

## Everhart Advisors Asset Management Agreement

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This Asset Management Agreement (“Agreement”) is entered into between and agreed to by the client as described below (“Client”) and Everhart Financial Group, Inc., doing business as Everhart Advisors, (hereafter referred to as “Everhart Advisors”), a registered investment adviser located at 535 Metro Place South, Dublin Ohio 43017. By executing this Agreement, Client retains Everhart Advisors to provide the services described in this Agreement.

- 1. Asset Management Services.** The asset management services of Everhart Advisors are provided to the account(s) of Client, as specified in Addendum I of this Agreement, (collectively, the “Account”). The asset management services involve Everhart Advisors providing Client with continuous and ongoing supervision over the Account. Everhart Advisors will assign and/or re-assign, at its discretion, an investment adviser representative of record to provide asset management services on behalf of Everhart Advisors under this Agreement to Client.

Client will appoint Everhart Advisors as its investment adviser of record of the Account. The Account will consist only of separate account(s) held by qualified custodian(s) under the name of Client. The qualified custodian(s) will maintain physical custody of all funds and securities of the Account, and Client will retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account. Client’s beneficial interest in a security does not represent an undivided interest in all the securities held by the qualified custodian(s), but rather represents a direct and beneficial interest in the securities which comprise the Account. At least quarterly, Client will receive an account statement from the qualified custodian(s) of the Account detailing transactions in the Account.

Upon appointment as an investment adviser of the Account, Everhart Advisors will obtain from Client information to determine Client’s financial situation, investment objectives and risk tolerance. A specific investment strategy is crafted for Client and focuses on Client’s specific goals and objectives. As described below, Client may impose reasonable restrictions on the management of the Account, including the ability to instruct Everhart Advisors not to purchase certain securities on behalf of Client. The Account will be managed by Everhart Advisors, in accordance with the instructions listed below, on the basis of Client’s financial situation, investment objectives and risk tolerance. Everhart Advisors will monitor the Account and provide advice to Client regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account.

Client will timely notify Everhart Advisors of any changes to Client’s financial situation or investment objectives or if Client wants to impose and/or modify any reasonable restrictions on the management of Client’s Account. At least annually, Everhart Advisors will offer reviews with Client to determine whether Client’s financial situation, investment objectives or risk tolerance have changed, or if Client wants to impose and/or modify any reasonable restrictions on the management of Account. Everhart Advisors will be reasonably available to consult with Client relative to the status of the Account.

All reasonable restrictions, including special instructions and limitations, regarding the investments and management of Client's Account are noted as follows:

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Client is entitled to change the reasonable restrictions set forth above at any time. All changes to the reasonable restrictions must be delivered to Everhart Advisors in writing.

Charles Schwab & Co, Inc. ("Schwab") will serve as the qualified custodian for Client's Account. Schwab will execute all purchase and sale orders directed to it by Everhart Advisors and perform clearance of same. Schwab shall maintain custody of all assets in Client's Account and will perform such custodial functions that, among other things, will include crediting interest and dividends on Account assets and crediting of principal on called or matured securities in the Account, together with such other custodial functions customarily performed with respect to securities brokerage accounts.

Client may request periodic withdrawals at any time. Client may make additions to the Account at any time. For non-qualified accounts, checks should be made payable to Schwab, LLC. For qualified accounts, checks should be made payable to Charles Schwab & Co., Inc. fbo Client [entering the Client Name].

Client understands that the asset management services provided under this Agreement do **not** include financial planning, consulting or any other similar services. Client must execute a separate agreement for Everhart Advisors' financial planning or consulting services.

2. **Trading Authority.** Everhart Advisors does not have discretionary authority to buy, sell or hold securities, cash or other investments for the Account without first consulting with Client. Prior to implementing any transactions on behalf of Client, Everhart Advisors will contact Client for approval. However, Client grants Everhart Advisors the authority to instruct the Account custodian, on Client's behalf, to purchase, sell, redeem or exchange any security, cash or other investments for the Account. Client also authorizes Everhart Advisors to instruct the Account custodian, on Client's behalf, to sell, redeem or exchange any security or other investments in amounts (less than 2% of Account value) necessary for Account maintenance items including, but not limited to, replenishing cash for future fee debits. Client authorizes Everhart Advisors to provide a copy of this Agreement to any broker or dealer with or through which transactions for the Account are to be effected as evidence of Everhart Advisors' authority under this Agreement.
3. **Fees.** Investment advisory fees of Everhart Advisors are charged based on a percentage of assets under management, billed monthly in advance. If asset management services are commenced in the middle of a month, the prorated fee for that partial month is typically waived. Everhart Advisors reserves the right to charge the initial partial month's fee pro-rata in arrears at the same time the first full monthly fee is charged in advance and will notify Client in writing if such pro-rata fee will be assessed. The monthly fees due are calculated on a rolling quarterly basis beginning on the first day of the month following execution of this Agreement and initial funding of the Account. The fee is charged monthly but is calculated every third month based on the fair market value of the Account as of the last business day of the prior month. (For example if this Agreement is executed and the Account funded on January 15, then the first fee will be billed on February 1 waiving any fee due for the time period of January 15 through February 1, and calculating a monthly fee due at the beginning

of the months of February, March, and April based upon the fair market value of the Account as of January 31; then the monthly fee due at the beginning of May, June, and July will be calculated based upon the fair market value of the Account as of April 30, and so on.)

Fees charged for our asset management services are negotiable based on the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the potential for additional account deposits, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client.

Following is the annual fee schedule for asset management services provided pursuant to this Agreement:

<b>Account Size</b>	<b>Annual Fee</b>
<b>\$0 to \$250,000</b>	_____ %
<b>\$250,001 to \$500,000</b>	_____ %
<b>\$500,001 to \$1,000,000</b>	_____ %
<b>Over \$1,000,000</b>	_____ %

Fees charged by Everhart Advisors under this Agreement will not be based on the capital gains or the capital appreciation of Client's Account(s). Everhart Advisors believes that its annual fee is reasonable in relation to: (1) services provided under this Agreement and (2) the fees charged by other investment advisers offering similar services/programs. However, Everhart Advisors' annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to compensation of Everhart Advisors, Client will also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

The investment advisory fees will be deducted from the Account and paid directly to Everhart Advisors by the qualified custodian(s) of the Account. Client authorizes the qualified custodian(s) of the Account to deduct fees from their Account and pay such fees directly to Everhart Advisors. The Account statement will reflect the fee amount withdrawn per period.

Client should review the Account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

Brokerage commissions and/or transaction ticket fees charged by the qualified custodian will be billed directly to Client by the qualified custodian. Everhart Advisors will not receive any portion of such commissions or fees from the qualified custodian or Client. In addition, Client may incur certain charges imposed by third parties other than Everhart Advisors in connection with investments made through the Account including, but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of the Account. Management fees charged by Everhart Advisors are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to Client. A description of these fees and expenses are available in each investment company security's prospectus.

4. **Brokerage Practices.** Everhart Advisors will place trades through Charles Schwab & Co., Inc. as the introducing broker-dealer through the qualified custodian.
5. **Block Trading Policy.** Everhart Advisors does not aggregate, batch or combine purchases and sales and other transactions made for the Account with purchases and sales and other transactions in the same or similar securities or instruments for other clients of Everhart Advisors. Everhart Advisors' policy is to implement all client orders on an individual basis. Everhart Advisors will endeavor to process all Account transactions in a timely manner, but Everhart Advisors neither represents nor warrants that any such transaction will be processed or effected by the qualified custodian or broker-dealer on the same day as requested.
6. **Reports.** Client will receive account statements from the qualified custodian(s) at least quarterly.
7. **Sub-Advisors.** Everhart Advisors may use unaffiliated sub-advisors to help manage all or a portion of Client's Account. Fees charged by Everhart Advisors do not increase when Everhart Advisors elects to use sub-advisors. Client may be required to enter into an agreement directly with the unaffiliated sub-advisor. If the sub-advisor is registered as an investment adviser, a complete description of the sub-advisor's services, fee schedule and account minimums will be disclosed in that sub-advisor's Form ADV Part 2A or Part 2A Appendix 1 that will be provided to Client at the time any agreement for services is signed and an account is established. Everhart Advisors is available to answer questions Client may have regarding any portion of Client's Account managed by a sub-advisor and will act as the communication conduit between Client and the sub-advisor.
8. **Solicitor & Introducing Advisor Arrangement.** If Client was introduced to Everhart Advisors through an unaffiliated solicitor ("Solicitor") or an unaffiliated investment adviser ("Introducing Advisor"), Everhart Advisors may pay that Solicitor or Introducing Advisor a referral fee in accordance with Rule 206(4)-3 of the Investment Advisers Act of 1940 and any applicable state law.

The referral fee will be paid solely from the compensation of Everhart Advisors as defined in this Agreement, and will not result in any additional charge to Client. Solicitor or Introducing Advisor is compensated to refer Client to Everhart Advisors in accordance with the approved practices of Everhart Advisors, distribute to Client all required disclosures, review and complete all necessary forms and applications with Client, obtain all appropriate Client signatures, and provide continuing contact to Client concerning investment advisory services of Everhart Advisors. Solicitor or Introducing Advisor does **not** have authority to accept investment advisory agreements on behalf of Everhart Advisors, to collect or receive payment in Solicitor's or Introducing Advisor's own name for any investment advisory agreement nor provide investment advice or manage assets on behalf of Everhart Advisors. All investment advisory agreements related to services provided by Everhart Advisors are subject to acceptance by Everhart Advisors.

If Client was introduced to Everhart Advisors through Solicitor or Introducing Advisor, the Client hereby acknowledges receipt, as applicable, of Solicitor's or Introducing Advisor's Written Disclosure Statement disclosing basic information relating to the relationship or affiliation, the terms of the solicitor arrangement between Everhart Advisors and Solicitor or Introducing Advisor and the compensation to be received by Solicitor or Introducing Advisor from Everhart Advisors, and the amount the client is being charged in addition to the advisory fee as a consequence of the solicits.

9. **Account Valuation.** For purposes of calculating investment advisory fees, securities in the Account that are listed on a national securities exchange or on NASDAQ at the closing price will be valued on the valuation date, on the principal market where the securities are traded. Other securities or investments in the Account will be valued in a manner that Everhart Advisors believes in good faith reflects the fair market value.
10. **ERISA Accounts.** If the services under this Agreement involve Everhart Advisors providing advice about securities to an account that is maintained on behalf of a plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA") or similar government regulation, Everhart Advisors acknowledges that this advice would constitute investment advice to a retirement plan or to retirement plan assets for compensation and, as a consequence, Everhart Advisors would be deemed a "fiduciary" as such term is defined under Section 3(21)(A)(ii) of ERISA. Everhart Advisors 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. However, Everhart Advisors is not considered an investment manager and in the absence of a separate agreement to this effect does not have the power to manage, acquire or dispose of any plan assets. Everhart Advisors is not the "Administrator" of Client's retirement plan as defined in ERISA.
11. **Client's Responsibilities.** Client recognizes the value and usefulness of the services of Everhart Advisors will depend upon the accuracy and completeness of the information that Client provides to Everhart Advisors, upon Client's active participation in the formulation of the objectives and in the implementation of the advice to attain those objectives. Client will provide Everhart Advisors all requested information and required documents that Everhart Advisors may reasonably request in order to permit a complete evaluation and preparation of the recommendations for Client. Everhart Advisors will not be responsible for the verification of the information and documentation provided by Client.

Client will notify Everhart Advisors in writing of any material change to Client's financial circumstances or investment objectives.

12. **Non-Exclusive Relationship.** Client acknowledges and agrees that Everhart Advisors may manage investments for other clients and may give other clients advice or take actions for them, for Everhart Advisors' accounts or for accounts of persons related to Everhart Advisors, which is different from the advice Everhart Advisors gives Client or actions Everhart Advisors takes for Client. Everhart Advisors is not obligated to buy, sell or recommend for Client any security or other investment that Everhart Advisors may buy, sell or recommend for any other clients, for Everhart Advisors' accounts or for the accounts of persons related to Everhart Advisors.

Conflicts may arise in the allocation of investment opportunities among accounts that Everhart Advisors manages. Everhart Advisors will seek to allocate investment opportunities believed appropriate for Client's account(s) and other accounts advised by Everhart Advisors among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to Everhart Advisors' attention will be allocated in any particular manner.

If Everhart Advisors obtains material, non-public information about a security or its issuer that Everhart Advisors may not lawfully use or disclose, Everhart Advisors will have no obligation to disclose the information to Client or use it for Client's benefit.

13. **Basis of Advice.** Client acknowledges that Everhart Advisors obtains information from a wide variety of publicly available sources. Everhart Advisors does not have, nor does it claim to have, sources of inside or private information. The recommendations developed by Everhart Advisors are based upon the judgment of Everhart Advisors. Everhart Advisors cannot guarantee the results of its recommendations.
14. **Risk.** Everhart Advisors cannot guarantee the future performance of the Account, promise any specific level of performance or promise that Everhart Advisors' investment decisions, strategies or overall management of the Account will be successful. In addition, past performance is no guarantee of future results.

Client acknowledges that the Account is designed for long-term investments and that asset withdrawals may impair achievement of Client's investment objectives. The client acknowledges that Everhart Advisors has not promised or guaranteed any particular return on the client's investment portfolio.

The investment recommendations and any decisions of Everhart Advisors on behalf of Client are subject to various market, currency, economic, political and business risks, and will not necessarily be profitable. In supervising the Account, Everhart Advisors will not consider any other securities, cash or other investments of Client unless Client has told Everhart Advisors to do so in Client's written instructions to Everhart Advisors.

15. **Limitation of Liability.** Client acknowledges that neither Everhart Advisors nor its employees or affiliates are agents of Charles Schwab nor any of its affiliates and that no party shall be liable to the Client for any act or omission of an unrelated party or its agents or employees. Further, Everhart Advisors and its employees and affiliates shall not have any liability for Client's failure to inform them in a timely manner of any material change in Client's financial circumstances which might affect the manner in which assets are invested, or to provide them with any information as to the financial status as they may reasonably request. Nothing in this Agreement shall in any way constitute a waiver or limitation of any rights which the Client may have under federal or state securities laws (or ERISA, if Client is a qualified plan under ERISA). Client understands that there is no guarantee that investment objectives will be achieved and that past performance is not a guarantee of future results.
16. **Conflicts of Interest.** The following disclosure is provided regarding the background and business practices of Everhart Advisors:

In a capacity separate from Everhart Advisors, the individuals serving as investment adviser representatives of Everhart Advisors are also licensed as insurance agents and licensed securities representatives. Client is not obligated in any manner to purchase insurance, securities or annuity products through such individuals. If Client elects to purchase insurance, securities or annuity products through such individual in his or her separate

capacity as an insurance agent or securities representative, this individual will receive a commission. Consequently, the objectivity of the advice rendered to Client could be biased.

## 17. Code of Ethics.

### **Code of Ethics Summary**

Everhart Advisors has adopted a Code of Ethics, a copy of which will be provided to any client or prospective client upon request. According to the *Investment Advisers Act of 1940*, an investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Everhart Advisors has established a Code of Ethics to comply with the requirements of Section 204(A)-1 of the *Investment Advisers Act of 1940* that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. The Code of Ethics covers all individuals that are classified as “supervised persons”. All employees, officers, directors and investment adviser representatives are classified as supervised persons. Everhart Advisors requires its supervised persons to consistently act in your best interest in all advisory activities. Everhart Advisors imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm’s fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of Everhart Advisors. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

Everhart Advisors or associated persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. It is the express policy of Everhart Advisors that all persons associated in any manner with our firm must place clients’ interests ahead of their own when implementing personal investments. Everhart Advisors and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client.
- Associated persons cannot purchase or sell any security for their personal accounts prior

to implementing transactions for client accounts.

- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an “insider”.
- Associated persons are discouraged from conducting frequent personal trading.
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted by the Chief Compliance Officer of Everhart Advisors.

Any associated person not observing our policies is subject to sanctions up to and including termination.

18. **Proxy Voting.** Everhart Advisors does not vote proxies on behalf of Client. Client is instructed to read through the information provided with the proxy-voting documents and make a determination based on the information provided. Client will be responsible for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by Client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to Client’s Account. Everhart Advisors is authorized to instruct the Account custodian to forward to Client copies of all proxies and shareholder communications relating to Client’s Account.
19. **Assignment.** This Agreement cannot be assigned or transferred in any manner by any party without the consent of all parties receiving or rendering services under this Agreement.
20. **Client Conflicts.** If this Agreement is between Everhart Advisors and related or joint clients (i.e. husband and wife, life partners, etc.), Everhart Advisors’ services will be based upon the joint goals communicated by Client to Everhart Advisors. Everhart Advisors will be permitted to rely upon instructions from either party with respect to disposition of the Account, unless and until such reliance is revoked in writing to Everhart Advisors. Everhart Advisors will not be responsible for any claims or damages resulting from such reliance or from any change in the status of the relationship between the clients.
21. **Client Death or Disability.** Client’s death, disability or incompetency will not automatically terminate or change the terms of this Agreement. However, Client’s executor, guardian, attorney-in-fact or other authorized representative may terminate this Agreement by giving written notice to Everhart Advisors.
22. **Termination and Clients Right of Cancellation.** Either party may terminate this Agreement upon thirty (30) calendar days advance written notice. In the event of termination, the advisory fee due to the Adviser for the termination period shall be prorated and shall be based on the latest valuation of the assets as of the effective date of termination. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded to Client by Everhart Advisors.

23. **Notice.** Any notice or other communication required or permitted to be given pursuant to this Agreement will be deemed to have been duly given when delivered in person, or sent by telecopy or e-mail, sent by overnight courier, or three days after mailing by registered mail (postage prepaid). All notices or communications to Everhart Advisors should be sent to the main address of Everhart Advisors, 535 Metro Place South, Dublin, Ohio 43017. All notices or communications to Client will be sent to the address last provided by Client.
24. **Confidentiality.** Any non-public information about Client will be treated as confidential and will not be disclosed to third parties except as required by law or to effectuate the services under this Agreement. Any disclosure by Everhart Advisors to third parties of non-public information provided by Client will be made in accordance with applicable law and the privacy policies of Everhart Advisors as may be amended from time to time. Client, Everhart Advisors and its investment adviser representatives, acknowledge and agree that the information contained in this Agreement and the advice furnished by any parties to this Agreement will be treated as confidential and will not be disclosed to any third party, except as required by law.
25. **Applicable Law.** This Agreement will be construed under the laws of the State of Ohio. Nothing in this Agreement will be construed contrary to the Investment Advisers Act of 1940 or any rule thereunder.
26. **Entire Agreement.** This Agreement represents the entire understanding between the parties with regard to the matters specified herein. No other agreements, covenants, representations, or warranties, express or implied, oral or written, have been made by any party to any other party concerning the subject matter of this Agreement.
27. **Validity.** If any part of this Agreement is found to be invalid or unenforceable, it will not affect the validity or enforceability of the remainder of this Agreement.
28. **Amendments.** Everhart Advisors will have the right to amend this Agreement by modifying or rescinding any of its existing provisions or by adding new provisions. Any such amendment will be effective upon Client's mutual agreement.
29. **Representations.** Everhart Advisors represents that it is registered as an investment adviser and is authorized and empowered to enter into this Agreement. Client represents that he or she is authorized and empowered to enter into this Agreement. If this Agreement is being signed on behalf of a corporation, partnership, trust or other business or legal entity, Client represents that applicable law and governing documents authorize and permit this Agreement.
30. **Acknowledgement of Receipt of Disclosure Documents and Privacy Policy Notice.** Client acknowledges receipt of the Form ADV Part 2A Disclosure Brochure of Everhart Advisors and of the Form ADV Part 2B Brochure Supplement(s) for any investment adviser representatives who will provide advisory services to Client. Annually within 120 days of Everhart Advisors fiscal year end, the Client will be offered a copy of the firm's Brochure. If there are material changes, Everhart Advisors will automatically either send a summary of the material changes along with an offer to send an Amended Brochure, or the Client will receive

**an Amended Brochure. Client also acknowledges receipt of the Privacy Policy Notice of Everhart Advisors as required by the Securities and Exchange Act Regulation S-P.**

31. **Electronic Delivery.** Client authorizes Everhart Advisors to deliver, and Client agrees to accept, all required regulatory notices and disclosures, as well as all other correspondence from Everhart Advisors, via electronic mail. Information and documents provided by Everhart Advisors will include, but are not necessarily limited to, Form ADV updates and offers, account reports prepared by Everhart Advisors, Everhart Advisors' annual Privacy Policy Notice, disclosures required under section 408(b)(2) of ERISA, and other written communications from Everhart Advisors. Everhart Advisors may receive, via electronic means, Client's consent to assignment of this Agreement. When using electronic delivery, Everhart Advisors will have completed all delivery requirements upon the forwarding of such document, disclosure, notice and/or correspondence to Client's last provided email address. Client may notify Everhart Advisors in the event Client does not want electronic delivery of information. Client has the right to withdraw its consent to electronic delivery without the imposition of any fee or condition.
32. **Arbitration Provision.** To the extent permitted by law, any controversy or dispute which may arise between Client and Everhart Advisors concerning any transaction or the construction, performance or breach of this Agreement will be settled by arbitration. Any arbitration will be pursuant to the rules, then applying, of the American Arbitration Association, except to the extent set forth herein. The arbitration panel will consist of at least three individuals, with at least one panelist having knowledge of investment advisory activities. The parties agree that any arbitration proceeding pursuant to this provision will be held in a location as determined by the rules of the American Arbitration Association. The award of the arbitrators will be final and binding on the parties, and judgment upon the award rendered may be entered into in any court, state or federal, having jurisdiction. Client notes the following provisions of arbitration:
- Arbitration is final and binding on all parties.
  - The parties are waiving their right to seek remedies in court, including the right to jury trial, except to the extent such a waiver would violate applicable law.
  - Pre-arbitration discovery is generally more limited than and different from court proceedings.
  - The arbitrators' award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited.
  - The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.

The agreement to arbitrate does not entitle Client to obtain arbitration of claims that would be barred by the relevant statute of limitations if such claims were brought in a court of competent jurisdiction. If at the time a demand for arbitration is made or an election or notice of intention to arbitrate is served, the claims sought to be arbitrated would have been barred by the relevant statute of limitations or other time bar, any party to this agreement may assert the limitations as a bar to the arbitration by applying to any court of competent jurisdiction, and Client expressly agrees that any issues relating to the application of a statute of limitations or other time bar, are referable to such a court. The failure to assert such bar by application to a court, however, will not preclude its assertion

before the arbitrators. Client understands that this agreement to arbitrate does not constitute a waiver of the right to seek a judicial forum where such waiver would be void under the federal securities law if more than one, all principals to the account must sign. If any signatory is a fiduciary, the capacity in which he or she is acting should be indicated.

**NOTE: THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE.**

Client Name: \_\_\_\_\_ Client Name: \_\_\_\_\_

Client Signature: \_\_\_\_\_ Client Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ACCEPTED by Everhart Financial Group, Inc. d/b/a Everhart Advisors**

By: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Addendum I**  
**Accounts under Management by Everhart Advisors**

In accordance with the Asset Management Agreement executed by Client with Everhart Financial Group d/b/a Everhart Advisors on \_\_\_\_\_ (“Agreement”), Client hereby instructs Everhart Advisors to provide asset management services to the accounts listed below.

<u>Name of Qualified Custodian</u>	<u>Account Number/Description of Assets</u>	<u>Approximate Value</u>
Charles Schwab	_____	_____
_____	_____	_____
_____	_____	_____

Everhart Advisors will **not** provide asset management services to any accounts or assets unless those accounts or assets are specifically identified in this Addendum I.

Client Assets Excluded from receiving asset management services:

<u>Name of Qualified Custodian</u>	<u>Account Number/Description of Assets</u>
_____	_____
_____	_____

Client Name: \_\_\_\_\_

Client Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Client Name: \_\_\_\_\_

Client Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Addendum II**  
**ACKNOWLEDGEMENT OF ASSIGNED INVESTMENT ADVISER REPRESENTATIVE**

The following investment adviser representative acknowledges his or her assignment by Everhart Financial Group, Inc. d/b/a Everhart Advisors as investment adviser representative of record for the Account under this Agreement and understands the terms of this Agreement.

\_\_\_\_\_  
**Investment Adviser Rep Signature**

\_\_\_\_\_  
**Investment Adviser Rep Name Printed**

**\*This Agreement supersedes ALL prior agreements and understandings (whether written or oral) between Everhart Advisors and Client with respect to the subject matter hereof.**

## Acknowledgement for ERISA Plan Participants Requesting Rollovers to IRAs

*Client wishes to discuss rollover options with a representative of Everhart Advisors. Everhart Advisors has an existing relationship with the ERISA Plan in which client's assets are currently invested and client further acknowledges and understands:*

- This rollover activity is initiated by Client.
- As an active, retired, or terminated participant in a 401(k) or other ERISA plan, Client has the right to keep money in the ERISA plan, provided Client meets certain criteria and account balance minimums outlined in the plan documents.
- Client acknowledges and understands they are under no obligation to utilize the services of Everhart Advisors.
- Everhart Advisors will discuss with Client the following options: (1) leaving Client's assets in the ERISA Plan, if permitted; (2) rolling over the assets to a new employer's ERISA plan if one is available and rollovers are permitted; (3) rolling over assets to an IRA; and (4) cashing out the account value, which may trigger a taxable and/or penalty event.
- Investment options - An IRA often enables an investor to select from a broader range of investment options, some which may have higher fees than an ERISA Plan. Plans may offer low-cost institutional funds.
- Fees and Expenses – Both ERISA plans and IRAs typically involve (i) investment-related expenses and (ii) plan or account fees. Investment-related expenses may include the expenses of any mutual funds in which assets are invested and investment advisory fees. Plan fees typically include plan administrative fees (*e.g.*, recordkeeping, compliance, trustee fees) and fees for services such as access to a customer service representative. In some cases, employers pay for some or all of the Plan's administrative expenses. An IRA's account fees may include, for example, administrative, account set-up and custodial fees.
- Everhart Advisors will earn fees if retained by Client as the advisor for Client's IRA account or other investment program, and such fees may be higher than those earned by Everhart Advisors as the advisor to Client's current ERISA plan. Client should examine all fees and expenses prior to making an investment decision.
- Penalty-Free Withdrawals – A SEPP (substantially equal periodic payment program) can allow penalty-free withdrawals from IRAs and ERISA Plans (when the employee leaves the job) between age 55 and 59½. However, it may be easier to borrow from an ERISA Plan. Client may not borrow from an IRA.
- Protection from Creditors and Legal Judgments - Generally speaking, ERISA Plan assets have unlimited protection from creditors under federal law, while IRA assets are protected in bankruptcy proceedings only. State laws vary in the protection of IRA assets in lawsuits.
- Required Minimum Distributions - Once an individual reaches age 70½, the rules for both ERISA Plans and IRAs require the periodic withdrawal of certain minimum amounts, known as required minimum distributions. A person still working at age 70½, however, generally is not required to make required minimum distributions from a current employer's ERISA Plan. This may be advantageous for those who plan to work into their 70s.
- Employer Stock - An investor who holds significantly appreciated employer stock in an ERISA Plan should consider the negative tax consequences of rolling the stock to an IRA. If employer stock is transferred in-kind to an IRA, stock appreciation will be taxed as ordinary income upon distribution. The tax advantages of retaining employer stock in an ERISA Plan account should be balanced with the possibility that the investor may be excessively concentrated in employer stock. It can be risky to have too much employer stock in one's retirement account; for some investors, it may be advisable to liquidate the holdings and roll over the value to an IRA, even if it means losing long-term capital gains treatment on the stock's appreciation.
- Financial Advisors with Everhart Advisors do not provide tax, accounting or legal advice. Client is encouraged to consult with qualified professionals as to any tax, accounting or legal matters.
- Before investing in an annuity contract, mutual fund or any other investment vehicle Client should learn about the specific financial product being considered. Client is advised to request a prospectus or any other available material from the insurance company, investment company or from your financial adviser, and read it carefully. The prospectus contains important information about the financial product including risks, surrender charge schedule, expenses, fees and charges, investment options, death benefits, annuity payout options, and other important information. Client is advised to compare the costs and benefits of the selected investment to similar investments and to other types of financial products.

### Client Acknowledgement:

I have read and understand the foregoing information and I acknowledge that I have the option of working with financial advisors not associated with Everhart Advisors. I also understand that the sponsor of my ERISA plan (my current or former employer) is not endorsing Everhart Advisors for investment and financial services.

Printed Name: \_\_\_\_\_ Printed Name: \_\_\_\_\_  
Signature: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Acknowledgement for ERISA Plan Participants Requesting Rollovers to IRAs

*Client wishes to discuss rollover options with a representative of Everhart Advisors. Client acknowledges and understands:*

- This rollover activity is initiated by Client.
- As an active, retired, or terminated participant in a 401(k) or other ERISA plan, Client has the right to keep money in the ERISA plan, provided Client meets certain criteria and account balance minimums outlined in the plan documents.
- Client acknowledges and understands they are under no obligation to utilize the services of Everhart Advisors.
- Everhart Advisors will discuss with Client the following options: (1) leaving Client's assets in the ERISA Plan, if permitted; (2) rolling over the assets to a new employer's ERISA plan if one is available and rollovers are permitted; (3) rolling over assets to an IRA; and (4) cashing out the account value, which may trigger a taxable and/or penalty event.
- Investment options - An IRA often enables an investor to select from a broader range of investment options, some which may have higher fees than an ERISA Plan. Plans may offer low-cost institutional funds.
- Fees and Expenses – Both ERISA plans and IRAs typically involve (i) investment-related expenses and (ii) plan or account fees. Investment-related expenses may include sales loads, commissions, the expenses of any mutual funds in which assets are invested and investment advisory fees. Plan fees typically include plan administrative fees (e.g., recordkeeping, compliance, trustee fees) and fees for services such as access to a customer service representative. In some cases, employers pay for some or all of the Plan's administrative expenses. An IRA's account fees may include, for example, administrative, account set-up and custodial fees. Maintaining Client's money in the plan may be the lowest cost option available.
- Everhart Advisors will earn fees if retained by Client as the advisor for Client's IRA account or other investment program. Client should examine all fees and expenses prior to making an investment decision.
- Penalty-Free Withdrawals – A SEPP (substantially equal periodic payment program) can allow penalty-free withdrawals from IRAs and ERISA Plans (when the employee leaves the job) between age 55 and 59½. However, it may be easier to borrow from an ERISA Plan. Client may not borrow from an IRA.
- Protection from Creditors and Legal Judgments - Generally speaking, ERISA plan assets have unlimited protection from creditors under federal law, while IRA assets are protected in bankruptcy proceedings only. State laws vary in the protection of IRA assets in lawsuits.
- Required Minimum Distributions - Once an individual reaches age 70½, the rules for both ERISA Plans and IRAs require the periodic withdrawal of certain minimum amounts, known as required minimum distributions. A person still working at age 70½, however, generally is not required to make required minimum distributions from a current employer's ERISA Plan. This may be advantageous for those who plan to work into their 70s.
- Employer Stock - An investor who holds significantly appreciated employer stock in an ERISA Plan should consider the negative tax consequences of rolling the stock to an IRA. If employer stock is transferred in-kind to an IRA, stock appreciation will be taxed as ordinary income upon distribution. The tax advantages of retaining employer stock in an ERISA Plan account should be balanced with the possibility that the investor may be excessively concentrated in employer stock. It can be risky to have too much employer stock in one's retirement account; for some investors, it may be advisable to liquidate the holdings and roll over the value to an IRA, even if it means losing long-term capital gains treatment on the stock's appreciation.
- Financial Advisors with Everhart Advisors do not provide tax, accounting or legal advice. Client is encouraged to consult with qualified professionals as to any tax, accounting or legal matters.
- Before investing in an annuity contract, mutual fund or any other investment vehicle Client should learn about the specific financial product being considered. Client is advised to request a prospectus or any other available material from the insurance company, investment company or from your financial adviser, and read it carefully. The prospectus contains important information about the financial product including risks, surrender charge schedule, expenses, fees and charges, investment options, death benefits, annuity payout options, and other important information. Client is advised to compare the costs and benefits of the selected investment to similar investments and to other types of financial products.

### Client Acknowledgement:

I have read and understand the foregoing information.

Printed Name: \_\_\_\_\_ Printed Name: \_\_\_\_\_  
Signature: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**ITEM 1      COVER PAGE**

**Firm Brochure  
(Part 2A of Form ADV)**

**Everhart Financial Group, Inc.  
Doing Business as Everhart Advisors  
535 Metro Place South, Suite 100  
Dublin, OH 43017**

**Phone: 614-717-9705 Email: [info@everhartadvisors.com](mailto:info@everhartadvisors.com)**

**Website: [www.everhartadvisors.com](http://www.everhartadvisors.com)**

**This brochure provides information about the qualifications and business practices of Everhart Financial Group, Inc. doing business as Everhart Advisors. If you have any questions about the contents of this brochure, please contact us at 614-717-9705 or [info@everhartadvisors.com](mailto:info@everhartadvisors.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Everhart Advisors also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Everhart Financial Group, Inc. doing business as Everhart Advisors is a registered investment adviser. Registration does not imply any specific level of skill or training.**

**January 17, 2017**

## **ITEM 2 MATERIAL CHANGES**

Since our last annual update filed in 2016, Everhart Advisors' Columbus office moved to 535 Metro Place South, Suite 100, Dublin, Ohio, 43017. Our Dayton office moved to 2 Prestige Place, Suite 130, Miamisburg, Ohio, 45342.

Beginning in 2017 we will seek to obtain authorization from new and existing clients to exercise discretionary trading authority over client assets under our management. We believe such authority provides greater flexibility and improved capability to meet client needs. For more information please see Item 16 below.

Also in 2017 we expect to revise our client agreements. It is anticipated that new clients will receive a new form agreement for their initial review and approval, while existing clients will be asked to execute revised agreements on a rolling basis, most often in connection with the periodic account review conducted by their assigned consultant.

We will ensure that you receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after our firm's fiscal year ends. Our firm's fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. At that time we will also offer or provide a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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## **ITEM 4      ADVISORY BUSINESS**

**Everhart Financial Group, Inc. doing business as Everhart Advisors is a corporation located in and formed under the laws of the State of Ohio, and is a registered investment adviser with the Securities and Exchange Commission (“SEC”). Everhart Advisors was founded in 1995. Everhart Advisors’ principal owner is Scott Everhart.**

**Individuals associated with Everhart Advisors will provide its investment advisory services. These individuals are appropriately licensed, qualified, and authorized to provide advisory services on behalf of Everhart Advisors. Such individuals are known as Investment Adviser Representatives (“IARs”).**

### **A.      Advisory Services for Retirement Plans**

**Everhart Advisors provides comprehensive qualified and nonqualified retirement plan consulting, investment advice, fiduciary due diligence services, employee plan and investment education, asset allocation services, plan service provider proposals, vendor research and analysis, and plan design guidance to individuals, qualified and non-qualified retirement plan sponsors, and business entities.**

#### **1.      Investment Advice at the Plan Level**

**Everhart Advisors’ client in this Item 4(A) is an employer that desires to provide its employees with a retirement benefit plan. Everhart Advisors provides research and analysis regarding investment products and advice and fiduciary due diligence services for the sponsors of qualified and non-qualified retirement plans. The goal of the investment due diligence process is to establish a logical, technical, and comprehensive process that is consistently employed in the selection and ongoing monitoring of funds for plan sponsors and individuals, accompanied by an investment policy statement (for plan sponsors only), that defines the process utilized to recommend the investments to plan sponsors and individuals.**

**Everhart Advisors may provide a draft of the Investment Policy Statement for the Plan Sponsor’s review, or when appropriate, Everhart Advisors will evaluate the Plan Sponsor’s**

existing Investment Policy Statement and provide recommendations that are consistent with assisting the Plan Sponsor in meeting their fiduciary obligations, if applicable, under ERISA Section 404(c).

Everhart Advisors typically provides plan fiduciaries with a periodic report that scores the investment options in each asset class. Based on the results of this periodic analysis Everhart Advisors may recommend changes to the core group of investments offered to Plan Participants.

## **2. Employee Plan and Investment Education**

Everhart Advisors may provide group employee enrollment, re-enrollment, and investment education support. Employees who are eligible for and choose to participate in the Plan are considered Plan Participants. The goal of this process is to help Plan Participants make informed choices about the plan and investment allocation under the investment education guidelines set forth by the U.S. Department of Labor. Meetings are offered on a(n) annual, semi-annual, quarterly, or as requested basis. The scope of the meetings will be group and/or individual, and will be conducted on-site and/or via data conferencing.

## **3. Plan Asset Allocation Models**

Everhart Advisors may create, monitor, adjust, and rebalance asset allocation models (“Models”) for Plan Sponsor use as an investment tool provided to participants for use in assisting Plan Participants in making asset allocation decisions for their investment portfolios (i.e. between equity and fixed income). Models are designed to meet different investment objectives based on risk level. To meet these varying investment needs, participants and beneficiaries will be able to direct their account balances among a range of investment options to construct diversified portfolios that reasonably span the risk/return spectrum.

The goal of the investment education process is to assist Plan Participants in finding the asset mix which is most likely to meet their investment objectives within acceptable risk parameters. Asset class sub-types can include, among other types:

- domestic large cap value equity
- domestic large cap growth equity
- domestic mid-cap value equity
- domestic mid-cap growth equity

- **domestic small cap value equity**
- **domestic small cap growth equity**
- **international equity**
- **core fixed income**
- **short term fixed income**
- **high-yield fixed income**
- **other appropriate asset classes and investments**

**Plan Participants and beneficiaries alone bear the risk of investment results from the options and asset allocation they select.**

#### **4. Vendor Research and Analysis**

**Everhart Advisors may assist Plan Sponsors with the selection of a plan provider or providers for their Plan, based on research and analysis of several vendors. The vendor review process includes an evaluation of administrative, recordkeeping, compliance, and employee communication services, administrative and investment-related fees, and an investment overview that incorporates a very similar analysis to the investment due diligence process described above.**

#### **5. Newsletter Campaign**

**Everhart Advisors' monthly employer newsletter includes industry and marketplace updates, plan design and compliance suggestions, and legislative updates.**

#### **6. Plan Design Guidance**

**Everhart Advisors provides in-depth plan reviews that may include an analysis of relevant design features, including: Age and length of service eligibility requirements; vesting; forfeitures; employer matching contributions formulas; entry and re-entry dates; and other pertinent design features.**

#### **7. General Plan Consulting Services**

**Everhart Advisors generally assigns a relationship manager who is responsible for responding to ongoing questions, concerns, and issues raised by the Plan Sponsor that are related to the Plan Sponsor 's qualified or non-qualified retirement plan. Services include plan pricing and contract negotiation between the incumbent provider and the Plan**

Sponsor, recommendations of specific service and product enhancements, facilitation for the solution of service, administrative, and recordkeeping issues, plan compliance assistance and guidance, and ongoing problem solving. Everhart Advisors may provide a "help email" address, and "1-800" phone consultation assistance for Plan Participants.

#### **8. 404(c) Checklist**

Everhart Advisors generally provides a comprehensive checklist of the latest industry accepted standards with respect to 404(c) compliance, and works with the Plan Sponsor to facilitate completion of the checklist. The responsible party for addressing and verifying each item will either be: the plan provider, the Plan Sponsor, or in some instances, Everhart Advisors.

#### **9. Fiduciary Role under ERISA**

For those services stated under this Item 4(A) Everhart Advisors acknowledges that it is a fiduciary with respect to the Plan under Section 3(21)(A)(ii) of the Employee Retirement Income Security Act of 1974, as amended (ERISA) and, as such, is a co-fiduciary with the trustee(s) of the Plan Sponsor's Plan solely with respect to (a) the provision of Plan level investment advice to the Plan Sponsor; (b) the periodic reporting on, and analysis of, the investment options available under the Plan; and (c) the provision of advice to the trustee(s) regarding the elimination or addition of investment options available under the Plan; provided, however, that the trustee(s) acknowledge and agree that the trustee(s) have the final and conclusive responsibility for the investment options selected to be available under the Plan. Everhart Advisors will not be responsible for investment decisions made by the Plan Participants with respect to the investment of their accounts. In limited circumstances, and only when specifically set forth in a written agreement between Everhart Advisors and a Plan Sponsor, Everhart Advisors may act as a Plan fiduciary under ERISA Section 3(38).

#### **B. Investment Advice for Individuals**

The client in this Item 4(B) refers to an individual or multiple individuals seeking customized investment advice. Services typically involve providing a variety of services, principally advisory in nature, to clients regarding the management of their financial resources based upon an analysis of their individual needs.

Everhart Advisors obtains information regarding a client's financial resources and

obligations through a lengthy interview and gathers the necessary documentation to assist in defining the client's personal and financial goals, needs and priorities, as well as the client's financial objectives.

Everhart Advisors analyzes the client's information in an effort to assess client's current situation, such as net worth and income, and may also identify certain problem areas or opportunities the client may have with respect to the following, including, but not limited to:

- Capital needs
- Risk management needs and coverage
- Investments
- Taxation
- Retirement planning
- Employee benefits
- Estate planning
- Special needs (adult dependent needs, education needs, disability needs, etc.)

Everhart Advisors discusses with clients their investment goals and objectives, values, temperament and risk tolerance while working to provide projections and recommendations suited to the client.

Everhart Advisors may assist the client in implementing the recommendations discussed, and may coordinate contacts with other professionals, such as accountants, insurance agents and attorneys. The client should be aware that fees incurred by them with other professionals in connection with this process do not include financial planning fees charged to the client by Everhart Advisors.

Some clients may only require advice on a single aspect of the management of their financial resources. For these clients, Everhart Advisors offers services in a modular format and/or general consulting services that address only those specific areas of interest or concern.

Everhart Advisors may provide general recommendations on estate planning and income tax issues, and may evaluate a client's life insurance policies and make recommendations when client goals indicate more or less coverage is necessary. Everhart Advisors does not provide legal advice and its representatives are not tax professionals.

## **1. Management Services**

Everhart Advisors devises asset allocation strategies based on information provided by the client. Recommended portfolios may be comprised of load-waived mutual funds, no-load mutual funds, sector funds, institutional grade funds or exchange-traded funds, among other asset types.

### **C. Termination of Agreement**

Clients who wish to terminate their agreement with Everhart Advisors must notify Everhart Advisors in writing within five (5) business days of its date of execution. If services are terminated within (5) business days from the date of executing their agreement, services will be terminated without cost. After the initial (5) business days, the client may be responsible for payment of fees for the number of days services are provided by Everhart Advisors prior to receipt of the notice of termination. Everhart Advisors may terminate its agreement with a client upon written notice to them. In the event of termination of the client agreement by either party, any prepaid but unearned fees will be reimbursed to the client.

### **D. Consultation Agreements With Other Investment Advisory Firms**

Due to Everhart Advisors' position as a subject-matter expert in the Retirement Plan arena we may also enter into agreements with other investment advisory firms to provide consultation services regarding Retirement Plan clients. Everhart Advisors will be paid a mutually agreeable fee for each consulting engagement. All fees will be specified in the engagement agreement executed prior to the initiation of any consultation services.

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

As of December 31, 2016, Everhart Advisors had approximately \$280,000,000 of non-discretionary assets under management. This amount does not reflect assets under advisement held in ERISA plans for which Everhart Advisors is the plan consultant.

## **ITEM 5 FEES AND COMPENSATION**

### **A. Plan-Level Fees**

For retirement plan sponsor clients Everhart Advisors will either charge an annual fee

calculated as a percentage of the value of plan assets, a fixed annual fee, or some combination of the two. The fee range is negotiable, and may vary according to the facts and circumstances, including the scope of services to be provided, the duration of services and the size of the client (number of employees, plan or individual assets, and other demographic factors). Variable fees will be determined based on the ending aggregate market value of the Plan assets each quarter.

Our fee, and how it is to be calculated, is specified in your agreement with Everhart Advisors. At our sole discretion, you may be required to pay a portion of the fee up front in the form of a retainer; however, at no time will we require payment of more than \$1,200 in fees more than six months in advance. Upon completion of the services, the fee is considered earned by Everhart Advisors and any unpaid amount is immediately due.

If Everhart Advisors charges an annual fee based upon the value of the plan assets, fees are negotiable based upon the actual services requested and the complexity of the participant's situation. Variable fees will range from 0 .01% to 1.5% of the Plan Assets. For retirement plan sponsors and participants, fees typically are billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the current billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period.

Clients may elect to have the fee deducted from their account or billed directly and due upon receipt of the billing notice. If clients elect to have the fee automatically deducted from an existing account, they are required to provide the custodian with written authorization to deduct the fees from the account and pay the fees to Everhart Advisors. We will provide the custodian with a fee notification statement.

Either party may terminate the client agreement upon providing the other party with written notice of termination. If services are terminated within five business days of signing the client agreement, services are terminated without cost. Any prepaid but unearned fees are promptly refunded to the client.

Everhart Advisors does not reasonably expect to receive any other compensation, direct or indirect, for its services.

All fees paid to Everhart Advisors for advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. Mutual fund fees and expenses are described in each mutual fund's prospectus. These fees will generally include

a management fee, other fund expenses and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge.

It should be noted that lower fees for comparable services may be available from other financial services companies.

**B. Fees for Individual Services**

The management fee for individual accounts is based on a percentage of the value of the client's assets under management, and will not exceed 2% of such value. The exact fee will be specified in your agreement with Everhart Advisors. Fees are negotiable based upon the actual services requested and the complexity of the client's situation.

Fees charged by Everhart Advisors for financial planning and investment management services do not include charges imposed by product sponsors, such as maintenance and transaction fees. Everhart Advisors may recommend load or no-load mutual funds that charge you 12(b)-1 fees. Everhart may receive 12b-1 fees, and as such there may be a conflict of interest. However, some custodial platforms, such as Charles Schwab, do not share 12b-1 fees with Everhart. Therefore, we recommend you discuss this aspect of the potential for additional compensation to Everhart Advisors with your respective Investment Advisor Representative. The client should also read the product prospectus to learn more about charges and fees imposed on the client by the product sponsors.

Unless otherwise specified in the advisory agreement, all fees owed to Everhart Advisors will be automatically debited from the client's investment portfolio or another account held through Everhart Advisors, as the client directs.

Additionally, in some cases ticket charges might be applied by the custodian when certain classes of shares are selected. Clients are responsible for paying for ticket charges. The ticket charge would often be associated with mutual funds that have lower internal expense ratios than funds that could be purchased without ticket charges. Lower internal expenses often benefit the client through lower ongoing costs to own the investment company product over time. Everhart does not receive any economic benefit from those ticket charges; they are kept by the custodian. More information on this topic is listed under Item 12, Best Execution.

If you retain Everhart Advisors to implement the recommendations provided under this service, Everhart Advisors may recommend load or no-load mutual funds that charge 12(b)-1 fees. Everhart may participate in the reception of those 12b-1 fees, and as such there may be a conflict of interest. However, there are some custodial platforms that do

not share 12b-1 fees with Everhart Advisors. Therefore, we recommend you discuss this aspect of the potential for additional compensation to Everhart Advisors with your respective Investment Advisor Representative.

It should be noted that lower fees for comparable services may be available from other financial services companies.

Either party may terminate the services upon providing the other party providing with written notice of termination. If services are terminated within five business days of signing the client agreement, services are terminated without cost. Any prepaid but unearned fees are promptly refunded to the client at the effective date of termination.

**C. Fees for Other Services**

Everhart Advisors' fee for other services provided to clients may be based on a percentage of assets under management, an hourly rate, or an annual retainer fee. Hourly rates range from \$200/hour to \$1,000/hour and are charged based on the client's agreement with Everhart Advisors.

**D. Payment**

Everhart Advisors' fees typically are billed quarterly in advance. In the event of termination of the client's agreement, Everhart Advisors shall provide a refund of fees pro-rated based on the period to such termination. Depending on the agreement with the client, fees may be deducted from client assets.

**ITEM 6 PERFORMANCE BASED FEES**

Fees charged by Everhart Advisors will not be based on the capital gains or capital appreciation of client assets.

**ITEM 7 TYPES OF CLIENTS**

Everhart Advisors provides investment advisory services to individuals, high net worth individuals, pension and profit sharing plans, and business entities. Everhart Advisors does not require account minimums for its advisory services.

## **ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

**Everhart Advisors considers investment structure, fees, product sponsors, investment styles, performance results and other relevant information when analyzing investments. Investing in securities involves risk of loss that each client should be prepared to bear.**

**Everhart Advisors uses various sources of information, some of which may be prepared by Everhart Advisors. These sources may or may not be publicly available. Information sources include, but are not limited to, financial newsletters and publications, commercially available databases, research materials by third party sources, and prospectuses. Everhart Advisors does not represent, warranty, or imply that the services or methods of analysis employed by the Firm can or will predict future results. There is a risk that the sources used contained errors and could affect the advice given to a client.**

**With respect to services to retirement plan sponsors, Everhart Advisors may employ many different calculations, processes, and screening techniques to arrive at specific recommended individual investments within the array of investments offered by each investment provider that is being analyzed including but not limited to the following:**

- Investment analysis by asset class (domestic equity, international equity, income, hybrid/managed accounts), including market capitalization (small, medium, and large), and investment objective (value, blend, and growth orientation);**
- Performance relative to other investments in the same asset class;**
- Investment performance relative to benchmark performance for the same asset class;**
- Percentile ranking of investment performance for the same asset class;**
- Style-based analysis to determine the impact of an investment being managed differently than its stated investment objective (which is usually a combination of the stated market capitalization category, and investment objective category);**
- Macro screens to eliminate long term underperforming investments, funds with total managed assets of less than the minimum threshold deemed to be adequate by Everhart Advisors;**

- **Review of Upside and Downside capture, to estimate upside potential and downside risk of each investment;**
- **Common objective risk and return statistical measurements, such as Sharpe ratio, Treynor ratio, standard deviation, alpha, and beta;**
- **Common statistically relevant manager value measurements such as information ratio and tracking error;**
- **R-squared, correlation coefficients, and other statistically relevant information;**
- **Excess return over the given performance benchmark;**
- **Short and long term historical analysis with any of the above measurements;**
- **Financial strength, stability, and reputation of the investment provider, and individual investments offered by and through the investment provider;**
- **Tenure and experience of investment management personnel;**
- **Investment philosophy, process, and style; and**
- **Investment fees.**

**Risk of Loss:** Clients are advised that investing in securities involves the risk of loss of the entire principal amount invested, including any gains. Clients should not invest unless they are able to bear this risk. Any of the above investment strategies may lead to a loss on investments. Even hedging strategies may fail if markets move against the hedged investments. In addition, investing carries with it opportunity risk. It is impossible to accurately predict which sectors of the market or asset classes will earn more favorable returns for a given period.

## **ITEM 9        DISCIPLINARY INFORMATION**

**In January 2016, cease and desist proceedings were instituted by the Securities and Exchange Commission (Commission) against Everhart Financial Group, Inc. d/b/a Everhart Advisors, Scott Everhart and Matthew Romeo as principal owners of the firm. The matter was resolved with the Commission's acceptance of the Respondents' Offer of**

**Settlement.** The Commission’s Order states that since 2010, the registered investment adviser principally invested its clients in mutual funds offered by a single family of mutual funds (the Mutual Fund Complex). This Mutual Fund Complex offers two share classes, and the only meaningful difference between them is that one share class charges “12b-1 fees” and the other does not. Despite higher fees, some adviser representatives at the registered investment adviser nearly always invested non-retirement individual advisory accounts in shares that charged a 12b-1 fee, which was paid to the registered investment adviser’s principal owners who were licensed registered representatives of a registered broker-dealer. Receipt of 12b-1 fees not only created a conflict of interest that was not adequately disclosed to the registered investment adviser’s clients, but it was inconsistent with the duty to seek best execution. The registered investment adviser did not conduct annual compliance reviews for certain years. As a result, it was determined by the Commission that Respondents willfully violated or caused violations of the Advisers Act and Rules promulgated thereunder. The Order required Respondents to pay monetary penalties in the amount of \$225,408.32 and civil penalties of \$140,000.

Additional information can be found at [www.brokercheck.com](http://www.brokercheck.com) and [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), or on the web CRD and IARD filing systems.

Everhart Advisors aggressively addressed the issues identified by the Commission. Everhart Advisors upgraded its broker-dealer affiliation to Mid Atlantic Capital Corporation. The compliance consultant Everhart Advisors had relied upon was terminated, and an independent compliance consulting company was retained to perform audits for 2016 and 2017. The firm also made significant investments in internal personnel to improve compliance programs and procedures. A seasoned attorney was hired as an in-house, full time Chief Compliance Officer, and all compliance policies and procedures were reviewed and updated as needed. Everhart Advisors changed custodians, and the custodian now used for Advisory services does not pay 12b-1 fees, and thus, no potential conflict of interest exists when assets are held at Schwab. However, other assets held directly at mutual funds, annuities or broker-dealer brokerage accounts may still pay 12b-1 fees. The disclosures related to those accounts have been set forth under Items 5 B, 10, 12 and 14 of this disclosure document.

## **ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

IARs of Everhart Advisors are registered representatives of Mid Atlantic Capital Corporation, Inc. (“Mid Atlantic”), a full-service securities broker-dealer licensed under federal and state securities laws, located in Pittsburgh, Pennsylvania. Mid Atlantic is a

member of FINRA and the SIPC.

In their capacity as registered representatives, such IARs are involved in the sale of securities of various types, including, but not limited to, stocks, bonds, and mutual funds. These individuals will receive normal and customary commissions as a result of securities transactions. Assets held directly at mutual funds, annuities or broker-dealer brokerage accounts may pay 12b-1 fees, ticket charges and other commission compensation to registered representatives. As such, a potential conflict of interest may exist between the interests of Everhart Advisors, its IARs, and the interests of the client.

In addition, IARs may also be insurance licensed and, as such, may assist clients with implementing insurance recommendations. If a client elects to purchase recommended insurance products through Everhart Advisors and its IARs in their separate capacity as licensed insurance agents, such individuals will receive normal and customary commission-based compensation. As such, a potential conflict of interest may exist between the interests of Everhart Advisors, its IARs, and the interests of the client. None of the IARs is an agent for a specific insurance provider; all insurance recommendations are made with the client's best interests in mind. Additionally, clients are welcome to take such recommendations and implement the insurance recommendations at other insurance agencies separate and apart from Everhart Advisors.

Clients are under no obligation, contractually or otherwise, to purchase or sell securities and/or insurance products through Everhart Advisors or its IARs. However, if the client freely chooses to do so through Everhart Advisors the broker-dealer used will be Mid Atlantic, and commissions will be earned in addition to any fees paid for advisory services. The commissions may be higher or lower at Mid Atlantic than at other broker/dealers.

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

### **Code of Ethics Summary**

According to the *Investment Advisers Act of 1940*, an investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Everhart Advisors has established a Code of Ethics to comply with the requirements of Section 204(A)-1 of the *Investment Advisers Act of 1940* that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. The Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors and investment adviser representatives are classified as supervised persons.

**Everhart Advisors requires its supervised persons to consistently act in your best interest in all advisory activities. Everhart Advisors imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm’s fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.**

**This section is intended to provide a summary description of the Code of Ethics of Everhart Advisors. If you wish to review the Code of Ethics in its entirety, send us a written request and upon receipt of your request we will promptly provide a copy of the Code of Ethics to you.**

### **Affiliate and Employee Personal Securities Transactions Disclosure**

**It is the express policy of Everhart Advisors that all persons associated in any manner with our firm must place clients’ interests ahead of their own when implementing personal investments. Everhart Advisors and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.**

**We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, associated persons):**

- **Associated persons cannot prefer their own interests to that of the client.**
- **Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.**
- **Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.**
- **Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an “insider”.**
- **Associated persons are discouraged from conducting frequent personal trading.**
- **Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of Everhart Advisors.**

**Any associated person not observing our policies is subject to sanctions up to and including termination.**

## **ITEM 12      BROKERAGE PRACTICES**

### **Mid Atlantic Capital Corporation, Inc.**

**Clients wishing to implement Everhart Advisors' advice are free to select any broker they wish. If clients wish to have IARs of Everhart Advisors implement the advice in their capacity as registered representatives, Mid Atlantic Capital Corporation, Inc. will be used. Everhart Advisors does not undertake to select brokers and has not investigated the wide range of brokers available. In making their arrangements with Mid Atlantic, the officers of Everhart Advisors considered the reputation of Mid Atlantic, its officers and personnel, its willingness to investigate new products and services, and its commission rates.**

**As stated previously, IARs of Everhart Advisors are registered representatives of Mid Atlantic and are required to use the services of Mid Atlantic and Mid Atlantic's approved clearing broker-dealers when acting in their capacity as registered representatives. Mid Atlantic serves as the introducing broker-dealer. Mid Atlantic has a wide range of approved securities products for which Mid Atlantic performs due diligence prior to selection. Mid Atlantic's registered representatives are required to adhere to these products when implementing securities transactions through Mid Atlantic. Transaction fees charged for these products may be higher or lower than transaction fees clients may be able to obtain if transactions were implemented through another broker/dealer. Because the IARs of Everhart Advisors are also registered representatives of Mid Atlantic, Mid Atlantic provides compliance supervisory tasks on the business processed through Mid Atlantic. In addition to compliance review, Mid Atlantic also provides our IARs, and therefore Everhart Advisors, with back-office operational, technology, and other administrative support.**

**Although Everhart Advisors' IARs are also registered representatives of Mid Atlantic, Everhart Advisors is independently owned and operated and not affiliated (i.e. owned by or under common ownership) with Mid Atlantic.**

**See "Soft Dollar Benefits" below.**

## **Best Execution Disclosure**

**If Everhart Advisors assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible. When Everhart is executing trades on behalf of clients, the focus of best execution is multi-faceted. The first step is to identify custodians that have internal processes and procedures for best execution. The second step is to identify custodians that have a wide array of product types that might help offer various forms of share classes of mutual fund company products. While some No-Transaction-Fee (NTF) Funds would permit trading without a ticket charge, the tradeoff is often in form of a higher internal expense ratio compared to a share class that imposes a ticket charge. Therefore, Everhart may recommend using fund classes that require a ticket charge when allocating assets. The reason custodians often charge a ticket charge is because they are not being paid by the investment company through the fund expense ratio. Therefore, the ticket charge is issued by the custodian to compensate the custodian for the service offered in executing the transaction and generating the record keeping of the trade. In some cases, the difference in expense ratio could be plus or minus 30 basis points (.30%) or more, which seems small, but could more than offset the ticket charges over time.**

**It should be noted that Everhart Advisors does not participate in or receive any portion of the ticket charges levied by Schwab or other custodian.**

**Clients should be aware that brokerage commissions are expenses levied to the client that are in addition to investment advisory fees paid by the client. Therefore, items like ticket charges, account maintenance fees and other account expenses issued by the custodian are the responsibility of the account holder and not Everhart Advisors.**

## **Trade Errors**

**Everhart Advisors has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, you may not receive or retain gains generated as a result of the error correction. In all situations where you do not cause the trade error, you will be made whole and any loss resulting from the trade error will be absorbed by Everhart Advisors if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-dealer will be**

responsible for covering all trade error costs. If possible and appropriate, gains earned as a result of a trade error may be retained by you. We may also confer with clients to determine if the client should forego the gain (e.g., due to tax reasons).

We will never benefit or profit from trade errors.

### **Soft Dollar Benefits**

An investment adviser receives soft dollar benefits from a broker-dealer when the investment adviser receives research or other products and services in exchange for client securities transactions or maintaining an account balance with the broker-dealer.

Mid Atlantic makes available to Everhart Advisors other products and services that benefit Everhart Advisors but may not benefit its clients' accounts. Some of these other products and services assist Everhart Advisors in managing and administering clients' accounts. These may include software and other technology that provide access to client account data (such as trade confirmation and account statements); facilitation of trade execution (and allocation of aggregated trade orders from multiple client accounts); research, pricing information and other market data; and assistance with back-office functions; recordkeeping and client reporting. Mid Atlantic also makes available to Everhart Advisors other services intended to help Everhart Advisors manage and further develop its business enterprise. These services may include consulting, publications and conferences. In addition, Mid Atlantic may make available and/or pay for these types of services rendered to Everhart Advisors by third parties. Everhart Advisors' recommendation that clients maintain their assets in accounts through Mid Atlantic may create a potential conflict of interest as Everhart Advisors may receive the foregoing benefits which may not directly benefit clients. We may from time to time receive reimbursement for travel or marketing expenses from distributors of investment or insurance products. As a fiduciary, Everhart Advisors endeavors to always act in its clients' best interests.

### **Block Trading Policy**

Investment advisors may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading or block trading. Everhart Advisors only rarely engages in block trading when mutual fund share classes are being exchanged for multiple clients, or when a model portfolio (not yet widely used) is reallocated or adjusted.

It should be noted that implementing trades on a block or aggregate basis may be less expensive for client accounts; however, it is our trading policy to implement most client orders on an individual basis. Considering the types of investments we hold in advisory client accounts, we do not believe clients are hindered in any way because we trade accounts individually. This is because we develop individualized investment strategies for most clients and holdings will vary. Our strategies are primarily developed for the long-term and minor differences in price execution are not material to our overall investment strategy.

## **ITEM 13      REVIEW OF ACCOUNTS**

### **Account Reviews and Reviewers**

Periodic account reviews will include investment strategy and objectives review, and investment changes will be recommended where appropriate if a client's strategy or objectives have changed. Reviews are conducted by the advisor assigned to your account, with reviews performed in accordance with your investment goals and objectives.

### **Statements and Reports**

For our asset management services, you are provided with transaction confirmation notices and regular quarterly account statements directly from the qualified custodian.

You are encouraged to always compare any reports or statements provided by us against the account statements delivered from the qualified custodian. When you have questions about your account statement, you should contact our firm or the qualified custodian preparing the statement.

## **ITEM 14      CLIENT REFERRALS AND OTHER COMPENSATION**

Everhart Advisors has entered into an agreement with certain referring parties to refer clients to Everhart Advisors. If a referred client enters into an investment advisory agreement with Everhart Advisors, a cash referral fee may be paid to the referring party based upon a percentage of the advisory fees generated. The referral agreements between any referring party and Everhart Advisors will not result in any additional charges or fees to clients.

When a client is referred to us by a referring party, the referring party provides the client with a copy of our Disclosure Brochure as required by the *Investment Advisers Act of 1940*.

**The client also will complete a Solicitor’s Disclosure Statement document for the referring party. If the referring party is an unaffiliated registered investment adviser firm, then the client will also receive a copy of the referring party’s Form ADV Part 2 Disclosure Brochure from the referring party.**

**The referral agreements between Everhart Advisors and referring parties are in compliance with state and federal securities rules regarding paid solicitor arrangements.**

**Everhart Advisors rewards its employees for referring new clients to the firm. A one-time bonus is paid to employees when an individual or plan sponsor referred by the employee becomes a client of Everhart Advisors. This bonus does not result in higher fees or any additional cost for the client.**

**We may from time to time receive reimbursement for travel or marketing expenses from distributors of investment or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as client appreciation events, advertising, publishing, and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for which sales have been made or for which it is anticipated sales will be made. This creates a conflict of interest in that there is an incentive to recommend certain products and investments based on the receipt of this compensation instead of what is in the best interest of our clients. We attempt to control for this conflict by always basing investment decisions on the individual needs of our clients.**

**Other forms of compensation, including receipt of commissions for securities transactions placed with Mid Atlantic, have been previously disclosed in this brochure under Item 10 and Item 12, respectively.**

**Under 12b-1 plans, ongoing commissions may be paid to registered representatives. The government typically restricts 12b-1 fees to no more than 1% of the current value of the investment on an annual basis, but they are generally between 0.25 and 1%. This fee must be voted on by the mutual fund’s directors and must be disclosed in the prospectus. Because this fee is less obvious (not an upfront charge like a “front end load”), investors should read mutual fund documentation thoroughly to understand the fees they are paying. Such fees may present a conflict of interest between Everhart Advisors and the client. Everhart Advisors sought to avoid such conflicts by recommending Charles Schwab as the**

**custodian of assets under its management as such fees are not paid to Everhart Advisors by investment products held at Charles Schwab.**

## **ITEM 15 CUSTODY**

**Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.**

**Everhart Advisors is deemed to have custody of client funds and securities whenever Everhart Advisors is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody Everhart Advisors will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.**

**For accounts in which Everhart Advisors is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against any reports that may be received from Everhart Advisors. When clients have questions about their account statements, they should contact Everhart Advisors or the qualified custodian preparing the statement.**

**With regard to retirement plan sponsor services, all assets in a client account shall be held for safekeeping with a designated custodian as selected by the client. Everhart Advisors shall not act as custodian for any assets in the client's account and shall not take possession of cash and/or securities of the client's account. Everhart Advisors shall not be liable to clients for any act, conduct or omission by a custodian. Everhart Advisors is only authorized or empowered to issue instructions to a custodian or to request information about the account from a custodian for limited purposes.**

**With regard to all other services, Everhart Advisors shall never take custody or possession of any client funds or securities. The services of an outside custodial firm shall be used.**

## **ITEM 16 INVESTMENT DISCRETION**

**For all investment management services conducted by Everhart Advisors for which clients provide us with trading authorization on a non-discretionary basis, we will be required to contact the client prior to implementing changes in their account. Clients will be contacted and required to accept or reject our investment recommendations including:**

- **The security being recommended**
- **The number of shares or units**
- **Whether to buy or sell**

**Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. For such accounts clients need to know that if we are unable to reach them, or they are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.**

**Clients may grant Everhart Advisors discretionary trading authorization in writing pursuant to their client agreement with Everhart Advisors. In which case, we may buy or sell investments for the client's account without additional, prior approval. Everhart Advisors may determine what security to trade and in what amounts. Everhart Advisors does not and cannot guarantee the result of any trade and losses may be incurred.**

**Clients have the ability to place reasonable restrictions on the types of investments that may be purchased in their Account. Clients may also place reasonable limitations on the discretionary power granted to Everhart Advisors so long as the limitations are specifically set forth or included as part of the client agreement.**

**As provided in Everhart Advisors' agreement with clients, we may effect limited trades to replenish cash available to pay advisory fees. This does not constitute discretionary authority.**

## **ITEM 17 VOTING CLIENT SECURITIES**

**Everhart Advisors does not vote proxies on behalf of clients. Therefore, it is the client's responsibility to vote all proxies for securities held in the account should they choose to do so. Clients will receive proxies directly from the qualified custodian or transfer agent; we will not provide clients with proxies. Clients are encouraged to read through the**

**information provided with the proxy-voting documents and make a determination based on such information.**

**ITEM 18 FINANCIAL INFORMATION**

**Everhart Advisors does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, Everhart Advisors has not been the subject of a bankruptcy petition at any time.**

**ITEM 1: COVER PAGE**

*This brochure supplement provides information about R. Scott Everhart that supplements the Everhart Financial Group, Inc. d/b/a Everhart Advisors' firm Brochure. You should have received a copy of that brochure. Please contact Steven Reinsel, Chief Compliance Officer, if you did not receive Everhart Advisors' brochure or if you have any questions about the content of this supplement. Additional information about R. Scott Everhart is also available on the Securities and Exchange Commission's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may also call 614.717.9705.*

**EVERHART ADVISORS**

**Form ADV, Part 2B – Individual Disclosure Brochure**

*for*

**RICHARD “SCOTT” EVERHART**  
President, Chief Executive Officer, CFP®  
and Investment Advisor Representative  
CRD No. 2165784

Main Office

535 Metro Place South, Suite 100  
Dublin, Ohio 43017  
Tele: 614-717-9705  
Fax: 614-717-9725

Updated **October 25, 2016**

## ITEM 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

**NAME:** Richard Scott Everhart

**BORN:** 01/1967

**TITLE:** President, Chief Executive Officer and Investment Advisor  
Representative of Everhart Advisors

**EDUCATION:** Bachelor of Science, Magna Cum Laude, with Degrees in both  
Finance and Business Management – 1990  
Kent State University – Kent, Ohio

**EXAMINATIONS / LICENSES:** Series 7 – General Securities Representative Examination  
Series 6 – Investment Company Products/Variable Contracts  
Representative Examination  
Series 26 – Investment Company Products/Variable  
Contracts Principal Examination  
Series 63 – Uniform Securities Agent State Law Examination

Accredited Investment Fiduciary (AIF®)

CERTIFIED FINANCIAL PLANNER™  
Certified Financial Planner Board of Standards – Denver, CO

### **CFP® Designation:**

To become certified as a CFP® Professional, one must meet the following requirements in the areas of education, examination, experience, and ethics.

#### **Education Requirements:**

The education requirement for attaining CFP® certification and to attain the right to use the CFP® designation, an individual must satisfactorily fulfill the requirements as stated below. The education requirements include two main parts:

1. Complete college or university-level coursework through a program registered with the CFP® Board, addressing the major personal financial planning areas identified by the CFP® Board's most recent Job Analysis Study; and

2. Verify that you hold a regionally accredited college or university bachelor's degree or higher (accreditation must be recognized by U.S. Department of Education at the time the degree is awarded).

**Examination Requirement:**

Pass the CFP® Certification Examination. This examination is administered in ten (10) hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances.

**Experience Requirement:**

An individual must complete at least three (3) years full-time financial planning related qualifying experience, or the equivalent of 2,000 hours per year for a total of 6,000 hours, is required to satisfy the three (3) year Experience Requirement.

**Ethics Requirement:**

CFP® professionals agree to adhere to the high standards of ethics and practice outlined in the CFP® Board's *Standards of Professional Conduct* ("Standards") and to acknowledge the CFP® Board's right to enforce them through its *Disciplinary Rules and Procedures* ("Disciplinary Rules"). The CFP Board has a set of documents outlining the ethical and practice standards for CFP® professionals to abide by.

**Continuing Education Requirements:**

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP® Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**Accredited Investment Fiduciary® (AIF®) Designation:**

The AIF Designation certifies that the recipient has specialized knowledge of fiduciary standards of care and their application to the investment management process. To receive the AIF Designation, the individual must meet prerequisite criteria based on a combination of education, relevant industry experience, and/or ongoing professional development, complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the Code of Ethics and Conduct Standards. In order to maintain the AIF Designation, the individual must annually attest to the Code of Ethics and Conduct Standards, and accrue and report a minimum of six hours of continuing education. The Designation is administered by the Center for Fiduciary Studies, the standards-setting body of fi360.

**BUSINESS BACKGROUND**

<b>Employer</b>	<b>Title</b>	<b>Dates</b>
Everhart Advisors Dublin, Ohio	President, CEO, and Investment Advisor Representative	02/1996 – Present
Mid Atlantic Capital Corporation Pittsburgh, Pennsylvania	Registered Representative	01/2016 – Present
Cambridge Investment Research, Inc. Fairfield, Iowa	Registered Representative	01/2001 – 12/2015
Walnut Street Securities, Inc. El Segundo, California	Registered Representative	06/1995 – 12/2000

**ITEM 3: DISCIPLINARY INFORMATION**

SEC Admin Release 34-76897/IA Release 4314/January 14, 2016: The Securities and Exchange Commission (Commission) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 (Advisers Act) and Section 15(b)(6) of the Securities Exchange Act of 1934 against Everhart Financial Group, Inc. d/b/a Everhart Advisors, and Richard Scott Everhart and Matthew Romeo as principal owners of

the firm. Since 2010, the registered investment adviser has principally invested its clients in the mutual fund offered by a single family of mutual funds (the Mutual Fund Complex). This Mutual Fund Complex offers two share classes to investment advisers and the only meaningful difference between them is that one share class charges “12b-1 fees” and the other does not. Despite significantly higher fees, some adviser representatives at the registered investment adviser nearly always invested non-retirement individual advisory accounts in shares that charged a 12b-1 fee, which was paid to the registered investment adviser’s principal owners who were licensed registered representatives of a registered broker-dealer. Receipt of 12b-1 fees not only created a conflict of interest that was not adequately disclosed to the registered investment adviser’s clients, but favoring 12b-1 funds over others was inconsistent with the registered investment adviser’s duty to seek best execution for its clients. In addition, the registered investment adviser had several compliance failures, including the lack of annual compliance reviews for several years, and also issued insufficient disclosures regarding the receipt of 12b-1 fees. As a result, it was determined by the SEC that Everhart Financial Group, Inc. d/b/a Everhart Advisors and Richard Scott Everhart and Matthew Romeo as principal owners of the firm, willfully violated Sections 206(2) of the Advisers Act and caused violations of Sections 204 and 206(4) and Rules 204-3(a), 204-3(b)(1) and (2), and 206(4)-7 thereunder.

The Order required Everhart Advisors to pay monetary penalties in the amount of \$201,985.66 and \$23,422.66 to the Commission along with separate civil penalties of \$80,000 from Everhart Advisors and \$40,000 from Scott Everhart.

#### **ITEM 4: OTHER BUSINESS ACTIVITIES**

Mr. Everhart is a registered representative of Mid Atlantic Capital Group, Inc. Mid Atlantic Capital Corporation, Inc. (“Mid Atlantic”), a full service securities broker-dealer licensed under federal and state securities laws, located in Pittsburgh, Pennsylvania. Mid Atlantic is a member of FINRA and the SIPC.

In capacity as a registered representative, Mr. Everhart can be involved in the sale of securities of various types, including, but not limited to, stocks, bonds, and mutual funds. As such, Mr. Everhart can receive normal and customary commissions as a result of securities transactions.

In addition, Mr. Everhart is also insurance licensed and, as such, may assist clients with implementing insurance recommendations. If a client elects to purchase recommended insurance products through Everhart Advisors and Mr. Everhart in his separate capacity as a licensed insurance agent, Mr. Everhart will receive normal and customary commission-based compensation. As such, a potential conflict of interest may exist between the interests of Everhart Advisors, its IARs, and the interests of the clients. Mr. Everhart is not an agent for a specific insurance provider; all insurance recommendations are made with the client’s best

interests in mind. Additionally, clients are welcome to take such recommendations and implement the insurance recommendations at other insurance agencies separate and apart from Everhart Advisors.

Clients are under no obligation, contractually or otherwise, to purchase or sell securities and/or insurance products through Everhart Advisors or its IARs. However, if the client freely chooses to do so through such individuals the broker-dealer used will be Mid Atlantic, and commissions will be earned in addition to any fees paid for advisory services. The commissions may be higher or lower at Mid Atlantic than at other broker/dealers.

### **ITEM 5: ADDITIONAL COMPENSATION**

Mr. Everhart does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Everhart Advisors other than his compensation paid by the firm, i.e., salary and/or bonuses.

As an Investment Advisor Representative (“IAR”) of the Company and in his individual capacity as a Registered Representative (“RR”) with the unaffiliated broker-dealer, Mid Atlantic Capital Corporation, Mr. Everhart may sell securities products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to advisory clients. As such, the IAR may suggest that advisory clients implement investment advice by purchasing securities products through a commission-based Mid Atlantic account in addition to an advisory account. In the event investment advisory clients elect to purchase these products through Mid Atlantic, Mid Atlantic and the client’s IAR, in the capacity as a Mid Atlantic Registered Representative, may have an incentive to recommend investment products on the compensation received, rather than on the client’s needs. Therefore, a conflict of interest may exist. Clients are not obligated to purchase or sell securities recommended by Mr. Everhart through Mid Atlantic. Clients may select their own broker/dealer for those transactions.

### **ITEM 6: SUPERVISION**

Mr. Everhart is supervised by Steven Reinsel, Chief Compliance Officer of the Company. Mr. Reinsel supervises all duties and activities of the firm’s employees and investment advisor representatives. Mr. Reinsel’s contact phone number is: 614.717.9705. Mr. Everhart adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm’s policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

**ITEM 1: COVER PAGE**

*This brochure supplement provides information about Matthew J. Romeo that supplements the Everhart Financial Group, Inc. d/b/a Everhart Advisors' firm Brochure. You should have received a copy of that brochure. Please contact Steven Reinsel, Chief Compliance Officer, if you did not receive Everhart Advisors' brochure or if you have any questions about the content of this supplement. Additional information about Matthew J. Romeo is also available on the Securities and Exchange Commission's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may also call 614.717.9705.*

**EVERHART ADVISORS**

**Form ADV, Part 2B – Individual Disclosure Brochure**

*for*

**MATTHEW J. ROMEO**

Chief Operating Officer, CFP<sup>®</sup>  
and Investment Advisor Representative  
CRD No. 4201945

Main Office

535 Metro Place South, Suite 100  
Dublin, Ohio 43017  
Tele: 614-717-9705  
Fax: 614-717-9725

Updated **October 25, 2016**

## ITEM 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

**NAME:** Matthew J. Romeo

**BORN:** 04/1978

**TITLE:** Chief Operating Officer, CFP®  
and Investment Advisor Representative  
of Everhart Advisors

**EDUCATION:** Bachelor of Science – Finance – 2001  
Max Fisher College of Business at The Ohio State University –  
Columbus, Ohio

**EXAMINATIONS / LICENSES:** Series 7 – General Securities Representative Examination  
Series 24 – General Securities Principal Examination  
Series 63 – Uniform Securities Agent State Law Examination

Accredited Investment Fiduciary (AIF®)

CERTIFIED FINANCIAL PLANNER™  
Certified Financial Planner Board of Standards – Denver, CO

### **CFP® Designation:**

To become certified as a CFP® Professional, one must meet the following requirements in the areas of education, examination, experience, and ethics.

#### **Education Requirements:**

The education requirement for attaining CFP® certification and to attain the right to use the CFP® designation, an individual must satisfactorily fulfill the requirements as stated below. The education requirements include two main parts:

3. Complete college or university-level coursework through a program registered with the CFP® Board, addressing the major personal financial planning areas identified by the CFP® Board's most recent Job Analysis Study; and
4. Verify that you hold a regionally accredited college or university bachelor's degree or higher (accreditation must be recognized by U.S. Department of Education at the time the degree is awarded).

**Examination Requirement:**

Pass the CFP® Certification Examination. This examination is administered in ten (10) hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances.

**Experience Requirement:**

An individual must complete at least three (3) years full-time financial planning related qualifying experience, or the equivalent of 2,000 hours per year for a total of 6,000 hours, is required to satisfy the three (3) year Experience Requirement.

**Ethics Requirement:**

CFP® professionals agree to adhere to the high standards of ethics and practice outlined in the CFP® Board's *Standards of Professional Conduct* ("Standards") and to acknowledge the CFP® Board's right to enforce them through its *Disciplinary Rules and Procedures* ("Disciplinary Rules"). The CFP Board has a set of documents outlining the ethical and practice standards for CFP® professionals to abide by.

**Continuing Education Requirements:**

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP® Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**Accredited Investment Fiduciary® (AIF®) Designation:**

The AIF Designation certifies that the recipient has specialized knowledge of fiduciary standards of care and their application to the investment management process. To receive the AIF Designation, the individual must meet prerequisite criteria based on a combination of education, relevant industry experience, and/or ongoing professional development, complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the Code of Ethics and Conduct Standards. In order to maintain the AIF Designation, the individual must annually attest to the Code of Ethics and Conduct Standards, and accrue and report a minimum of six hours of continuing education. The Designation is administered by the Center for Fiduciary Studies, the standards-setting body of fi360.

**BUSINESS BACKGROUND**

<b>Employer</b>	<b>Title</b>	<b>Dates</b>
Everhart Advisors Dublin, Ohio	Investment Advisor Representative	12/2001 – Present
Mid Atlantic Capital Corporation Pittsburgh, Pennsylvania	Registered Representative	01/2016 – Present
Cambridge Investment Research, Inc. Fairfield, Iowa	Registered Representative	01/2004 – 12/2015

**ITEM 3: DISCIPLINARY INFORMATION**

SEC Admin Release 34-76897/IA Release 4314/January 14, 2016: The Securities and Exchange Commission (Commission) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 (Advisers Act) and Section 15(b)(6) of the Securities Exchange Act of 1934 against Everhart Financial Group, Inc. d/b/a Everhart Advisors, and Richard Scott Everhart and Matthew Romeo as principal owners of the firm. Since 2010, the registered investment adviser has principally invested its clients in the mutual fund offered by a single family of mutual funds (the Mutual Fund Complex). This Mutual Fund Complex offers two share classes to investment advisers and the only meaningful difference between them is that one share class charges “12b-1 fees” and the other does not. Despite significantly higher fees, some adviser representatives at the registered investment adviser nearly always invested non-retirement individual advisory accounts in shares that

charged a 12b-1 fee, which was paid to the registered investment adviser's principal owners who were licensed registered representatives of a registered broker-dealer. Receipt of 12b-1 fees not only created a conflict of interest that was not adequately disclosed to the registered investment adviser's clients, but favoring 12b-1 funds over others was inconsistent with the registered investment adviser's duty to seek best execution for its clients. In addition, the registered investment adviser had several compliance failures, including the lack of annual compliance reviews for several years, and also issued insufficient disclosures regarding the receipt of 12b-1 fees. As a result, it was determined by the SEC that Everhart Financial Group, Inc. d/b/a Everhart Advisors and Richard Scott Everhart and Matthew Romeo as principal owners of the firm, willfully violated Sections 206(2) of the Advisers Act and caused violations of Sections 204 and 206(4) and Rules 204-3(a), 204-3(b)(1) and (2), and 206(4)-7 thereunder.

The Order required Everhart Advisors to pay monetary penalties in the amount of \$201,985.66 and \$23,422.66 to the Commission along with separate civil penalties of \$80,000 from Everhart Advisors and \$20,000 from Matthew Romeo.

#### **ITEM 4: OTHER BUSINESS ACTIVITIES**

Mr. Romeo is a registered representative of Mid Atlantic Capital Group, Inc. Mid Atlantic Capital Corporation, Inc. ("Mid Atlantic"), a full service securities broker-dealer licensed under federal and state securities laws, located in Pittsburgh, Pennsylvania. Mid Atlantic is a member of FINRA and the SIPC.

In capacity as a registered representative, Mr. Romeo can be involved in the sale of securities of various types, including, but not limited to, stocks, bonds, and mutual funds. As such, Mr. Romeo can receive normal and customary commissions as a result of securities transactions.

In addition, Mr. Romeo is also insurance licensed and, as such, may assist clients with implementing insurance recommendations. If a client elects to purchase recommended insurance products through Everhart Advisors and Mr. Romeo in his separate capacity as a licensed insurance agent, Mr. Romeo will receive normal and customary commission-based compensation. As such, a potential conflict of interest may exist between the interests of Everhart Advisors, its IARs, and the interests of the clients. Mr. Romeo is not an agent for a specific insurance provider; all insurance recommendations are made with the client's best interests in mind. Additionally, clients are welcome to take such recommendations and implement the insurance recommendations at other insurance agencies separate and apart from Everhart Advisors.

Clients are under no obligation, contractually or otherwise, to purchase or sell securities and/or insurance products through Everhart Advisors or its IARs. However, if the client freely chooses to do so through such individuals the broker-dealer used will be Mid Atlantic, and commissions will be earned in addition to any fees paid for advisory services. The commissions may be higher or lower at Mid Atlantic than at other broker/dealers.

#### **ITEM 5: ADDITIONAL COMPENSATION**

Mr. Romeo does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Everhart Advisors other than his compensation paid by the firm, i.e., salary and/or bonuses.

As an Investment Advisor Representative (“IAR”) of the Company and in his individual capacity as a Registered Representative (“RR”) with the unaffiliated broker-dealer, Mid Atlantic Capital Corporation, Mr. Romeo may sell securities products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to advisory clients. As such, the IAR may suggest that advisory clients implement investment advice by purchasing securities products through a commission-based Mid Atlantic account in addition to an advisory account. In the event investment advisory clients elect to purchase these products through Mid Atlantic, Mid Atlantic and the client’s IAR, in the capacity as a Mid Atlantic Registered Representative, may have an incentive to recommend investment products on the compensation received, rather than on the client’s needs. Therefore, a conflict of interest may exist. Clients are not obligated to purchase or sell securities recommended by Mr. Romeo through Mid Atlantic. Clients may select their own broker/dealer for those transactions.

#### **ITEM 6: SUPERVISION**

Mr. Romeo is supervised by Steven Reinsel, Chief Compliance Officer of the Company. Mr. Reinsel supervises all duties and activities of the firm’s employees and investment advisor representatives. Mr. Reinsel’s contact phone number is 614.717.9705. Mr. Romeo adheres to all required regulations regarding the activities of an Investment Advisor Representative and follows all policies and procedures outlined in the firm’s policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.