Center Street Securities, Inc. This conflict is mitigated by disclosures, procedures, and Brookstone's fiduciary obligation to place the best interest of the Client first and Clients are not required to purchase any products or services. Clients have the option to purchase these products through another registered representative of their choosing.

Advisory Firm Payments for Client Referrals

Brookstone does not compensate for Client referrals.

Item 15: Custody

Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to Clients at their address of record at least quarterly. Clients are urged to compare the account statements received directly from their custodians to any documentation or reports prepared by Brookstone.

Brookstone is deemed to have limited custody solely because advisory fees are directly deducted from Client's accounts by the custodian on behalf of Brookstone.

If Brookstone is authorized or permitted to deduct fees directly from the account by the custodian:

- Brookstone will provide the Client with an invoice concurrent to instructing the custodian to deduct the fee stating the amount of the fee, the formula used to calculate the fee, the amount of assets under management the fee is based on and the time period covered by the fee;
- Brookstone will obtain written authorization signed by the Client allowing the fees to be deducted; and
- The Client will receive quarterly statements directly from the custodian which disclose the fees deducted.

Item 16: Investment Discretion

Discretionary Authority for Trading

Brookstone requires discretionary authority to manage securities accounts on behalf of Clients. Brookstone has 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.

Brookstone allows Client's to place certain restrictions, as outlined in the Client's Investment Policy Statement or similar document. These restrictions must be provided to Brookstone in writing.

The Client approves the custodian to be used and the commission rates paid to the custodian. Brookstone does not receive any portion of the transaction fees or commissions paid by the Client to the custodian.

Item 17: Voting Client Securities

Proxy Votes

Brookstone does not vote proxies on securities. Clients are expected to vote their own proxies. The Client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, Brookstone will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

Item 18: Financial Information

Balance Sheet

A balance sheet is not required to be provided because Brookstone does not serve as a custodian for Client funds or securities and Brookstone does not require prepayment of fees of more than \$500 per Client and six months or more in advance.

Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

Brookstone has received a loan through the U.S. Small Business Administration ("SBA") Paycheck Protection Program ("PPP"), which allowed eligible individuals and small businesses to obtain loans during the COVID-19 crisis. A PPP loan is eligible for forgiveness, provided the terms of the loan forgiveness are satisfied. Brookstone certified to the SBA that the receipt of the loan was necessary to support our ongoing operations. The SBA has subsequently advised all PPP borrowers that they were required to make this certification in good faith, taking into account their current business activity and their ability to access

other sources of liquidity sufficient to support their ongoing operations in a manner that is not significantly detrimental to their business. On April 21, 2020 Brookstone received a \$66,800 PPP loan to assist with the payment of salaries for employees, including those who are primarily responsible for performing advisory functions for our clients. Brookstone believes the PPP Loan was necessary to support existing operations without layoffs or reductions of employee compensation. However, we do not believe we would have been unable to meet any contractual commitment absent our receipt of the PPP loan.

Bankruptcy Petitions during the Past Ten Years

Brookstone has not had any bankruptcy petitions in the last ten years.

Item 19: Requirements for State Registered Advisors

Principal Executive Officers and Management Persons

The education and business background for all management and supervised persons can be found in the Part 2B of this Brochure.

Outside Business Activities

The outside business activities for all management and supervised persons can be found in the Part 2B of this Brochure.

Performance Based Fee Description

Neither Brookstone nor its management receive performance based fees. Please see Item 6 of the ADV 2A for more information.

Disclosure of Material Facts Related to Arbitration or Disciplinary Actions Involving Management Persons

Neither Brookstone nor its management have been involved in any of the following:

1. An award or otherwise been found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
 - a) An investment or an investment-related business or activity;
 - b) Fraud, false statement(s) or omissions;
 - c) Theft, embezzlement or other wrongful taking of property;
 - d) Bribery, forgery, counterfeiting, or extortion;
 - e) Dishonest, unfair or unethical practices.
 2. An award or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - a) An investment or an investment-related business or activity;
 - b) Fraud, false statement(s) or omissions;
 - c) Theft, embezzlement or other wrongful taking of property;
 - d) Bribery, forgery, counterfeiting, or extortion;
 - e) Dishonest, unfair or unethical practices.
-

Material Relationship Maintained by this Advisory Business or Management persons with Issuers of Securities

There are no material relationships with issuers of securities to disclose.

Item 1 Cover Page
SUPERVISED PERSON BROCHURE
FORM ADV PART 2B

Seth Stewart



Office Address:
2213 Allison Lane
Jeffersonville, IN 47130

Tel: 812-288-9000

sstewart@brookstonefinancial.com

www.brookstonefinancial.com

This brochure supplement provides information about Seth Stewart and supplements the PMB Capital Management LLC DBA Brookstone Financial brochure. You should have received a copy of that brochure. Please contact Seth Stewart if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Seth Stewart (CRD #5467292) is available on the SEC's website at www.adviserinfo.sec.gov.

MARCH 16, 2022

Brochure Supplement (Part 2B of Form ADV)

Supervised Person Brochure

Principal Executive Officer – Seth Stewart

- Year of birth: 1974
-

Item 2 - Educational Background and Business Experience

Educational Background:

- No post-secondary education

Business Experience:

- Brookstone Development, LLC; President; 12/2019 – Present
 - Brookstone Holdings, LLC; President; 09/2019 – Present
 - 62 Sales, LLC; Owner; 04/2017 - Present
 - PMB Capital Management LLC DBA Brookstone Financial; Managing Member/Investment Advisor Representative; 10/2013 – Present
 - Brookstone Financial, LLC; President; 06/2003 – Present
 - Center Street Securities, Inc.; Registered Representative; 02/2012 – 11/2020
 - Industrial Coating Contractors; Member/Partner; 11/2014 – 08/2015
 - PlanMyBenefit.com; Co-Founder; 12/2011 – 01/2014
 - American Equity Investment Corp; Registered Representative; 07/2009 – 02/2012
 - Brookstone Capital Management LLC; Investment Advisor Representative; 08/2007 – 10/2013
-

Item 3 - Disciplinary Information

- A. Mr. Stewart has never been involved in a criminal or civil action in a domestic, foreign or military court of competent jurisdiction for which he:
1. Was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any felony; (b) misdemeanor that involved investments or an investment-related business, fraud, false statement or omissions, wrongful taking of property, bribery, perjury, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
 2. Is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
 3. Was found to have been involved in a violation of an investment-related statute or regulation; or
 4. Was the subject of any order, judgement or decree permanently or temporarily enjoining, or otherwise limiting, him from engaging in any investment related activity, or from violating any investment-related statute, rule, or order.
- B. Mr. Stewart never had an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which he:
1. Was found to have caused an investment-related business to lose its authorization to do business; or the subject of an order by the agency or authority;

2. Was found to have been involved in a violation of an investment-related statute or regulation or was the subject of an order by the agency or authority
 - (a) denying, suspending or revoking the authorization of the supervised person to act in an investment-related business; (b) barring or suspending his association with an investment-related business; (c) otherwise significantly limiting his investment-related activities; or (d) imposing a civil money penalty of more than \$2,500 on him.
 - C. Mr. Stewart has never been the subject of a self-regulatory organization (SRO) proceeding in which he:
 1. Was found to have caused an investment-related business to lose its authorization to do business; or
 2. Was found to have been involved in a violation of the SRO's rules and was: (a) barred or suspended from membership or from association with other members, or was expelled from membership; (b) otherwise significantly limited from investment-related activities; or (c) fined more than \$2,500.
 - D. Mr. Stewart has not been involved in any other hearing or formal adjudication in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct.
-

Item 4 - Other Business Activities

Seth Stewart is the President and a licensed insurance agent with Brookstone Financial, LLC. Less than 10% of his time is spent on these activities. He receives commissions from the sale of insurance products.

These practices represent conflicts of interest because it gives an incentive to recommend products based on the commission amount received. This conflict is mitigated by disclosures, procedures and the firm's fiduciary obligation to place the best interest of the Client first and the Clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent of their choosing.

Seth B. Stewart is also President/Owner of 62 Sales, LLC - RV and Boat Sales, Brookstone Development - Commercial Contracting and Brookstone Holdings, LLC - Real Estate Investments & Holdings. Approximately 50% of his time is spent on these activities.

These practices don't represent conflicts of interest because services from these businesses will not be offered to Clients of Brookstone.

Item 5 - Additional Compensation

Seth Stewart receives commissions on the insurance products he sells. He does not receive any performance-based fees.

Item 6 - Supervision

Since Seth Stewart is the CCO of Brookstone he is solely responsible for all supervision and formulation and monitoring of investment advice offered to Clients. He will adhere to the policies and procedures as described in the firm's Compliance Manual. He can be reached at stewart@brookstonefinancial.com or 812-288-9000.

Item 7 - Requirements for State-Registered Advisors

- A. Mr. Stewart has not been involved in any of the following:
 1. An award or otherwise been found liable in an arbitration claim alleging damages in excess of \$2,500 involving any of the following:

- a) An investment or an investment-related business or activity;
 - b) Fraud, false statement(s) or omissions;
 - c) Theft, embezzlement or other wrongful taking of property;
 - d) Bribery, forgery, counterfeiting, or extortion;
 - e) Dishonest, unfair or unethical practices.
2. An award or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
- a) An investment or an investment-related business or activity;
 - b) Fraud, false statement(s) or omissions;
 - c) Theft, embezzlement or other wrongful taking of property;
 - d) Bribery, forgery, counterfeiting, or extortion;
 - e) Dishonest, unfair or unethical practices.
- B. Mr. Stewart has never been the subject of a bankruptcy petition