



## **Martin Financial Group, LLC**

### **Form ADV Part 2A – Disclosure Brochure**

**Effective: November 8, 2018**

This Form ADV Part 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Martin Financial Group, LLC (“Martin Financial” or the “Advisor”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (812) 542-1018.

Martin Financial is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about Martin Financial to assist you in determining whether to retain the Advisor.

Additional information about Martin Financial and its advisory persons are available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching for our firm name or by our CRD# 149228.

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## **Item 2 – Material Changes**

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Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about advisory personnel of Martin Financial. For convenience, we have combined these documents into a single disclosure document.

Martin Financial believes that communication and transparency are the foundation of its relationship with Clients and will continually strive to provide its Clients with complete and accurate information at all times. Martin Financial encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

### Material Changes

The following material changes have been made to this disclosure brochure since the last filing and distribution to clients, including revisions to streamline disclosures:

- Advisory Persons no longer have a broker-dealer affiliation with Triad Advisors, LLC.
- The Advisor updated its services to include ongoing financial planning services. Please see Item 4 and 5.
- The Advisor updated its services to include Investment Consulting. Please see Item 4 and 5.
- The Advisor updated its disclosure as it relates to the use of independent managers. Please see Item 4 and 5.
- The Advisor engages in Cross Trades. Please see Item 12.
- The Advisor has amended its Services, Fees and Compensation to include Retirement Plan Advisory Services. Please see Item 4 and 5.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching for our firm name or by our CRD# 149228. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (812) 542-1018.

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## **Item 4 – Advisory Services**

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### **A. Firm Information**

Martin Financial Group, LLC (“Martin Financial” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”), which is organized as a Limited Liability Company (LLC) under the laws of Indiana. Martin Financial was founded in January 2001, and is owned and operated by George W. Martin, III (Principal and Chief Compliance Officer), and Ryan N. Eatherly, (Principal). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Martin Financial.

### **B. Advisory Services Offered**

Martin Financial offers investment advisory services to individuals, high net worth individuals, trusts, estates, corporations, businesses and retirement plans in the State of Indiana and other states (each referred to as a “Client”).

#### Wealth Management Services

Martin Financial provides Clients with wealth management services, which generally includes a broad range of comprehensive financial planning and consulting strategies as well as discretionary and non-discretionary management of investment portfolios.

#### Investment Management Services

Martin Financial provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary and non-discretionary investment management and related advisory services. Martin Financial works closely with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create a portfolio strategy. Martin Financial will either construct a portfolio or place assets in investment models, consisting of low-cost, diversified mutual funds and/or exchange-traded funds (“ETFs”) and alternative investments, such as real estate investment trusts (“REIT”)s, gas and oil investments and private equity to achieve the Client’s investment goals. For certain Clients, the Advisor may recommend investment in Class F-2 shares offered through American Funds Services (“AFS”), a low cost mutual fund option, which do not include 12(b)-1 fees. The Advisor may also use other types of investments, as appropriate, to help achieve a Client’s particular goals. The Advisor may also utilize individual stocks, bonds or options contracts to meet the needs of its Clients. The Advisor may retain certain types of investments based on a Client’s legacy portfolio construction.

Martin Financial’s investment strategy[ies] is primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. Martin Financial will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

Martin Financial evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. Martin Financial may recommend, on occasion, redistributing investment allocations to diversify the portfolio. Martin Financial may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. Martin Financial may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

At no time will Martin Financial accept or maintain custody of a Client’s funds or securities, except for authorized deduction of the Advisor’s fees. All Client assets will be managed within their designated account[s] at the Custodian, pursuant to the Client investment management agreement. Please see Item 12.

#### Use of Independent Managers

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Martin Financial may recommend that a Client utilize one or more unaffiliated investment managers or investment platforms (collectively "Independent Managers") for all or a portion of a Client's investment portfolio. In such instances, the Advisor will utilize its discretionary authority to place Client assets with the chosen Independent Manager[s]. The Advisor may also assist in the development of the initial policy recommendations and managing the ongoing Client relationship. The Advisor will perform initial and ongoing oversight and due diligence over the selected Independent Manager[s] to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests. The Advisor will provide the Client with the Independent Manager's Form ADV 2A (or a brochure that makes the appropriate disclosures) prior to investing a Client's account with the Independent Manager.

#### Investment Consulting Services

The Advisor offers a variety of investment consulting services to individuals and families, pursuant to a written investment consulting agreement. This service is ideal for Clients seeking a smaller scope engagement and to utilize the expertise of the Advisor but without having an account managed by the Advisor or developing a financial plan as described above. Services are offered in several areas of a Client's financial situation, depending on their goals, objectives and financial situation. Generally, such consulting services will involve rendering an investment consultation based on the Client's financial goals and objectives.

This service may be provided on a stand-alone basis or incorporated into other services, including a wealth management engagement.

As investment consulting can be similar in nature as developing a financial plan but with a restricted scope of engagement, the consultation for the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For certain investment consulting engagements, the Advisor will provide a written summary of Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor.

#### Financial Planning Services

Martin Financial will typically provide a variety of financial planning and consulting services to Clients, pursuant to a written financial planning agreement. Services are offered in several areas of a Client's financial situation, depending on their goals, objectives and financial situation.

Generally, such financial planning services involve preparing a formal financial plan or rendering a specific financial consultation based on the Client's financial goals and objectives. This planning or consulting may encompass one or more areas of need, including but not limited to, investment planning, retirement planning, personal savings, education savings, tax planning, estate planning, insurance planning and other areas of a Client's financial situation.

A financial plan developed for or financial consultation rendered to the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs.

Martin Financial may also refer Clients to an accountant, attorney or other specialists, as appropriate for their unique situation. For certain financial planning engagements, the Advisor will provide a written summary of Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

Financial planning and consulting recommendations may pose a conflict between the interests of the Advisor and the interests of the Client. For example, a recommendation to engage the Advisor for investment management services or to increase the level of investment assets with the Advisor would pose a conflict, as it would increase the advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to execute the transaction through the Advisor.

#### Retirement Plan Advisory Services

Martin Financial may provide the following retirement plan advisory services:

- Vendor Analysis
- Employee Enrollment and Education Tracking
- Investment Policy Statement (“IPS”) Support
- Investment Management
- Performance Reports
- Ongoing Investment Recommendation and Assistance
- ERISA 404(c) Assistance
- Benchmarking Services

Martin Financial may provide investment advisory services on behalf of the Plan and Plan Sponsor, which may be in either a 3(21) or 3(38) context depending on whether or not the Advisor is also providing discretionary investment management over the Plan assets. For 3(38) services, the Advisor shall have the discretion to select the investments for the Plan and/or make investment decisions on behalf of Plan Participants.

#### **C. Client Account Management**

Prior to engaging Martin Financial to provide investment advisory services, each Client is required to enter into one or more agreements with the Advisor that define the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Strategy – Martin Financial, in connection with the Client, may develop a statement that summarizes the Client’s investment goals and objectives along with the broad strategy[ies] to be employed to meet the objectives.
- Asset Allocation – Martin Financial will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance of risk for each Client.
- Portfolio Construction – Martin Financial will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – Martin Financial will provide investment management and ongoing oversight of the Client’s relationship’s investment portfolio.

#### **D. Wrap Fee Programs**

Martin Financial includes securities transaction fees together with its investment advisory fees. Including these fees into a single asset-based fee is considered a “Wrap Fee Program”. The Advisor customizes its investment management services for its Clients. The Advisor sponsors the Martin Financial Wrap Fee Program solely as a supplemental disclosure regarding the combination of fees. Depending on the level of trading required for the Client’s account[s] in a particular year, the Client may pay more or less in total fees than if the Client paid its own transaction fees. Please see Appendix 1 –Wrap Fee Program Brochure, which is included as a supplement to this Disclosure Brochure.

#### **E. Assets Under Management**

As of December 31, 2017, Martin Financial manages the following assets:

Discretionary Assets	\$185,864,263
Non-Discretionary Assets	107,335
<b>Total Assets Under Management</b>	<b>\$185,971,598</b>

Clients may request more current information at any time by contacting the Advisor.

## **Item 5 – Fees and Compensation**

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The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client engaging the Advisor for services described herein shall be required to enter into a written agreement with the Advisor.

### **A. Fees for Advisory Services**

#### Investment and Wealth Management Services

Investment and wealth management fees (herein “Advisory Fees”) are paid quarterly, in advance, pursuant to the terms of the agreement. Advisory Fees are based on the market value of assets under management at the end of the prior calendar quarter. Advisory Fees range up to 2.00% annually and vary based on the nature and complexity of each Client’s circumstances, or with the inclusion of financial planning or other services. Financial planning services may be offered either on an hourly or fixed financial planning fee basis, as described below, for clients with less than \$1,000,000 under management, or pursuant to the terms of the wealth management agreement, for client relationships with more than \$1,000,000 under management.

Additional varying factors include: the complexity of the services to be provided, the level of assets to be managed, and the overall relationship with the Advisor. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities may be charged a higher fee.

For assets invested in AFS Fund Class F-2 shares, Clients will be charged a flat fee of up to 1.00% of the daily average balance of assets under management at the end of the quarter pursuant to the agreement. The fees shall be paid within thirty (30) days following the end of the quarter for which such fees are payable.

The Advisory Fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter. Advisory Fees may be negotiable at the discretion of the Advisor. The Client’s fees will take into consideration the aggregate assets under management with Advisor. All securities held in accounts managed by Martin Financial will be independently valued by the designated Custodian. Martin Financial will not have the authority or responsibility to value portfolio securities.

#### Use of Independent Managers

For Clients with assets placed with an Independent Manager, the Client’s fee will be deducted from the Client’s account[s] and a portion of the fee will be provided to the Independent Manager based on Martin Financial’s agreement with the Client. Martin Financial is responsible for negotiating the fees with the Independent Manager on behalf of the Client. Martin Financial does not receive any compensation or fees from the Independent Manager.

#### Investment Consulting Services

For investment consulting engagements that fall outside the Advisor’s investment or wealth management services, the Advisor will charge a fixed fee ranging from \$2,500 to \$25,000, which may be negotiable depending on the nature and complexity of each Client’s circumstances. An estimate for total costs will be determined prior to engaging for these services. If the Client engages the Advisor for additional wealth management services, the Advisor may offset future fees against the fees paid for consulting services.

#### Financial Planning Services

Martin Financial offers financial planning services either as a one-time engagement or as an ongoing service. One-time engagements are billed either on an hourly or fixed fee basis. Hourly engagements range from \$100 to \$300 per hour. Fixed fee engagement fee range from \$1,000 to \$25,000. Ongoing services are offered at a fixed rate of up to \$25,000 per annum. Fees may be negotiable based on the nature and complexity of the services to be

provided and the overall relationship with the Advisor. An estimate for total hours and total costs will be provided to the Client prior to engaging for these services.

#### Retirement Plan Advisory Services Fees

Fees for retirement plan advisory services are charged an annual asset-based fee of up to 2.00% and/or a fixed fee up to \$5,000. Fees may be negotiable depending on the size and complexity of the Plan.

### **B. Fee Billing**

#### Investment and Wealth Management Services

Advisory Fees are calculated by the Advisor or its delegate and deducted from the Client's account[s] at the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the beginning of the respective quarter. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) to the total assets under management with Martin Financial at the end of the prior quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting Martin Financial to be paid directly from their account[s] held by the Custodian as part of the advisory agreement and separate account forms provided by the Custodian.

For assets invested in the AFS Fund Class F-2 shares, AFS shall deduct fees from Client accounts.

#### Use of Independent Managers

For Clients with assets placed with an Independent Manager, the Client's fee will be deducted from the Client's account[s] at the Custodian and a portion of the investment advisory fee will be provided to the Independent Manager.

#### Investment Consulting Services

Investment consulting fees are payable on a quarterly basis over a five (5) year period. Clients may choose to be invoiced directly or have their fees deducted from a non-qualified investment account managed by the Advisor.

#### Financial Planning Services

Fees for one-time Financial planning services may be invoiced up to fifty percent (50%) of the expected total fee upon execution of the financial planning agreement. The balance shall be invoiced upon completion of the agreed upon deliverable[s]. Fees for ongoing financial planning services are invoiced on a quarterly basis and are due upon receipt.

#### Retirement Plan Advisory Services Fees

Martin Financial is compensated for its services at the end of the quarter after advisory services are rendered. Fees may be directly invoiced to the Plan Sponsor or deducted from the assets of the Plan, depending on the terms of the retirement plan advisory agreement.

### **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties in connection with investments made on behalf of the Client's account[s]. Martin Financial includes securities transactions costs as part of its overall investment advisory fee through the Martin Financial Wrap Fee Program. Securities transaction fees for Client-directed trades may be charged back to the Client. Please see Item 4.D. above as well as Appendix 1 – Wrap Fee Program Brochure.

In addition, all fees paid to Martin Financial for investment advisory services or part of the Martin Financial Wrap Fee Program are separate and distinct from the expenses charged by mutual funds and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client could invest in these products directly, without the services of Martin Financial, but would not receive the services provided by Martin Financial which are designed, among other things, to assist the Client in determining which

products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by Martin Financial to fully understand the total fees to be paid. Please note, there are no 12b-1 fees attributed to investments in AFS Fund Class F-2 shares. Please refer to Item 12 – Brokerage Practices for additional information.

#### **D. Advance Payment of Fees and Termination**

##### Investment and Wealth Management Services

Martin Financial is compensated for its services in advance of the quarter in which investment or wealth management services are rendered. Either party may terminate the investment or wealth management agreement, at any time, by providing advance written notice to the other party. The Client may terminate the investment advisory agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. The Advisor will refund any unearned, prepaid investment advisory fees from the effective date of termination to the end of the quarter. The Client's investment advisory agreement with the Advisor is non-transferable without the Client's prior consent.

##### Use of Independent Managers

In the event that a Client should wish to terminate their relationship with the Independent Manager, the Advisor will remove the assets from the Independent Manager and either place the assets with a new Independent Manager or manage the assets directly.

##### Investment Consulting Services

Martin Financial is compensated for its investment consulting services at the end of each quarter. Either party may terminate investment consulting agreement by providing advance written notice to the other party. The Advisor will refund any unearned, prepaid investment consulting fees from the effective date of termination to the end of the quarter. The Client's investment consulting agreement with the Advisor is non-transferable without the Client's prior consent.

##### Financial Planning Services

For one-time financial planning services, Martin Financial requires an advance deposit as described above. For ongoing financial planning services, Martin Financial is compensated at the end of each quarter. Ongoing financial planning agreements are intended as perpetual and will be ongoing in nature and continue until terminated by either party.

Either party may terminate the financial planning agreement by providing advance written notice to the other party. The Client may terminate the financial planning agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. Upon termination, the Client shall be billed for actual hours logged on the planning project times the contractual hourly rate or in the case of a fixed fee engage, the percentage of the engagement scope completed by the Advisor. The Advisor will refund any unearned, prepaid planning fees from the effective date of termination. The Client's financial planning agreement with the Advisor is non-transferable without the Client's prior consent.

##### Retirement Plan Advisory Services Fees

Martin Financial is compensated for its services at the end of the quarter in which retirement plan advisory services are rendered. Either party may request to terminate their services with Martin Financial, at any time, by providing advance written notice to the other party. The Advisor will refund any unearned, prepaid retirement plan advisory fees from the effective date of termination to the end of the quarter. The Client's retirement plan agreement with the Advisor is non-transferable without the Client's prior consent.

#### **E. Compensation for Sales of Securities**

Martin Financial does not buy or sell securities and does not receive any compensation for securities transactions in any Client account, other than the investment management fees noted above.

##### Insurance Agency Affiliation

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Certain Advisory Persons are also licensed as independent insurance professionals under Martin Financial Group, LLC. As an independent insurance professional, an Advisory Person may earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because the person providing investment advice on behalf of the Advisor who is also an insurance agent has an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase insurance products through any Advisory Person affiliated with the Advisor.

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

Martin Financial does not charge performance-based fees for its investment advisory services. The fees charged by Martin Financial are as described in “Item 5 – Fees and Compensation” above and are not based upon the capital appreciation of the funds or securities held by any Client.

Martin Financial does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

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## **Item 7 – Types of Clients**

Martin Financial offers investment advisory services to individuals, high net worth individuals, trusts, estates, businesses, corporations and retirement plans. The percentage of each type of Client is available on Martin Financial’s Form ADV Part 1A. These percentages may change over time and are updated at least annually by the Advisor. Martin Financial generally does not impose a minimum account size for establishing a relationship.

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

### **A. Methods of Analysis**

Martin Financial primarily employs fundamental, technical, cyclical and charting analysis methods in developing investment strategies for its Clients. Research and analysis from Martin Financial is derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor’s review process are included below in “Item 13 – Review of Accounts”.

Technical analysis involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends, which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Martin Financial will be able to accurately predict such a reoccurrence.

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

Charting analysis utilizes various market indicators as investment selection criteria. These criteria are generally pricing trends that may indicate movement in the markets. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the technical and charting analysis may lose value and may have negative investment performance. The Advisor monitors these market indicators to determine if adjustments to strategic allocations are appropriate.

As noted above, Martin Financial generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. Martin Financial will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, Martin Financial may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

## **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Martin Financial will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

While the methods of analysis help the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in these methods of analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in "Item 13 – Review of Accounts".

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. Following are some of the risks associated with the potential speculative components of the Advisor's strategy:

### Options Contracts

Investments in options contracts have the risk of losing value in a relatively short period of time. Option contracts are leveraged instruments that allow the holder of a single contract to control many shares of an underlying stock. This leverage can compound gains or losses.

### Margin Borrowings

The use of short-term margin borrowings may result in certain additional risks to a Client. For example, if securities pledged to brokers to secure a Client's margin accounts decline in value, the Client could be subject to a "margin call", pursuant to which it must either deposit additional funds with the broker or be the subject of mandatory liquidation of the pledged securities to compensate for the decline in value.

### Short Sales

A short sale involves the sale of a security that the Client does not own in the hope of purchasing the same security at a later date at a lower price. To make delivery to the buyer, the Client must borrow the security and is obligated to return the security to the lender, which is accomplished by a later purchase of the security. The Client realizes a profit or a loss as a result of a short sale if the price of the security decreases or increases

respectively between the date of the short sale and the date on which the Client covers its short position, i.e., purchases the security to replace the borrowed security. A short sale involves the theoretically unlimited risk of an increase in the market price of the security that would result in a theoretically unlimited loss.

#### Alternative Investments (Limited Partnerships, Private Equity, Gas and Oil)

The performance of alternative investments (limited partnerships, Private Equity, Gas and Oil) can be volatile and may have limited liquidity. An investor could lose all or a portion of their investment. Such investments often have concentrated positions and investments that may carry higher risks. Client should only have a portion of their assets in these investments.

#### Real Estate Investment Trusts ("REITs")

Investing in Real Estate Investment Trusts ("REITs") involves certain distinct risks in addition to those risks associated with investing in the real estate industry in general. Equity REITs may be affected by changes in the value of the underlying property owned by the REITs, while mortgage REITs may be affected by the quality of credit extended. REITs are subject to heavy cash flow dependency, default by borrowers and self-liquidation. REITs, especially mortgage REITs, are also subject to interest rate risk (i.e., as interest rates rise, the value of the REIT may decline).

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

### **Item 9 – Disciplinary Information**

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**There are no legal, regulatory or disciplinary events involving Martin Financial or any of its Supervised Persons.** Martin Financial values the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching by our firm name or our CRD# 149228.

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

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#### Insurance Agency Affiliations

As noted in Item 5, certain Advisory Persons are also licensed insurance professionals under Martin Financial Group, LLC. Implementations of insurance recommendations are separate and apart from one's role with Martin Financial. As an insurance professional, an Advisory Person may receive customary commissions and other related revenues from the various insurance companies whose products are sold. Advisory Persons are not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This may cause a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Advisory Persons or the Advisor.

#### Use of Independent Managers

As noted in Item 4, the Advisor may select Independent Managers to assist with the implementation of a Client's investment strategy. In such arrangements, the Advisor will collect the investment advisory fees and provide a portion of the fee to the Independent Manager.

#### Tax Preparation Services

Tax planning services are separate and distinct from the advisory services offered to Clients. Martin Financial does include tax planning as part of its overall wealth management process. However, annual tax preparation services are provided as a separate service and fee, which is based on the unique needs of each Client. The time devoted to tax preparation increases during tax season. Clients are not obligated to engage Martin Financial for these services in order to have an advisory relationship with Martin Financial.

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

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Martin Financial Group, LLC  
3707 Charlestown Road, C-2, New Albany, IN 47150  
Phone: (812) 542-1018 \* Fax: (812) 542-1108  
[www.martinfinancialgroup.net](http://www.martinfinancialgroup.net)

#### **A. Code of Ethics**

Martin Financial is a fiduciary, where any investment recommendation that we make to our clients are based on our belief that the recommendation is in our client's best interest. As fiduciaries we are required to act prudently and manage all potential conflicts of interest. Martin Financial has implemented a Code of Ethics (the "Code") that defines our fiduciary commitment to each Client. This Code applies to all persons associated with Martin Financial (our "Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. Martin Financial and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Martin Financial's Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of our Code, please contact us at (812) 542-1018.

#### **B. Personal Trading with Material Interest**

Martin Financial allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Martin Financial does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advise an investment company. Martin Financial does not have a material interest in any securities traded in Client accounts.

#### **C. Personal Trading in Same Securities as Clients**

Martin Financial allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities that we recommend (purchase or sell) to you presents a conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted the Code to address insider trading (material non-public information controls); gifts and entertainment; outside business activities and personal securities reporting. When trading for personal accounts, Supervised Persons may have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can potentially be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by Martin Financial requiring reporting of personal securities trades by its Supervised Persons for review by the Chief Compliance Officer ("CCO") or delegate. We have also adopted written policies and procedures to detect the misuse of material, non-public information.

#### **D. Personal Trading at Same Time as Client**

While Martin Financial allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards. **At no time will Martin Financial, or any Supervised Person of Martin Financial, transact in any security to the detriment of any Client.**

### **Item 12 – Brokerage Practices**

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#### **A. Recommendation of Custodian[s]**

Martin Financial does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize Martin Financial to direct trades to this Custodian as agreed in the investment management agreement. Further, Martin Financial does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis. While Martin Financial does not exercise discretion over the selection of the Custodian, the Advisor will typically recommend the Custodian to Clients for custody and execution services. Martin Financial may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, its reputation, financial strength and other factors.

Martin Financial will generally recommend that Clients establish their account[s] at Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer and member SIPC. Schwab will serve as the Client's "qualified custodian". Martin Financial maintains an institutional relationship with Schwab, whereby the Advisor receives economic benefits from Schwab (Please see Item 14 below.)

In addition, the Advisor may recommend that a Client establish their account[s] directly with one or more mutual fund companies. For Client accounts established to invest in AFS Fund Class F-2 shares, AFS will act as the transfer agent for the fund.

Following are additional details regarding the brokerage practices of the Advisor:

**1. Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers whereby an advisor enters into an agreement to place security trades with the broker in exchange for research and other services. **Martin Financial does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the Advisor receives certain economic benefits from the Custodian. Please see Item 14.**

**2. Brokerage Referrals** - Martin Financial does not receive any compensation from any third party in connection with the recommendation for establishing an account.

**3. Directed Brokerage** - All Clients are serviced on a "directed brokerage basis", where Martin Financial will place trades within the established account[s] at the custodian designated by the Client. Further, all Client accounts are traded within their respective brokerage account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account). In selecting the Custodian, Martin Financial will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the designated Custodian.

Under limited circumstances, Martin Financial may engage in securities cross-trades, whereby a Client account that is selling a particular security may be advantageous to the account[s] of one or more other Clients. In such instances, Martin Financial will only engage in a cross-trade that is in the best interests of each Client and will never engage in any transaction that favors one Client over another. Martin Financial does not serve in the capacity as broker or agent in such transactions and does not receive any commission or compensation (aside from its investment management fees). The price for a cross trade is determined solely by the Custodian and not Martin Financial.

## **B. Aggregating and Allocating Trades**

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the broker. Martin Financial will execute its transactions through an unaffiliated broker-dealer selected by the Client. Martin Financial may aggregate orders in a block trade or trades when securities are purchased or sold through the same broker-dealer for multiple (discretionary) accounts in the same trading day. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage any particular Client accounts.

## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

Securities in Client accounts are monitored on a regular and continuous basis by George W. Martin, III, Chief Compliance Officer of Martin Financial. Formal reviews are generally conducted at least annually or more or less frequently depending on the needs of the Client.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more or less frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account. The Client is encouraged to notify Martin Financial if

changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the trustee or Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

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

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### **A. Compensation Received by Martin Financial**

#### Participation in Institutional Advisor Platform

Martin Financial has established an institutional relationship with Schwab through its "Schwab Advisor Services" unit, a division of Schwab dedicated to serving independent advisory firms like Martin Financial. As a registered investment advisor participating on the Schwab Advisor Services platform, Martin Financial receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Schwab. Services provided by Schwab Advisor Services benefit the Advisor and many, but not all services provided by Schwab will benefit Clients. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

*Services that Benefit the Client* – Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of Client's funds and securities. Through Schwab, the Advisor may be able to access certain investments and asset classes that the Client would not be able to obtain directly or through other sources. Further, the Advisor may be able to invest in certain mutual funds and other investments without having to adhere to investment minimums that might be required if the Client were to directly access the investments.

*Services that May Indirectly Benefit the Client* – Schwab provides participating advisors with access to technology, research, discounts and other services. In addition, the Advisor receives duplicate statements for Client accounts, the ability to deduct advisory fees, trading tools, and back office support services as part of its relationship with Schwab. These services are intended to assist the Advisor in effectively managing accounts for its Clients, but may not directly benefit all Clients.

*Services that May Only Benefit the Advisor* – Schwab also offers other services and financial support to Martin Financial that may not benefit the Client, including: educational conferences and events, financial start-up support, consulting services and discounts for various service providers. Access to these services creates a financial incentive for the Advisor to recommend Schwab, which results in a potential conflict of interest. Martin Financial believes, however, that the selection of Schwab as Custodian is in the best interests of its Clients.

#### Tax Preparation Services

Martin Financial offers tax preparation services to Clients. This service is offered for a separate fee. Details of these services are included in Item 10 above.

### **B. Client Referrals from Solicitors**

Martin Financial does not engage paid solicitors for Client referrals.

## **Item 15 – Custody**

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**Martin Financial Group, LLC**  
3707 Charlestown Road, C-2, New Albany, IN 47150  
Phone: (812) 542-1018 \* Fax: (812) 542-1108  
[www.martinfinancialgroup.net](http://www.martinfinancialgroup.net)

Martin Financial does not accept or maintain custody of any Client accounts, except for the authorized deduction of the Advisor's fees. All Clients must place their assets with a qualified Custodian. Clients are required to engage the Custodian to retain their funds and securities and direct Martin Financial to utilize that Custodian for the Client's security transactions. Clients should review statements provided by the Custodian and compare to any reports provided by Martin Financial to ensure accuracy, as the Custodian does not perform this review. For more information about custodians and brokerage practices, see "Item 12 - Brokerage Practices".

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### **Item 16 – Investment Discretion**

Martin Financial generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by Martin Financial. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by Martin Financial will be in accordance with each Client's investment objectives and goals.

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### **Item 17 – Voting Client Securities**

Martin Financial will vote proxies on behalf of our clients as the client has delegated that authority to us in their contract agreement. When the Advisor accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully- described in the Advisor's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in the Advisor's Proxy Voting Policies and Procedures, as they may be amended from time-to-time. The Advisor understands its duty to vote client proxies and to do so in the best interest of Clients. Furthermore, it is understood that any material conflicts between the Advisor's interests and Clients with regard to proxy voting must be resolved before proxies are voted. Clients may request a copy of our written policies and procedures regarding proxy voting and/or information on how particular proxies were voted by contacting our Chief Compliance Officer, George W. Marin, III.

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### **Item 18 – Financial Information**

Neither Martin Financial, nor its management, have any adverse financial situations that would reasonably impair the ability of Martin Financial to meet all obligations to its Clients. Neither Martin Financial, nor any of its advisory persons, has been subject to a bankruptcy or financial compromise. Martin Financial is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect fees of \$1,200 or more for services to be performed six months or more in advance.



## **Martin Financial Group, LLC**

### **Form ADV Part 2A – Appendix 1 (“Wrap Fee Brochure”)**

**Effective:** November 8, 2018

This Form ADV2A - Appendix 1 (“Wrap Fee Brochure”) provides information about the qualifications and business practices for Martin Financial Group, LLC (“Martin Financial” or the “Advisor”) services when offering services pursuant to a wrap program. This Wrap Fee Brochure shall always be accompanied by the Martin Financial Disclosure Brochure, which provides complete details on the business practices of the Advisor. If you did not receive the complete Martin Financial Disclosure Brochure or you have any questions about the contents of this Wrap Fee Brochure or the Martin Financial Disclosure Brochure, please contact us at (812) 542-1018.

Martin Financial is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The information in this Wrap Fee Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Wrap Fee Brochure provides information about Martin Financial to assist you in determining whether to retain the Advisor.

Additional information about Martin Financial and its advisory persons are available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching for our firm name or by our CRD# 149228.

## **Item 2 – Material Changes**

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Form ADV 2 - Appendix 1 provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. In particular, this Wrap Fee Brochure discusses wrap fee programs offering by the Advisor.

### Material Changes

There have been no material changes to this Wrap Fee Brochure since the last filing and distribution to clients. However, the Wrap Fee Brochure has been redrafted to streamline disclosures.

### Future Changes

From time to time, we may amend this Wrap Fee Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Wrap Fee Brochure (along with the complete Martin Financial Disclosure Brochure) or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of Martin Financial.

At any time, you may view this Wrap Fee Brochure and the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching for our firm name or by our CRD# 149228. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (812) 542-1018.

## **Item 3 – Table of Contents**

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## Item 4 – Services Fees and Compensation

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### A. Services

Martin Financial provides customized investment and wealth management services for its Clients. This Wrap Fee Program Brochure is provided as a supplement to the Martin Financial Disclosure Brochure (Form ADV 2A). This Wrap Fee Program Brochure is provided along with the complete Disclosure Brochure to provide full details of the business practices and fees when selecting Martin Financial as your investment advisor.

As part of the investment and wealth management fees (herein “Advisory Fees”) noted in Item 5 of the Disclosure Brochure, Martin Financial includes normal securities transaction fees as part of the overall investment and wealth management fee. Securities regulations often refer to this combined fee structure as a “Wrap Fee Program”. The Advisor sponsors the Martin Financial Wrap Fee Program.

The sole purpose of this Wrap Fee Program Brochure is to provide additional disclosure relating the combination of securities transaction fees into the single “bundled” Advisory Fee. This Wrap Fee Program Brochure references back to the Martin Financial Disclosure Brochure in which this Wrap Fee Program Brochure serves as an Appendix. **Please see Item 4 – Advisory Services of the Disclosure Brochure for details on Martin Financial’s investment philosophy and related services.**

### B. Program Costs

Advisory services provided by Martin Financial are offered in a wrap fee structure whereby normal securities transaction costs are included in the overall Advisory Fee paid to Martin Financial. As the level of trading in a Client’s account[s] may vary from year to year, the annual cost to the Client may be more or less than engaging for advisory services where the transactions costs are borne separately by the Client. The cost of the Wrap Fee Program varies depending on services to be provided to each Client, however, the Client is not charged more if there is higher trading activity in the Client’s account[s]. A Wrap Fee structure has a potential conflict of interest as the Advisor may have an incentive to limit the number of trades placed in the Client’s account[s]. **Please see Item 5 – Fees and Compensation of the Disclosure Brochure for complete details on fees.**

### C. Fees

Advisory Fees are paid quarterly, in advance, pursuant to the terms of the agreement. Advisory Fees are based on the market value of assets under management at the end of the prior calendar quarter. Advisory Fees range up to 2.00% annually and vary based on the nature and complexity of each Client’s circumstances, or with the inclusion of financial planning or other services. Financial planning services may be offered either on an hourly or fixed financial planning fee basis, as described below, for clients with less than \$1,000,000 under management, or pursuant to the terms of the wealth management agreement, for client relationships with more than \$1,000,000 under management.

Additional varying factors include: the complexity of the services to be provided, the level of assets to be managed, and the overall relationship with the Advisor. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities may be charged a higher fee.

The Advisory Fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter. Advisory Fees may be negotiable at the discretion of the Advisor. The Client’s fees will take into consideration the aggregate assets under management with Advisor. All securities held in accounts managed by Martin Financial will be independently valued by the designated Custodian. Martin Financial will not have the authority or responsibility to value portfolio securities.

As noted above, the Wrap Fee Program includes normal securities trading costs incurred in connection with the discretionary investment management services provided by Martin Financial. Securities transaction fees for Client-directed trades may be charged back to the Client.

Clients may incur certain fees or charges imposed by third parties in connection with investments made on behalf of the Client’s account[s]. Under this Wrap Fee Program, Martin Financial includes securities transactions costs as part of its overall Advisory Fee.

In addition, all fees paid to Martin Financial for advisory services or part of the Wrap Fee Program are separate and distinct from the expenses charged by mutual funds and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. The Client may also incur other costs assessed by the Custodian or other parties for account related activity fees, such as wire transfer fees, fees for trades executed away from the Custodian and other fees. The Advisor does not control nor share in these fees. The Client should review both the fees charged by the fund[s] and the fees charged by Martin Financial to fully understand the total fees to be paid. Please see Item 5.C. – Other Fees and Expenses in the Disclosure Brochure (included with this Wrap Fee Program Brochure).

#### **D. Compensation**

Martin Financial is the sponsor and portfolio manager of this Wrap Fee Program. Martin Financial receives investment advisory fees paid by Clients for participating in the Wrap Fee Program and pays the Custodian for the costs associated with the normal trading activity in the Client's account[s].

### **Item 5 – Account Requirements and Types of Clients**

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Martin Financial offers investment advisory services to individuals, high net worth individuals, trusts, estates, businesses, corporations and retirement plans. Martin Financial generally does not impose a minimum account size for establishing a relationship. Please see Item 7 – Types of Clients in the Disclosure Brochure for additional information.

### **Item 6 – Portfolio Manager Selection and Evaluation**

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#### **Portfolio Manager Selection**

Martin Financial serves as sponsor and as portfolio manager for the services under this Wrap Fee Program.

#### **Related Persons**

Martin Financial personnel serve as portfolio managers for this Wrap Fee Program. Martin Financial does not serve as a portfolio manager for any third-party wrap fee programs.

#### **Performance-Based Fees**

Martin Financial does not charge performance-based fees.

#### **Supervised Persons**

Martin Financial Advisory Persons serve as portfolio managers for all accounts, including the services described in this Wrap Fee Brochure. Details of the advisory services provided are included in Item 4.A. of the Disclosure Brochure.

#### **Methods of Analysis**

Please see Item 8 of the Disclosure Brochure (included with this Wrap Fee Brochure) for details on the research and analysis methods employed by the Advisor.

#### **Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Martin Financial will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account[s]. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on the financial and other information provided by the

Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor. Please see Item 8.B. – Risk of Loss in the Disclosure Brochure for details on investment risks.**

### **Proxy Voting**

Martin Financial will vote proxies on behalf of Clients as the client has delegated that authority to the Advisor in the investment or wealth management agreement. When the Advisor accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully- described in the Advisor's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in the Advisor's Proxy Voting Policies and Procedures, as they may be amended from time-to- time. The Advisor understands its duty to vote client proxies and to do so in the best interest of Clients. Furthermore, it is understood that any material conflicts between the Advisor's interests and Clients with regard to proxy voting must be resolved before proxies are voted. Clients may request a copy of our written policies and procedures regarding proxy voting and/or information on how particular proxies were voted by contacting our Chief Compliance Officer, George W. Marin, III.

### **Item 7 – Client Information Provided to Portfolio Managers**

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Martin Financial is the sponsor and sole portfolio manager for the Program. The Advisor does not share Client information with other portfolio managers because it is the sole portfolio manager for this Wrap Fee Program. Please also see the Martin Financial Privacy Policy (included after this Wrap Fee Program Brochure).

### **Item 8 – Client Contact with Portfolio Managers**

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Martin Financial is a full-service investment management advisory firm. Clients always have direct access to the Portfolio Managers at Martin Financial.

### **Item 9 – Additional Information**

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#### **A. Disciplinary Information and Other Financial Industry Activities and Affiliations**

Martin Financial values the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching for our firm name or by our CRD# 149228. Please see Item 9 of the Martin Financial Disclosure Brochure as well as Item 3 of each Advisory Person's Brochure Supplement (included with this Wrap Fee Program Brochure) for additional information on how to research the background of the Advisor and its Advisory Persons.

#### Other Financial Activities and Affiliations

Please see Items 10 and 14 of the Form ADV Part 2A – Disclosure Brochure (included with this Wrap Fee Brochure).

#### **B. Code of Ethics, Review of Accounts, Client Referrals, and Financial Information**

Martin Financial has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons subject to Martin Financial's compliance program (our "Supervised Persons"). Complete details on the Martin Financial Code of Ethics can be found under Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading in the Disclosure Brochure (included with this Wrap Fee Program Brochure).

### Review of Accounts

Investments in Client accounts are monitored on a regular and continuous basis by Advisory Persons of Martin Financial under the supervision of the Chief Compliance Officer (“CCO”). Details of the review policies and practices are provided in Item 13 of the Form ADV Part 2A – Disclosure Brochure.

### Other Compensation

*Participation in Institutional Advisor Platform* - Martin Financial has established an institutional relationship with Schwab through its “Schwab Advisor Services” unit, a division of Schwab dedicated to serving independent advisory firms like Martin Financial. As a registered investment advisor participating on the Schwab Advisor Services platform, Martin Financial receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Schwab. Services provided by Schwab Advisor Services benefit the Advisor and many, but not all services provided by Schwab will benefit Clients. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Please see Item 14 – Other Compensation in the Form ADV Part 2A – Disclosure Brochure (included with this Wrap Fee Brochure) for details on additional compensation that may be received by Martin Financial or its Advisory Persons. Each Advisory Person’s Brochure Supplement (also included with this Wrap Fee Brochure) provides details on any outside business activities and the associated compensation.

### Client Referrals from Solicitors

Martin Financial does not engage paid solicitors for Client referrals.

### Financial Information

Neither Martin Financial, nor its management has any adverse financial situations that would reasonably impair the ability of Martin Financial to meet all obligations to its Clients. Neither Martin Financial, nor any of its Advisory Persons, has been subject to a bankruptcy or financial compromise. Martin Financial is not required to deliver a balance sheet along with this Disclosure Brochure, as the firm does not collect advance fees of \$1,200 or more for services to be performed six months or more in advance. Please see Item 18 of the Form ADV Part 2A – Disclosure Brochure.

## Privacy Policy

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Effective: November 8, 2018

### Our Commitment to You

Martin Financial Group, LLC (“Martin Financial” or the “Advisor”) is committed to safeguarding the use of personal information of our Clients (also referred to as “you” and “your”) that we obtain as your Investment Advisor, as described here in our Privacy Policy (“Policy”).

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. Martin Financial (also referred to as “we”, “our” and “us”) protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

Martin Financial does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

### Why you need to know?

Registered Investment Advisors (“RIAs”) must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

### What information do we collect from you?

Driver’s license number	Date of birth
Social security or taxpayer identification number	Assets and liabilities
Name, address and phone number(s)	Income and expenses
E-mail address(es)	Investment activity
Account information (including other institutions)	Investment experience and goals

### What Information do we collect from other sources?

Custody, brokerage and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service account

### How do we protect your information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client’s personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

**How do we share your information?**

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
<p><b>Servicing our Clients</b>                      We may share non-public personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting.</p>	Yes	No
<p><b>Marketing Purposes</b>                      Martin Financial does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where Martin Financial or the client has a formal agreement with the financial institution. <b>We will only share information for purposes of servicing your accounts, not for marketing purposes.</b></p>	No	Not Shared
<p><b>Authorized Users</b>                      Your non-public personal information may be disclosed to you and persons that we believe to be your authorized agent(s) or representative(s).</p>	Yes	Yes
<p><b>Information About Former Clients</b>                      Martin Financial does not disclose and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.</p>	No	Not Shared

**Changes to our Privacy Policy**

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise this Policy, and will provide you with a revised policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

**Any Questions?**

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at (812) 542-1018.