

Item 1 Cover Page



607 Pendleton Street, Suite 101-B

Greenville, SC 29601

(864) 272-3579

www.novusadvisors.com

March 2023

This Brochure provides information about the qualifications and business practices of Novus Advisors, LLC (“Novus Advisors”, “Novus”, “Advisor”, “us”, “we”, or “our”). If you have any questions about the contents of this Brochure, please contact us at (864) 272-3579 or via email at contact@novusadvisors.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Novus Advisors is also available via the SEC’s website www.adviserinfo.sec.gov. You can search this site by using a unique identifying number, known as a CRD number. The CRD number for Novus Advisors is 157908. The SEC’s web site also provides information about any persons affiliated with Novus Advisors who are registered, or are required to be registered, as Investment Adviser Representatives of Novus Advisors.

Novus Advisors is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information that you may use to determine whether to hire or retain them.

Item 2 Material Changes

This section only discusses any material changes to this Form ADV Part 2A disclosure document which we will refer to in this document as the brochure. Since the date of our last annual update to this brochure, which was March 21, 2022, we have had no material changes to disclose.

In the future, this section of the Brochure will discuss only the specific material changes that were made to the Brochure and will provide you with a summary of all material changes that have occurred since the last filing of this Brochure. This section will also identify the date of our last annual Brochure update.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year end which is December 31. We will provide other ongoing disclosure information about material changes as they occur. We will also provide you with information on how to obtain the complete brochure. Currently, our Brochure may be requested at any time, without charge, by contacting Jennifer Belshe at (864) 272-3579.

Item 3 – Table of Contents

- Item 1 Cover Page.....1
- Item 2 Material Changes2
- Item 3 – Table of Contents3
- Item 4 – Advisory Business Introduction4
- Item 5 – Fees and Compensation9
- Item 6 – Performance Based Fee and Side by Side Management11
- Item 7 – Types of Client(s)11
- Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss12
- Item 9 – Disciplinary Information15
- Item 10 – Other Financial Industry Activities and Affiliations15
- Item 11 – Code of Ethics, Participation or Interest in Client Accounts and Personal Trading.....16
- Item 12 – Brokerage Practices18
- Item 13 – Review of Accounts.....20
- Item 14 – Client Referrals and Other Compensation20
- Item 15 – Custody20
- Item 16 – Investment Discretion.....21
- Item 17 – Voting Client Securities22
- Item 18 – Financial Information.....22

Item 4 – Advisory Business Introduction

Our Advisory Business

Novus Advisors is a registered investment adviser with the Securities and Exchange Commission (“SEC”). The Adviser has been in business since 2011. The principal owners of Novus are Jennifer M. Belshe, Member and Christopher G. Connelly, Member.

Services

Novus provides its clients with investment advisory services consisting of discretionary and non-discretionary asset management through the use of equity, fixed income and balanced portfolios and Financial and Retirement Planning.

Novus does not provide legal, tax or accounting advice or services and clients should not assume that Novus is providing such services at any time. Also, clients should understand that, generally speaking, securities or other investments for which Novus provides advice to clients are not deposits or obligations of any bank, are not endorsed or guaranteed by any bank and are not insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other governmental agency and that neither Novus nor any of its affiliated companies is a trust or banking institution.

Active Asset Management

Asset Management service will involve the use of mutual fund and exchange-traded fund portfolios and/or the purchase and sale of individual securities which Novus may implement for clients directly. In addition, where deemed appropriate, Novus may provide access to particular investment products such as fixed-indexed annuities or other insurance products through an affiliated company. Novus’ services and processes are designed to determine and address each client’s specific investment needs through formulation of an asset allocation strategy tailored to meet the client’s financial situation, objectives, time horizon, income needs and risk tolerance. Clients may also impose restrictions on Novus’ ability to implement particular types of investments on his or her behalf.

* Please note that pursuant to the investment advisory agreement you are obligated to notify us promptly when your financial situation, goals, objectives, or needs change. *

Under certain conditions, securities from outside accounts may be transferred into your advisory account; however, we may recommend that you sell any security if we believe that it is not suitable for the current recommended investment strategy. Additionally, trading may be required to meet initial allocation targets, after substantial cash deposits that require investment allocation, and/or after a request for a withdrawal that requires liquidation of a position.

Periodically, your account may need to be rebalanced or reallocated in order to reestablish the targeted percentages of your initial asset allocation. This rebalancing or reallocation will occur as required or pursuant to the schedule we have determined together.

You will be responsible for all tax consequences resulting from the sale of any security, rebalancing or reallocation of the account. You are responsible for any taxable events in these instances. We are not

tax professionals and do not give tax advice. However, we will work with your tax professionals to assist you with tax planning.

You will be notified of any purchases or sales through trade confirmations and statements that are provided by the custodian. These statements list the total value of the account, itemize all transaction activity, and list the types, amounts, and total value of securities held. You will at all times maintain full and complete ownership rights to all assets held in your account, including the right to withdraw securities or cash, proxy voting and receiving transaction confirmations.

Outside Money Managers

We may determine that opening an account with a professional third-party money manager is in your best interests. We have contracts with several third-party money managers.

These programs allow you to obtain portfolio management services that typically require higher minimum account sizes outside of the program. The money managers selected under these programs will have discretion to determine the securities they buy and sell within the account, subject to reasonable restrictions imposed by you. Due to the nature of these programs, each of the independent money managers is obligated to provide you with a separate disclosure document. You should carefully review this document for important and specific program details, including pricing.

Under these programs, we may:

- Assist in the identification of investment objectives
- Recommend specific investment style and asset allocation strategies
- Assist in the selection of appropriate money managers and review performance and progress
- Recommend reallocation among managers or styles within the program
- Recommend the hiring and firing of money managers utilized by you.

You should read the ADV Part 2 disclosure document of the money manager you select for complete details on the charges and fees you will incur.

Financial and Retirement Planning

Through this process we explore areas such as cash flow analysis, retirement planning, investment management, risk management, tax management, education planning and estate planning. We approach each situation with creativity, commitment and expertise to put a plan in place that best suits your individual needs and goals. As you work towards your goals, we will work with you to monitor your progress, and make adjustments as needed.

In performing financial planning services, we typically examine and analyze your overall financial situation, which may include issues such as taxes, insurance needs, overall debt, credit, business planning, retirement savings and reviewing your current investment program. Our services may focus on all or only one of these areas depending upon the scope of our engagement with you.

It is essential that you provide the information and documentation we request regarding your income, investments, taxes, insurance, estate plan, etc. We will discuss your investment objectives, needs and goals, but you are obligated to inform us of any changes. We do not verify any information obtained from you, your attorney, accountant or other professionals.

We obtain information from a wide variety of publicly available sources. We do not have any inside private information about any investments that are recommended. All recommendations developed by us are based upon our professional judgment. We cannot guarantee the results of any of our recommendations. Choosing which advice to follow is your decision.

ERISA

Novus offers various levels of advisory and consulting services to employee benefit plans (“Plans”) and to the participants of such plans (“Participants”). The services are designed to assist plan sponsors (“Plan Sponsors”) in meeting their management and fiduciary obligations to the Participants under the Employee Retirement Income Securities Act (“ERISA”) and the Pension Protection Act of 2006 (“PPA”).

Novus will provide services to Plan Sponsors and their Participants in the form of education services to Plan committees, Participant education services, developing an investment policy statement, providing investment recommendations and performance monitoring, selection of Qualified Default Investment Alternative (“QDIA”), and providing general information about the Plan to Plan Sponsors and Participants. Plan Sponsors must make the ultimate decision to retain Novus for pension consulting and other advisory services including, but not limited to, services at the Participant level. The Plan Sponsor is free to seek independent advice about the appropriateness of any recommended services for the plan.

Both parties acknowledge that if the Account is subject to the Employee Retirement Income Security Act of 1974, as amended (ERISA), the following provisions will apply:

- The Adviser acknowledges that it is a “fiduciary” with respect to the Client as that term is defined under Section 3(21)(A) of ERISA.
- The person signing this Agreement on behalf of the Client acknowledges its status as a “named fiduciary” with respect to the control and management of the assets held in the Account, and agrees to notify the Adviser promptly of any change in the identity of the named fiduciary with respect to the Account;
- The Adviser agrees to obtain and maintain an ERISA bond satisfying the requirements of Section 412 of ERISA and include The Adviser and its members, agents and employees among those insured under that bond unless provided by the Plan.

When delivering ERISA fiduciary services, we will perform those services for the retirement plan as a fiduciary and will act in good faith and with the degree of diligence, care and skill that a prudent person rendering similar services would exercise under similar circumstances. In our capacity as a 3(21) plan fiduciary, we will conduct research to determine appropriate investment selections and allocations and to project potential ranges of returns and market values over various time periods and using various cash flows to assist the plan sponsor in determining the appropriate model(s) investment(s) for the retirement plan.

Under this arrangement the Adviser is appointed by the plan sponsor or trustee to determine a recommended lineup of investments to be included in the Plan. These recommendations are presented to the Plan Sponsor, who has the ultimate responsibility to accept or reject the recommendation. The Adviser will not have any further responsibility to communicate instructions to any third-party, including the custodian, and/or third-party administrator. The Adviser will/will not communicate directly with the recordkeeper regarding administrative and recordkeeping matters arising under the Adviser's investment advisory agreement with the Plan Sponsor, or more generally about the recordkeeper's services to the *Plan*.

The Adviser will provide the Plan Sponsor with a sample investment policy statement. Each retirement Plan Sponsor should adopt a final investment policy statement ("IPS") which serves as a guide for the Adviser's investment advisory services. The Adviser offers the following 3(21) services:

- Plan design and asset selection consultation
- Develop and annually review Investment Policy Statement ("IPS")
- Develop investment menu according to the IPS
- Review plan sponsor's stated financial criteria for each investment option
- Monitor each investment option according to the IPS
- Quarterly portfolio statements, rate of return reports, asset allocation statements
- Provide investment research and performance information on investment options
- Investment option replacement guidance
- Personal consultations with the plan sponsor as necessary
- Develop Plan Investment Committee Charter, as needed
- Fiduciary due diligence assistance
- Attendance at Plan Committee and other meetings
- Annual Fiduciary Plan Review
- Fiduciary education services to Plan Committee
- Participant education, guidance, and enrollment
- Vendor coordination assistance
- Benchmarking services

The Adviser will conduct research to determine appropriate investment selections and allocations and to project potential ranges of returns and market values over various time periods and using various cash flows to assist the Plan Sponsor in determining the appropriate investment options for the retirement plan.

The data used to select the investment options is based on estimated, forward-looking performance of various asset classes and subclasses to create our forward-looking capital markets assumptions (e.g., expected return, expected standard deviation, correlation, etc.). Past performance and the return estimates of the asset classes and the indices that correspond to these asset classes may not be representative of actual future performance. Actual results could differ, based on various factors

including the expenses associated with the management of the portfolio, the portfolio's securities versus the securities comprising the various indices and general market conditions. Before a specific investment is selected, other factors such as economic trends, which may influence the choice of investments and risk tolerance, should be considered. The Adviser has the responsibility and authority to recommend the investment line up including evaluating investment managers and mutual fund companies, individual mutual funds, and money market funds which may be retained or replaced. The Plan Sponsor has the responsibility and authority to make the final decision regarding what investments to include and when to add or exclude a specific security.

The Client confirms that any instructions that have been given to the Adviser with regard to the Account are consistent with the governing plan documents and investment policy statements of the plan.

Except as otherwise provided under ERISA the Adviser shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Client in connection with the matters to which this Agreement relates except a loss resulting from the Adviser's breach of its fiduciary duty, negligence, misconduct or bad faith.

The Adviser is not (i) the "administrator" of the Plan as defined in § 3(16)(A) of ERISA or (ii) the "plan administrator" of the Plan as defined in Section 414(g) of the Internal Revenue Code of 1986, as amended (the "Code");

The Adviser is neither a law firm nor a public accounting firm and Adviser will not provide legal or accounting advice;

The Client acknowledges that the services covered by this Agreement are consultative, and give no investment authority ("discretion") or responsibility to the Adviser over any assets of the Plan or Participant regardless of how and where the assets are held. Throughout the term of this Agreement, the Plan or Participant retains full discretion to supervise, manage and direct the assets that may be held with any affiliated or unaffiliated third-party.

The Adviser encourages plan sponsors to consult with other professional advisors since we do not provide tax or legal advice that may affect asset classes or allocations. The Adviser will apply any guidelines the client supplies, as directed, however, compliance with these restrictions or guidelines, is the client's responsibility.

Non-Discretionary 3(21) Fiduciary Services

When the Adviser performs "3(21) Fiduciary Services," the Adviser will act as a co-fiduciary "investment adviser" that provides "investment advice" as defined under Section 3(21) of ERISA. Under this arrangement the Adviser is appointed by the plan sponsor or trustee to determine a recommended lineup of investments to be included in the Plan. These recommendations are presented to the Plan Sponsor, who has the ultimate responsibility to accept or reject the recommendation. The Adviser will not have any further responsibility to communicate instructions to any third-party, including the custodian, and/or third-party administrator. The Adviser will/will not communicate directly with the recordkeeper regarding administrative and recordkeeping matters arising under the Adviser's investment advisory agreement with the Plan Sponsor, or more generally about the recordkeeper's services to the *Plan*.

Discretionary 3(38) Fiduciary Services

When a client engages the Adviser to perform “3(38) Fiduciary Services”, the Adviser acts as an “investment manager” (as defined in Section 3(38) of ERISA) with respect to the performance of discretionary fiduciary investment services. Under this arrangement the Adviser is appointed by the Plan Sponsor or trustee and accepts discretion over plan assets and assumes full responsibility and liability for fiduciary functions concerning decisions related to the plan assets.

Wrap Fee

The Adviser does not sponsor or participate in a third-party sponsored wrap fee program.

Assets Under Management

As of December 31, 2022, we had a total of \$174,682,381; \$105,736,222 in discretionary assets under management and \$68,946,159 in non-discretionary assets under management. Additionally, we have \$5,806,013 in assets under advisement.

Item 5 – Fees and Compensation

Clients should be aware that similar or comparable services may be available from other firms including other investment management firms at a cost higher or lower than that available through Novus.

Asset Management Fee Schedule

Novus Advisors does not impose a minimum account balance for the opening of an account with the Adviser. Novus is solely compensated for its investment advisory services by charging the client a management fee based on the market value of the client’s assets under our management. The fee charged is based upon the amount of money invested. Multiple accounts of immediately related family members may be considered one consolidated account for billing purposes. Fees are billed quarterly in advance based upon the market value of the assets at the end of the preceding quarter. If the client’s relationship with Novus begins or ends during a calendar quarter, the client’s fee will be prorated for the appropriate number of days completed or remaining in the quarter and, where applicable, the client will be issued a refund for the portion of his or her quarterly fee paid in advance which was otherwise unearned.

Our fees are based upon the fee schedule set forth below:

AUM	Fee
Under \$250,000	1.25%
\$250,001 to \$1,000,000	1.00%
\$1,000,001 to \$5,000,000	.85%
\$5,000,001 to \$10,000,000	.65%
Over \$10,000,000	.5%

The fees shown above are annual fees. Novus may negotiate the amount of the client's fee depending upon circumstances including but not limited to account composition and complexity, other client, employee or family relationships, etc. which may result in different fees being charged by Novus for client accounts similar in composition and objectives. Novus employees and their family related accounts may be charged a reduced fee, or no fee, for our services. No increase in the annual fee shall be effective without prior written notification. Novus Advisors believes the advisory fee is reasonable considering the fees charged by other investment advisers offering similar services/programs.

Outside Money Manager

Novus Advisors charges a reduced fee, in addition to the fee charged by the outside money manager. Novus charges a fee of 0.50% - 0.85% based on the complexity of the client's needs. The fee you will pay will be disclosed on the executed advisory agreement. Please refer to the outside money manager's ADV Part 2 for a full description of their fees.

Retirement Plan Services Fees

For the retirement plan advisory business in which Novus participates described in the section on ADVISORY BUSINESS above, Novus is paid a percentage of plan assets which generally ranges from 0.35% to 1.10%. Novus' fee is deducted from plan assets on a monthly basis by a third-party administrator and is paid directly to Novus.

Payment of Fee

The client may pay his or her fee to Novus directly upon receipt of an invoice from Novus or the client may authorize his or her custodian to directly debit Novus' fee from his or her account or accounts upon request. If the client chooses the latter method, his or her custodian will not confirm Novus' fee but will pay the amount based on the fee amount communicated to the custodian and send Novus' fee directly to them. The Client will receive at least quarterly statements from the custodian which will show the amount of the fee which has been sent to Novus. The client should confirm the accuracy of Novus' fee calculation upon receipt of the custodial statement.

Third-party Fees

Our fees do not include brokerage commissions, transaction fees, and other related costs and expenses. You may incur certain charges imposed by custodians and other third parties. These include fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds, money market funds and exchange-traded funds (ETFs) also charge internal management fees, which are disclosed in the fund's prospectus. These fees may include, but are not limited to, a management fee, upfront sales charges, and other fund expenses. Certain strategies offered by us may involve investment in mutual funds and/or ETFs. Load and no-load mutual funds may pay annual distribution charges, sometimes referred to as "12(b)(1) fees". These 12(b)(1) fees come from fund assets, and thus indirectly from clients' assets.

We do not receive any compensation from these fees. All of these fees are in addition to the management fee you pay us. You should review all fees charged to fully understand the total amount of fees you will

pay. Services similar to those offered by us may be available elsewhere for more or less than the amounts we charge. Our brokerage practices are discussed in more detail under Item 12 – Brokerage Practices.

Other Compensation

Employees of Novus are licensed to sell insurance products and may receive compensation in the form of insurance commissions or similar fees as a result of the purchase or sale by clients of fixed-indexed annuities or other products such as life, health, long-term care or disability insurance through Novus Wealth Management, LLC which is affiliated with Novus through common ownership and which may also receive compensation as a result of the purchase or sale by our clients of fixed-indexed annuities or other insurance products described above. If a client purchases one or more of these forms of insurance through Novus Wealth Management, LLC, compensation in the form of commissions will be earned by the employees of Novus Advisors. This presents a conflict of interest on Novus' part since Novus may have an incentive to recommend these fixed-indexed annuities or other insurance products based on the compensation Novus or its affiliate, Novus Wealth Management, LLC, may receive as a result of the transaction. However, this conflict of interest is addressed by the transaction being reviewed on the client's behalf prior to being completed and by this disclosure of the conflict of interest. The client also has the option to purchase fixed-indexed annuities or other insurance products through another firm or individual of his or her choosing and is not obligated to purchase them through Novus Wealth Management, LLC, or to purchase them at all. Please refer to the section on OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS below for more information.

Financial and Retirement Planning

There is currently no additional cost for planning services as it is covered by the asset management fee you will pay.

All recommendations developed by us are based upon our professional judgment. We cannot guarantee the results of any of our recommendations.

Item 6 – Performance Based Fee and Side by Side Management

We do not charge any performance-based fees. These are fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7 – Types of Client(s)

Novus' clients include individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations or similar business entities and Taft-Hartley plans. Novus does not have a minimum account size.

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

Methods of Analysis

Novus' primary method of investment analysis and investment strategies involve the use of fundamental analysis, which is the analysis of a company's financial statements, its management, competitive advantages, markets, etc.:

Fundamental Analysis

Fundamental analysis is a technique that attempts to determine a security's value by focusing on the underlying factors that affect a company's actual business and its future prospects. Fundamental analysis is about using real data to evaluate a security's value. It refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.

In order to perform this analysis, we use many resources, such as:

- Morningstar
- Financial newspapers and magazines (e.g. Wall Street Journal, Forbes, etc.)
- Annual reports, prospectuses, filings
- Company press releases and websites

Investment Strategies

The securities that Novus uses in its investment strategies and investment advice include equity securities such as exchange listed securities, securities traded over the counter and foreign issues; warrants; debt securities of corporations and similar entities; commercial paper; certificates of deposit; municipal and government securities and investment company securities such as mutual fund shares.

The investment strategies we use to implement any investment advice given to you include, but are not limited to:

- Long term purchases -securities held at least a year
- Trading -securities sold within 30 days
- Short sales
- Margin Transactions
- Option writing, including covered options, uncovered options or spreading strategies.

Risk of Loss

We cannot guarantee our analysis methods will yield a return. In fact, a loss of principal is always a risk. Investing in securities involves a risk of loss that you should be prepared to bear. You need to understand that investment decisions made for your account by us are subject to various market, currency, economic, political and business risks. The investment decisions we make for you will not always be profitable nor can we guarantee any level of performance.

Analysis Method Risk

Fundamental Analysis Risk

Fundamental analysis, when used in isolation, has a number of risks:

- There are an infinite number of factors that can affect the earnings of a company, and its stock price, over time. These can include economic, political and social factors, in addition to the various company statistics.
- The data used may be out of date.
- It is difficult to give appropriate weightings to the factors.
- It assumes that the analyst is competent.
- It ignores the influence of random events such as oil spills, product defects being exposed, and acts of God and so on.

Product Risk

Exchange Traded Fund (“ETF”) Risk

Most ETFs are passively managed investment companies whose shares are purchased and sold on a securities exchange. An ETF represents a portfolio of securities designed to track a particular market segment or index. ETFs are subject to the following risks that do not apply to conventional funds:

- The market price of the ETF’s shares may trade at a premium or a discount to their net asset value;
- An active trading market for an ETF’s shares may not develop or be maintained; and
- There is no assurance that the requirements of the exchange necessary to maintain the listing of an ETF will continue to be met or remain unchanged

Insurance Product Risk

The rate of return on variable insurance products is not stable, but varies with the stock, bond and money market subaccounts that you choose as investment options. There is no guarantee that you will earn any return on your investment and there is a risk that you will lose money. Before you consider purchasing a variable product, make sure you fully understand all of its terms. Carefully read the prospectus. Some of the major risks include:

- **Liquidity and Early Withdrawal Risk** – There may be a surrender charges for withdrawals within a specified period, which can be as long as six to eight years. Any withdrawals before a client reaches the age of 59 ½ are generally subject to a 10 percent income tax penalty in addition to any gain being taxed as ordinary income.
- **Sales and Surrender Charges** – Asset-based sales charges or surrender charges. These charges normally decline and eventually are eliminated the longer you hold your shares. For example, a surrender charge could start at 7 percent in the first year and decline by 1 percent per year until it reaches zero.
- **Fees and Expenses** – There are a variety of fees and expenses which can reach 2% and more such as:

- Mortality and expense risk charges
 - Administrative fees
 - Underlying fund expenses
 - Charges for any special features or riders.
- Bonus Credits – Some products offer bonus credits that can add a specified percentage to the amount invested ranging from 1 percent to 5 percent for each premium payment. Bonus credits, however, are usually not free. In order to fund them, insurance companies typically impose high mortality and expense charges and lengthy surrender charge periods.
 - Guarantees – Insurance companies provide a number of specific guarantees. For example, they may guarantee a death benefit or an annuity payout option that can provide income for life. These guarantees are only as good as the insurance company that gives them.
 - Market Risk – The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
 - Principal Risk – The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

Mutual Funds Risk

The following is a list of some general risks associated with investing in mutual funds.

- Country Risk - The possibility that political events (a war, national elections), financial problems (rising inflation, government default), or natural disasters (an earthquake, a poor harvest) will weaken a country's economy and cause investments in that country to decline.
- Currency Risk -The possibility that returns could be reduced for Americans investing in foreign securities because of a rise in the value of the U.S. dollar against foreign currencies. Also called exchange-rate risk.
- Income Risk - The possibility that a fixed-income fund's dividends will decline as a result of falling overall interest rates.
- Industry Risk - The possibility that a group of stocks in a single industry will decline in price due to developments in that industry.
- Inflation Risk - The possibility that increases in the cost of living will reduce or eliminate a fund's real inflation-adjusted returns.
- Manager Risk -The possibility that an actively managed mutual fund's investment adviser will fail to execute the fund's investment strategy effectively resulting in the failure of stated objectives.
- Market Risk -The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
- Principal Risk -The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

Stock Fund Risk

Overall "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons, such as the overall strength of the economy or demand for particular products or services.

Overall Risks

Clients need to remember that past performance is no guarantee of future results. All funds carry some level of risk. You may lose some or all of the money you invest, including your principal, because the securities held by a fund goes up and down in value. Dividend or interest payments may also fluctuate, or stop completely, as market conditions change.

Before you invest, be sure to read a fund's prospectus and shareholder reports to learn about its investment strategy and the potential risks. Funds with higher rates of return may take risks that are beyond your comfort level and are inconsistent with your financial goals.

While past performance does not necessarily predict future returns, it can tell you how volatile (or stable) a fund has been over a period of time. Generally, the more volatile a fund, the higher the investment risk. If you'll need your money to meet a financial goal in the near-term, you probably can't afford the risk of investing in a fund with a volatile history because you will not have enough time to ride out any declines in the stock market.

Item 9 – Disciplinary Information

Registered Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. We do not have any information to disclose concerning Novus Advisors or any of our IARs. We adhere to high ethical standards for all IARs and associates.

Item 10 – Other Financial Industry Activities and Affiliations

Neither Novus Advisors nor any of its management persons are registered as a broker-dealer or registered as a representative of a broker-dealer, nor does it have any pending application to register. In addition, neither Novus Advisors nor its management persons are affiliated with any broker-dealer.

Novus Advisors and its management persons are not registered or registering as a commodity pool operator, futures commission merchant, or commodity trading advisor.

Other Financial Industry Affiliations

As licensed insurance agents through Novus Wealth Management, LLC, Novus' owners and employees may offer insurance products to advisory clients and receive normal and customary commissions if a client makes a purchase. This presents a conflict of interest between Novus and the client because these

associates may have an incentive to recommend insurance products as a result of the commission. When recommending commissionable products to advisory clients, these licensed insurance agents have a fiduciary duty to recommend products that are in the best interest of the client regardless of whether they are receiving a commission on this product. Clients also have the option to purchase fixed-indexed annuities or other insurance products through another firm or individual of his or her choosing and are not obligated to purchase them through Novus Wealth Management, LLC, or to purchase them at all.

Lafayette Advisors, LLC is a registered investment adviser which is affiliated through ownership with Novus. Novus' owners are also owners, officers, managers or employees of Lafayette Advisors, LLC, and share office space with Lafayette Advisors, LLC. Novus may recommend the advisory services of Lafayette Advisors, LLC to its clients. This presents a conflict of interest since Novus' owners, officers, directors or employees also have an ownership interest in Lafayette Advisors, LLC and may have a financial incentive to recommend the advisory services of Lafayette Advisors, LLC. We address this conflict of interest by full and fair disclosure to our clients.

Item 11 – Code of Ethics, Participation or Interest in Client Accounts and Personal Trading

General Information

We have adopted a Code of Ethics for all IAR's of the firm describing its high standards of business conduct, and fiduciary duty to you, our client. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All of our IAR's must acknowledge the terms of the Code of Ethics annually, or as amended.

Participation or Interest in Client Accounts

Our Compliance policies and procedures prohibit anyone associated with Novus Advisors from having an interest in a client account or participating in the profits of a client's account without the approval of the CCO.

The following acts are prohibited:

- Employing any device, scheme or artifice to defraud
- Making any untrue statement of a material fact
- Omitting to state a material fact necessary in order to make a statement, in light of the circumstances under which it is made, not misleading
- Engaging in any fraudulent or deceitful act, practice or course of business
- Engaging in any manipulative practices

Clients and prospective clients may request a copy of the firm's Code of Ethics by contacting the CCO.

Personal Trading

We may recommend securities to you that we will purchase for our own accounts. We may trade securities in our account that we have recommended to you as long as we place our orders after your orders. This policy is meant to prevent us from benefiting as a result of transactions placed on behalf of advisory accounts.

Certain affiliated accounts may trade in the same securities with your accounts on an aggregated basis when consistent with our obligation of best execution. When trades are aggregated, all parties will share the costs in proportion to their investment. We will retain records of the trade Order (specifying each participating account) and its allocation. Completed Orders will be allocated as specified in the initial trade order. Partially filled Orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

Novus Advisors has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of "Access Persons". The policy requires that an Access Person of the firm provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date the Adviser selects; provided, however that at any time that the Adviser has only one Access Person, he or she shall not be required to submit any securities report described above.

We have established the following restrictions in order to ensure our fiduciary responsibilities regarding insider trading are met:

- No securities for our personal portfolio(s) shall be bought or sold where this decision is substantially derived, in whole or in part, from the role of IARs of Novus Advisors, unless the information is also available to the investing public on reasonable inquiry. In no case, shall we put our own interests ahead of yours.

Privacy Statement

We are committed to safeguarding your confidential information and hold all personal information provided to us in the strictest confidence. These records include all personal information that we collect from you or receive from other firms in connection with any of the financial services they provide. We also require other firms with whom we deal with to restrict the use of your information. Our Privacy Policy is available upon request.

Conflicts of Interest

Novus Advisors' IARs may employ the same strategy for their personal investment accounts as it does for its clients. However, IARs may not place their orders in a way to benefit from the purchase or sale of a security.

We act in a fiduciary capacity. If a conflict of interest arises between us and you, we shall make every effort to resolve the conflict in your favor. Conflicts of interest may also arise in the allocation of investment opportunities among the accounts that we advise. We will seek to allocate investment

opportunities according to what we believe is appropriate for each account. We strive to do what is equitable and in the best interests of all the accounts we advise.

Item 12 – Brokerage Practices

Factors Used to Select Custodians

In recommending a custodian/broker-dealer, we look for a company that offers relatively low transaction fees, access to desired securities, trading platforms, and support services. We may recommend clients use TD Ameritrade as the qualified custodian for their accounts when utilizing our asset management services.

Novus considers the following factors in selecting or recommending brokerage firms for your transactions and in determining the reasonableness of the compensation or other remuneration paid to the brokerage firms:

- Quality of Services Provided Trade Implementation Costs
- Value of Research and Related Information and Products Provided Market Liquidity Provided
- Confidentiality of Trading Intentions
- Investment Styles (Compatibility Between Novus and the Brokerage Firm) Financial Stability
- Ability to Execute Difficult Trades
- Other Factors Which May Be Identified by Novus From Time To Time

Soft Dollars

The brokerage and research services or products received by Novus under our arrangement with our custodian are deemed to be soft dollar benefits. Novus participates in the institutional advisor program (the “Program”) offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA (“TD Ameritrade”), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors such as Novus services which include custody of securities, trade execution, clearance and settlement of transactions. Novus receives some benefits from TD Ameritrade through its participation in the Program.

As stated above, Novus participates in TD Ameritrade’s institutional customer program and it may recommend TD Ameritrade to its clients for custody and brokerage services. There is no direct link between Novus’ participation in the Program and the investment advice Novus gives to its clients, although Novus does receive 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 designated to serving us; 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 our client accounts held at TD Ameritrade; 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 Novus by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Novus or by its related persons or entities. Some of the products and services made available by TD Ameritrade through the Program may benefit Novus but may not benefit its clients' accounts directly although may assist Novus in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Novus manage and further develop its business enterprise. The benefits received by Novus or its employees through participation in the Program does not depend on the amount of brokerage transactions directed to TD Ameritrade by Novus. As part of Novus' fiduciary duties to our clients, it endeavors at all times to put the interests of Novus' clients first. Clients should be aware, however, that the receipt of economic benefits by Novus or its related persons or entities in and of itself creates a potential conflict of interest and may indirectly influence Novus' choice of TD Ameritrade for custody and brokerage services.

Best Execution

We have an obligation to seek best execution for you. In seeking best execution, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, reputation and responsiveness. Novus has established an Execution Review Committee which periodically reviews its brokerage practices and the reasonableness of compensation or other remuneration paid to brokerage firms and monitors its efforts to seek best execution of client transactions.

Brokerage for Client Referrals

In selecting a broker-dealers, we do not take into consideration whether or not we will receive client referrals from the broker-dealer or third-party.

Directed Brokerage

We do not permit directed brokerage. We will require you to use TD Ameritrade as the custodial firm.

Trading

Transactions for each client account generally will be affected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may (but are not obligated to) combine or "batch" such Orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among our clients' differences in prices and commission or other transaction costs. Under this procedure, transactions will be price-averaged and allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day.

Trade Errors

Novus is responsible for reimbursing clients for all losses due to trade errors made by Novus in client accounts. Novus is not entitled to retain "net gains" from trade corrections. "Net gains" are defined as positive error account balances resulting from trade corrections. TD Ameritrade will automatically sweep any advisor error account credit balances to a designated TD Ameritrade error account each business day. TD Ameritrade will then donate the balances swept to the TD Ameritrade error account to charity.

ERISA 3(21) and 3(38)

As it relates to ERISA Plan business, the Adviser's model does not involve transactional business and, consequently, the Adviser does not currently engage brokers in any transactional capacity.

Best Execution

The Adviser does not trade in any Plan client accounts.

Trading

The Adviser does not trade in individual Plan participant accounts.

Item 13 – Review of Accounts

Reviews

Novus' client accounts are reviewed on a continuous basis by the individual portfolio managers with primary responsibility for the particular account. Factors which may trigger more frequent reviews include change in client investment objectives or circumstances such as retirement or a large contribution or withdrawal to or from an account, significant developments or events specific to a particular security held in the account, or significant market, economic or political developments.

Reports

Novus will provide clients with written reports concerning his or her account(s) upon request. You will be provided with paper confirmations for each securities transaction executed in the account by the custodian. You are obligated to notify us of any discrepancies between the statements provided by Novus Advisors and the custodian(s) or any concerns you have about the account(s).

Item 14 – Client Referrals and Other Compensation

We do not receive any economic benefit from someone who is not a client for providing investment advice or other advisory services to our clients nor do we directly or indirectly pay any compensation to another person if they refer clients to us.

Item 15 – Custody

We do not have physical custody of any accounts or assets. However, we may be deemed to have custody of your account(s) if we have the ability to deduct your advisory fees from the custodian. We use TD Ameritrade/Charles Schwab as the custodian and/or broker-dealer for all your accounts. You should receive at least quarterly statements from the broker-dealer or custodian that holds and maintains your investment assets. We urge you to carefully review such statements and compare this official custodial record to the account reports that we may provide to you. Our reports may vary from custodial

statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. If you notice any discrepancies, please contact Novus Advisors.

We do not debit the client fees directly from your advisory account. We send information to your custodian to debit your fees and to pay them to us. You authorized the custodian to pay us directly at the onset of the relationship.

Qualified Retirement Plan Custody

We do not have actual or constructive custody of any client's account. We do not have the ability to deduct fees directly from the plan accounts.

If authorized by the Plan Sponsor, the Adviser has the ability to debit fees directly from the Plan Sponsor's bank account through the submission of a billing file to the plan custodian, however, the Adviser does not have authority to possess or take actual custody of clients' funds or securities. Plan Sponsors and plan participants should receive at least quarterly statements from the recordkeeper and Plan Sponsors and participants should carefully review such statements.

Standing Letter of Authorization

Novus Advisors does not currently have any standing letters of authorization with any of clients and therefore we are not deemed to have custody of client assets in this regard.

Item 16 – Investment Discretion

We manage assets on a discretionary and a non-discretionary basis. If you provide discretion authority, which will be evidenced via the written, discretionary agreement between the client and the Adviser, we will have the authority to determine the following without your consent:

- Securities to be bought or sold for your account
- Amount of securities to be bought or sold for your account

In all cases this discretion is exercised in a manner consistent with your stated investment objectives for your account and in accordance with any restrictions placed on the account(s).

When active asset management services are provided on a discretionary basis the client will enter into a separate custodial agreement with the custodian. The custodian agreement will include a limited power of attorney to trade in the client's account(s) which authorizes the custodian to take instructions from us regarding all investment decisions for your account.

If you do not give us the authority to manage your account on a discretionary basis, which will be evidenced via the written, non-discretionary agreement between the client and the Adviser, then we cannot buy or sell any security in your account without your prior, express permission. Please be advised that this could adversely affect the Adviser's ability to take advantage of price swings when attempting to

purchase or sell securities in the client's account, especially in instances where the Adviser is not able to contact the client in a timely manner.

When active asset management services are provided on a non-discretionary basis the client will enter into a separate custodial agreement with the custodian. The custodian agreement will include a limited power of attorney to trade in the client's account(s) which authorizes the custodian to take instructions from us regarding trades approved by the client.

Qualified Retirement Plan Advisory Services

Our recommendations regarding our 3(21)-qualified retirement plan consulting services are made on a non-discretionary basis. The plan sponsor retains the decision-making authority over the plan. When recommending securities, we observe the investment policies, limitations, and restriction set by the plan and plan sponsor. Our investment decisions regarding our 3(38)-qualified retirement plan consulting services are made on a discretionary basis.

In performing discretionary management services, the Adviser is acting as an "investment manager" (as that term is defined in Section 3(38) of ERISA) and as a fiduciary to the Plan and shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, we do not have any authority to and do not vote proxies on behalf of advisory clients. You retain the responsibility for receiving and voting proxies for any and all securities maintained in your portfolios. We may provide advice to you regarding your voting of proxies. The custodian will forward you copies of all proxies and shareholder communications relating to your account assets.

Item 18 – Financial Information

We are required to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that would impair our ability to meet any contractual and fiduciary commitments to you, our client. We have not been the subject of any bankruptcy proceedings. In no event shall we charge advisory fees that are both in excess of twelve hundred dollars and more than six months in advance of advisory services rendered.