



# BAY COLONY ADVISORS

**Bay Colony Advisory Group, Inc.  
d/b/a Bay Colony Advisors**

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

**Effective: June 2024**

This Form ADV 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Bay Colony Advisory Group, Inc. d/b/a Bay Colony Advisors (“BCA” or the “Advisor”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (978) 369-7200 or by email at [info@baycolonyadvisors.com](mailto:info@baycolonyadvisors.com).

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

Additional information about BCA and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 152583.

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## Item 2 – Material Changes

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Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about Advisory Persons of Bay Colony Advisors.

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

### Material Changes

Since filing the annual amendment on March 22, 2024, Bay Colony Advisors had the following material changes to this disclosure brochure:

Item 4, 5 and 14 – BCA no longer has a relationship with Advisory Alpha for asset management services. Item 5 – For BCA Retirement Plan Services, a flat rate fee will range between \$4,000 and \$50,000 annually. The annual flat rate fee was previously between \$4,000 and \$20,000.

Item 5 - Each investment advisor representative at BCA has the authority and discretion to price their advisory services within the fee range specified in Item 5 under Investment Management Services. Therefore the annual advisory fee will fluctuate from advisor to advisor and from client to client in terms of the frequency of the advisory fee and the structure of the advisory fee (tiered fee schedule or flat fee). Accounts under the same household may be aggregated for a discounted fee.

Item 8 – When BCA recommends a Sub-Advisor, the investment advisor representative will consider the following for each client:

- financial situation,
- risk tolerance,
- investment horizon,
- liquidity needs,
- tax considerations,
- investment objectives, and
- any other issues important to the client's state of affairs.

Item 4 and 8 – BCA no longer has a formal Investment Committee.

Item 10 – BCA added additional language and disclosures when our investment adviser representatives also serve in a separate capacity as insurance agents.

### Future Changes

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

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 152583. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (978) 369-7200 or by email at [info@baycolonyadvisors.com](mailto:info@baycolonyadvisors.com).

Item 3 – Table of Contents

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<b>Item 1 – Cover Page</b> .....	<b>1</b>
<b>Item 2 – Material Changes</b> .....	<b>2</b>
<b>Item 3 – Table of Contents</b> .....	<b>3</b>
<b>Item 4 – Advisory Services</b> .....	<b>5</b>
A. Firm Information.....	5
B. Advisory Services Offered .....	5
C. Client Account Management.....	14
D. Wrap Fee Programs .....	14
E. Assets Under Management .....	14
<b>Item 5 – Fees and Compensation</b> .....	<b>14</b>
A. Fees for Advisory Services .....	15
B. Fee Billing .....	17
C. Other Fees and Expenses .....	18
D. Advance Payment of Fees and Termination.....	19
E. Compensation for Sales of Securities .....	20
<b>Item 6 – Performance-Based Fees and Side-By-Side Management</b> .....	<b>20</b>
<b>Item 7 – Types of Clients</b> .....	<b>20</b>
<b>Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss</b> .....	<b>20</b>
A. Methods of Analysis.....	20
B. Investment Strategies.....	21
C. Risk of Loss .....	201
<b>Item 9 – Disciplinary Information</b> .....	<b>27</b>
<b>Item 10 – Other Financial Industry Activities and Affiliations</b> .....	<b>27</b>
<b>Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</b> .....	<b>29</b>
A. Code of Ethics .....	29
B. Personal Trading with Material Interest.....	29
C. Personal Trading in Same Securities as Clients.....	30
D. Personal Trading at Same Time as Client .....	30
<b>Item 12 – Brokerage Practices</b> .....	<b>30</b>
A. Recommendation of Custodian[s].....	30
B. Aggregating and Allocating Trades .....	31
<b>Item 13 – Review of Accounts</b> .....	<b>31</b>
A. Frequency of Reviews .....	31
B. Causes for Reviews .....	31
C. Review Reports .....	32
<b>Item 14 – Client Referrals and Other Compensation</b> .....	<b>32</b>
A. Compensation Received by BCA.....	32
B. Client Referrals from/to Solicitors.....	33

<b>Item 15 – Custody</b> .....	<b>34</b>
<b>Item 16 – Investment Discretion</b> .....	<b>34</b>
<b>Item 17 – Voting Client Securities</b> .....	<b>34</b>
<b>Class Action Lawsuits</b> .....	<b>35</b>
<b>Item 18 – Financial Information</b> .....	<b>35</b>
<b>Form ADV Part 2A Appendix 1 – Wrap Fee Program Brochure</b> .....	<b>36</b>
<b>Item 2 – Material Changes</b> .....	<b>37</b>
<b>Item 3 – Table of Contents</b> .....	<b>38</b>
<b>Item 4 – Services Fees and Compensation</b> .....	<b>38</b>
<b>Item 5 – Account Requirements and Types of Clients</b> .....	<b>41</b>
<b>Item 6 – Portfolio Manager Selection and Evaluation</b> .....	<b>41</b>
<b>Item 7 – Client Information Provided to Portfolio Managers</b> .....	<b>42</b>
<b>Item 8 – Client Contact with Portfolio Managers</b> .....	<b>43</b>
<b>Item 9 – Additional Information</b> .....	<b>43</b>
<b>Form ADV Part 2B – Brochure Supplement</b> .....	<b>44</b>
<b>Form ADV Part 2B – Brochure Supplement</b> .....	<b>47</b>
<b>Privacy Policy</b> .....	<b>50</b>

## Item 4 – Advisory Services

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### **A. Firm Information**

Bay Colony Advisory Group, Inc. d/b/a Bay Colony Advisors (“BCA” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”), located in the Commonwealth of Massachusetts. BCA is organized as a Corporation under the laws of the State of Delaware. BCA was founded in June 2000 and became a registered investment advisor in February 2010 and is owned and operated by John Ohl (Chief Executive Officer and Chief Compliance Officer) and James Catachio (Executive Vice President and Chief Operations Officer). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by BCA.

The Advisor serves as a fiduciary to Clients, as defined under applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate conflicts of interest. Our fiduciary commitment is further described in our Code of Ethics. For more information regarding our Code of Ethics, please see “Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.”

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

BCA is comprised advisor-led teams. Each of the advisors provide varied financial and investment advisory services to their clients. The services that BCA provides to our institutional clients include plan consulting and design, participant education and enrollment, investment policy statement development assistance and investment menu selection.

BCA also provides both discretionary and non-discretionary advisor services to its retirement plan clients. BCA provides financial planning, tax planning, estate planning, risk management, retirement planning, business succession consulting, concierge services (e.g. bill pay, bookkeeping and payroll), and portfolio management services to high-net-worth families, individuals and institutional clients (defined contribution plans, defined benefit plans, endowments and other corporate funds).

### **Investment Management Services**

BCA provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and consulting services. BCA works with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to determine the appropriate investment strategy[ies] for the Client. BCA will then construct a portfolio, consisting of diversified mutual funds and/or exchange-traded funds (“ETFs”) to achieve the Client’s investment goals. BCA may also utilize individual stocks bonds, options, limited partnerships, independent managers, inverse and leveraged ETFs if appropriate, or other alternative investments to meet the needs of its Clients. BCA may retain certain types of investments based on a Client’s legacy portfolio construction. BCA will only recommend an investment into leveraged ETFs to sophisticated Clients who have either \$1,100,000 in assets under management with BCA and/or has a net worth of at least \$2,200,000, excluding primary residence. BCA prohibits the direct purchase of cryptocurrency (e.g. Bitcoin), initial coin offering (ICO), distributed ledger technology, blockchain and any related products or pooled investment vehicles (collectively “Crypto-Assets”). However, BCA may recommend Crypto-Assets through the purchase of ETFs or mutual funds.

BCA’s investment strategy[ies] is primarily long-term focused, but the Advisor may buy, sell, or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. BCA will construct, implement, and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. In certain instances, the Advisor may incorporate a highly concentrated portfolio or trade frequently, in order to achieve a particular objective, set by the Client. Each Client

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will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

BCA evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. BCA will recommend, on occasion, redistributing investment allocations to diversify the portfolio. BCA may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client's risk tolerance. Individual Client portfolios will be managed in alignment with various investment strategies. Please see Item 8 for additional details. BCA's investment recommendations are not limited to any specific security or service. Investment recommendations will generally include advice regarding instruments available through the Fidelity platform such as exchange-listed and over-the-counter securities, no-load or load-waived mutual funds, ETFs, exchange traded notes ("ETNs"), Closed-end funds, United States Government securities, certificates of deposit, variable life insurance and variable annuities. BCA prohibits the direct purchase of crypto-currency (e.g. Bitcoin), initial coin offering (ICO), distributed ledger technology, blockchain and any related products or pooled investment vehicles (collectively "Crypto-Assets"). However, BCA may recommend Crypto-Assets through the purchase of ETFs or mutual funds.

BCA may introduce an opportunity to a limited number of clients to participate in a private investment. BCA will introduce this program to those clients for whom it reasonably believes this program is appropriate given the client's net worth, investible assets, current portfolio composition, investment objective, liquidity needs, and risk considerations. As a result of its investment due diligence process, BCA seeks to identify appropriate Private Investment Vehicles for the client's review and consideration. As discussed above in this Part 2A, unlike liquid investments that a client may maintain, Private Investment Vehicles generally involve additional material risks, including liquidity constraints and lack of transparency.

BCA will provide investment advisory services and related services. At no time will BCA accept or maintain custody of a Client's funds or securities. All Client assets will be managed within their designated account[s] at the Custodian, pursuant to the Client investment advisory agreement. For additional information, please see Item 15 - Custody and Item 12 – Brokerage Practices.

#### BCA Investment Model Portfolios

When managing client accounts through the firm's Investment Management Services, BCA may manage a client's account in accordance with one or more investment models. When client accounts are managed using models, investment selections are based on the underlying model and BCA does not develop customized (or individualized) portfolio holdings for each client. However, the determination to use a particular model or models is always based on each client's individual investment goals, objectives and mandates. The investment models are created using various combinations of investments. Each portfolio model's composition and allocation is typically different based on each individual model's investment selection criteria. This typically yields different results even for similar models. Model composition is subject to change.

BCA will update and/or change each Model, when necessary, no less than once per month we will also review each Model to verify the Model Portfolio's accuracy and completeness compared to its stated objective or strategy. We will add, remove or adjust Model positions, manage position level drift parameters and manage position alternates or equivalencies.

#### Black Diamond

BCA has engaged "Black Diamond" (Black Diamond Performance Reporting, a division of Advent Software, Inc.), for client performance reporting and other administrative services. Clients can subscribe to Black Diamond's online portal to view portfolio holdings, performance, and other portfolio attributes. Market values in Black Diamond are typically updated daily and include accrued interest and accrued dividends. Client custodial

accounts are typically reconciled daily by Black Diamond. Valuations of Private Investment Vehicles and certain other holdings are updated by BCA as valuations are provided by the fund administrator or other party.

In conjunction with the services provided by Black Diamond, BCA may also provide access to account aggregation services, which can incorporate all of the client's investment assets, including those investment assets that are not part of the assets that we manage (the "Excluded Assets"). The client and/or his/her/its other advisors that maintain trading authority, and not BCA, shall be exclusively responsible for the investment performance of the Excluded Assets. In addition, Black Diamond may also provide access to other types of information, which should not, in any manner whatsoever, be construed as services, advice or recommendations provided by BCA. BCA does not provide investment management, monitoring or implementation services for the Excluded Assets. The client may engage BCA to provide investment management services for the Excluded Assets pursuant to the terms and conditions of the written agreement between BCA and the client.

### Private Funds

BCA may invest in private equity in a portfolio of Third-Party Portfolio Funds owning directly or indirectly private equity or private debt securities of private companies, Third-Party Portfolio Funds and other private equity firms. The PE Funds will also invest opportunistically in Third-Party Portfolio Funds acquired as "secondary investments" in privately negotiated transactions from investors in the Third-Party Portfolio Funds typically after the end of the Third-Party Portfolio Fund's fundraising period (each, a "Secondary Investment"). The interests in Third-Party Portfolio Funds consist of a variety of private equity fund types and strategies, such as venture capital partnerships, special situations partnerships, buyout private equity partnerships, international private equity partnerships (together with Secondary Investments and Co-Investments, the "Private Equity Securities").

The Private Funds are not registered under the Investment Company Act, and their shares or interests, as applicable, are not registered under the Securities Act, and are instead sold to qualified investors who meet certain criteria on a private placement basis. Most of the Private Funds require that investors be (1)(a) "accredited investors" as defined under Regulation D under the Securities Act ("Regulation D") and (b) "qualified purchasers" as defined in Section 2(a)(51)(A) of the Investment Company Act or "knowledgeable employees" under Rule 3c-5 of the Investment Company Act or (2) not "U.S. Persons" as defined under Regulation S of the Securities Act. Accordingly, the Private Funds are not publicly offered in the United States. Certain Private Funds rely on Section 3(c)(1) of the Investment Company Act. The investors in those Private Funds are not required to be "qualified purchasers" or "knowledgeable employees"; rather those Private Funds restrict the beneficial ownership of its outstanding securities to not more than one hundred persons.

Some Private Funds are not continuously offered. Certain of the Private Funds invest in affiliated and unaffiliated pooled investment vehicles ("Portfolio Funds") or Separate Accounts. The general partner, managing member or adviser to the Portfolio Funds and the Separate Accounts (which, for affiliated Portfolio Funds and Proprietary Separate Accounts, are collectively referred to as "Portfolio Managers". BCA has the overall responsibility for implementing the investment strategies of Portfolio Funds or Separate Accounts within the stated investment strategies and objectives of each BCA Private Fund. Certain BCA Private Funds invest in one or more Private Investments. Clients should refer to each BCA Private Fund's offering memorandum and constitutional documents the "Offering Documents" for additional information.

### **Investment Management Services Through Sub-Advisors**

BCA has entered into arrangements with Sub-Advisors to provide asset management services to clients through such programs. The Sub-Advisory Programs involve providing you with continuous and ongoing supervision over your specified accounts.

These arrangements allow BCA access model portfolios, model managers, strategists, third-party money managers and trading services. As part of these Sub-Advisory Programs, client will give BCA and the Sub-Advisor discretion to select third party, non-affiliated investment managers to design and manage model

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portfolios for your assets. When BCA offers services through Sub-Advisors, BCA will provide you with a copy of the Sub-Advisor's disclosure brochure which contains a detailed description of the Sub-Advisor's services, fees and programs.

BCA will assist client with the establishment of an advisory account with the Sub-Advisor to utilize one or more services of the Sub-Advisor. Through the Sub-Advisory Programs, client will receive continuous investment advice based on your needs and circumstances. BCA will be responsible for understanding the financial condition and investment objective of the client. BCA and the Sub-Advisor will then assist clients in allocating their assets among different investment options in the Program and/or recommend strategies developed by the model managers or third-party managers.

Although we review the performance of Sub-Advisors and their programs, we only recommend Sub-Advisors that have an arrangement with BCA . Therefore, we have a conflict of interest.

Clients are advised that there may be other Sub-Advisor Programs not recommended by our firm, that are suitable for the client and that may be more or less costly than arrangements recommended by our firm. No guarantees can be made that a client's financial goals or objectives will be achieved by a Sub-Advisor recommended by our firm. Further, no guarantees of performance can ever be offered by our firm. *(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more details.)*

### **Buckingham Strategic Partners**

Bay Colony Advisors has retained an independent third-party account administrator, Buckingham Strategic Partners, which performs certain services such as account administration, back-office fulfillment, report and statement production, and recordkeeping for client accounts. Such services are paid directly by BCA. Buckingham Strategic Partners is an investment adviser registered with the Securities and Exchange Commission.

### **Financial Planning and Consulting Services**

BCA will typically provide a variety of financial planning and consulting services to individuals and families, pursuant to a written agreement. Services are offered in several areas of a Client's financial situation, depending on their goals, objectives and financial situation. Generally, such financial planning services will involve preparing a financial plan based on the Client's financial goals and objectives. This planning can encompass one or more areas of need, including, but not limited to investment planning, retirement planning, personal savings, education savings, insurance needs, and other areas of a Client's financial situation.

BCA also offers consultations in order to discuss financial planning issues when you do not need a written financial plan. We offer a one-time consultation, which covers mutually agreed upon areas of concern related to investments or financial planning. We also offer "as-needed" consultations, which are limited to consultations in response to a particular investment or financial planning issue raised or request made by you. Under an "as-needed" consultation, it will be incumbent upon you to identify those particular issues for which you are seeking our advice or consultation on.

A financial plan developed for the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs. BCA may also refer Clients to an accountant, attorney or another specialist, as appropriate for their unique situation. For certain financial planning engagements, the Advisor will provide a written summary of Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

Financial planning recommendations can pose a conflict between the interests of the Advisor and the interests of the Client. For example, a recommendation to engage the Advisor for investment management services or to

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increase the level of investment assets with the Advisor would pose a conflict, as it would increase the advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor.

### **Retirement Plan Advisory Services**

BCA offers retirement plan services to retirement plan sponsors and to individual participants in retirement plans.

### **Fiduciary Consulting Services**

BCA provides the following Fiduciary Retirement Plan Consulting 3(21) Services:

- **Investment Policy Statement Preparation.** BCA will help you develop an investment policy statement. The investment policy statement establishes the investment policies and objectives for the Plan. You will have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the investment policy statement.
- **Non-Discretionary Investment Advice.** BCA will provide you with general, non-discretionary investment advice regarding assets classes and investment options, consistent with your Plan's investment policy statement.
- **Investment Selection Services.** BCA will provide you with recommendations of investment options consistent with ERISA section 404(c).
- **Investment Due Diligence Review.** BCA will provide you with periodic due diligence reviews of the Plan's reports, investment options and recommendations.
- **Investment Monitoring.** BCA will assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformation to the guidelines set forth in the investment policy statement and BCA will make recommendations to maintain or remove and replace investment options.
- **Default Investment Alternative Advice.** BCA will provide you with non-discretionary investment advice to assist you with the development of qualified default investment alternative(s) ("QDIA"), as defined in DOL Reg. Section 2550.404c-5(e)(4)(i), for participants who are automatically enrolled in the Plan or who otherwise fail to make an investment election. You will retain the sole responsibility to provide all notices to participants required under ERISA section 404(c)(5).
- **Individualized Participant Advice.** Upon request, BCA will provide one-on-one advice to Plan participants regarding their individual situations.

For Fiduciary Consulting Services, all recommendations of investment options and portfolios will be submitted to you for your ultimate approval or rejection. The retirement plan sponsor client or the plan participant who elects to implement any recommendations made by us is solely responsible for implementing all transactions.

Fiduciary Consulting Services are not management services, and BCA does not serve as administrator or trustee of the plan. BCA does not act as custodian for any client account or have access to client funds or securities (with the exception of, some accounts, having written authorization from the client to deduct our fees). BCA acknowledges that in performing the Fiduciary Consulting Services listed above that it is acting as a "fiduciary" as such term is defined under Section 3(21)(A)(ii) of Employee Retirement Income Security Act of 1974 ("ERISA") for purposes of providing non-discretionary investment advice only. BCA will act in a manner consistent with the requirements of a fiduciary under ERISA if, based upon the facts and circumstances, such services cause BCA to be a fiduciary as a matter of law. However, in providing the Fiduciary Consulting

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Services, BCA (a) has no responsibility and will not (i) exercise any discretionary authority or discretionary control respecting management of Client's retirement plan, (ii) exercise any authority or control respecting management or disposition of assets of Client's retirement plan, or (iii) have any discretionary authority or discretionary responsibility in the administration of Client's retirement plan or the interpretation of Client's retirement plan documents, (b) is not an "investment manager" as defined in Section 3(38) of ERISA and does not have the power to manage, acquire or dispose of any plan assets, and (c) is not the "Administrator" of Client's retirement plan as defined in ERISA.

### **Fiduciary Management Services**

BCA provides clients with the following Fiduciary Retirement Plan Management 3 (38) Services:

- **Discretionary Management Services.** BCA will provide you with continuous and ongoing supervision over the designated retirement plan assets. BCA will actively monitor the designated retirement plan assets and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Plan. We have discretionary authority to make all decisions to buy, sell or hold securities, cash or other investments for the designated retirement plan assets in our sole discretion without first consulting with you. We also have the power and authority to carry out these decisions by giving instructions, on your behalf, to brokers and dealers and the qualified custodian(s) of the Plan for our management of the designated retirement plan assets.
- **Discretionary Investment Selection Services.** BCA will monitor the investment options of the Plan and add or remove investment options for the Plan. BCA will have discretionary authority to make all decisions regarding the investment options that will be made available to Plan participants.
- **Default Investment Alternative Management.** BCA will develop and actively manage qualified default investment alternative(s) ("QDIA"), as defined in DOL Reg. Section 2550.404c-5(e)(4)(i), for participants who are automatically enrolled in the Plan or who otherwise fail to make an investment election.

If you elect to utilize any of BCA's Fiduciary Management Services, then BCA will be acting as an Investment Manager to the Plan, as defined by ERISA section 3(38), with respect to our Fiduciary Management Services, and BCA hereby acknowledges that it is a fiduciary with respect to its Fiduciary Management Services.

### **Non-Fiduciary Services**

Although an investment adviser is considered a fiduciary under the Investment Advisers Act of 1940 and required to meet the fiduciary duties as defined by the Advisers Act, the services listed here as non-fiduciary should not be considered fiduciary services for the purposes of ERISA since Advisor is not acting as a fiduciary to the Plan as the term "fiduciary" is defined in Section 3(21)(A)(ii) of ERISA. The exact suite of services provided to a client will be listed and detailed in the BCA Retirement Plan Advisory Agreement.

BCA provides clients with the following Non-Fiduciary Retirement Plan Consulting Services:

- **Participant Education.** BCA will provide education services to Plan participants about general investment principles and the investment alternatives available under the Plan. BCA's assistance in participant investment education will be consistent with and within the scope of DOL Interpretive Bulletin 96-1. Education presentations will not take into account the individual circumstances of each participant and individual recommendations will not be provided unless otherwise agreed upon. Plan participants are responsible for implementing transactions in their own accounts.
- **Participant Enrollment.** BCA will assist you with group enrollment meetings designed to increase retirement plan participation among employees and investment and financial understanding by the employees.

- **Qualified Plan Development.** BCA will assist you with the establishment of a qualified plan by working with you and a selected Third-Party Administrator. If you have not already selected a Third-Party Administrator, we shall assist you with the review and selection of a Third-Party Administrator for the Plan.
- **Due Diligence Review.** BCA will provide you with periodic due diligence reviews of your Plan's fees and expenses and your Plan's service providers (vendor analysis).
- **Fiduciary File Set-up.** BCA will help you establish a "fiduciary file" for the Plan which contains trust documents, custodial/brokerage statements, investment performance reports, services agreements with investment management vendors, the investment policy statement, investment committee minutes, asset allocation/asset liability studies, due diligence fields on funds/money managers and monitoring procedures for funds and/or money managers.
- **Benchmarking.** BCA will provide you benchmarking services and will provide analysis concerning the operations of the Plan.

Securities and other types of investments all bear different types and levels of risk. Those risks are typically discussed with clients in defining the investment policies and objectives that will guide investment decisions for their qualified plan accounts. Upon request, as part of our retirement plan services, we can discuss those investments and investment strategies that we believe may tend to reduce these risks for a particular client's circumstances and plan participants.

Clients and plan participants must realize that obtaining higher rates of return on investments entails accepting higher levels of risk. Based upon discussions with the client, we will attempt to identify the balance of risks and rewards that is appropriate and comfortable for the client and other employees. It is still the clients' responsibility to ask questions if the client does not fully understand the risks associated with any investment. All plan participants are strongly encouraged to read prospectuses, when applicable, and ask questions prior to investing.

We strive to render our best judgment for clients. Still, BCA cannot assure that investments will be profitable or assure that no losses will occur in their portfolios. Past performance is an important consideration with respect to any investment or investment advisor, but it is not necessarily an accurate predictor of future performance. BCA will disclose to you, to the extent required by ERISA Regulation Section 2550.408b-2(c), any change to the information that we are required to disclose under ERISA Regulation Section 2550.408b-2(c)(1)(iv) as soon as practicable, but no later than sixty (60) days from the date on which we are informed of the change (unless such disclosure is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclose as soon as practicable).

In accordance with ERISA Regulation Section 2550.408b-2(c)(vi)(A), we will disclose within thirty (30) days following receipt of a written request from the responsible plan fiduciary or Plan Administrator (unless such disclose is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable) all information related to the Retirement Plan Advisory Agreement and any compensation or fees received in connection with the Agreement that is required for the Plan to comply with the reporting and disclosure requirements of Title 1 of ERISA and the regulations, forms and schedules issued thereunder.

If we make an unintentional error or omission in disclosing the information required under ERISA Regulation Section 2550.408b-2(c)(1)(iv) or (vi), we will disclose to you the correct information as soon as practicable, but no later than thirty (30) days from the date on which we learn of such error or omission.

## Communication and Education

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BCA provides Communication and Education to the Plan and its Plan Participants, pursuant to the terms of the Advisor's agreement with each Plan Sponsor.

### **ERISA/IRC Fiduciary Acknowledgment**

If a client is: (i) a retirement plan ("Plan") organized under the Employee Retirement Income Security Act of 1974 ("ERISA"); (ii) a participant or beneficiary of a Plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code, with authority to direct the investment of assets in his or her Plan account or to take a distribution; (iii) the beneficial owner of an Individual Retirement Account ("IRA") acting on behalf of the IRA; or (iv) a Retail Fiduciary with respect to a plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code: then BCA represents that it and its representatives are fiduciaries under ERISA or the Internal Revenue Code, or both, with respect to any investment advice provided by BCA or its representatives or with respect to any investment recommendations regarding an ERISA Plan or participant or beneficiary account. With respect to Plans, BCA does not act as Plan Sponsor or Administrator of the Plan. BCA's role may be as advisor or consultant to the Plan trustees or Plan Sponsor. The consulting services provided are limited to those assets specifically identified in the client agreement.

### **Retirement Rollovers**

When BCA provides investment advice about your retirement plan account or individual retirement account ("IRA") including whether to maintain investments and/or proceeds in the retirement plan account, roll over such investment/proceeds from the retirement plan account to a IRA or make a distribution from the retirement plan account, we acknowledge that BCA is a "**fiduciary**" within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC") as applicable, which are laws governing retirement accounts. The way BCA makes money creates conflicts with your interests so BCA operates under a special rule that requires BCA to act in your best interest and not put our interest ahead of you.

Under this special rule's provisions, BCA must act as a fiduciary to a retirement plan account or IRA under ERISA/IRC:

- Meet a professional standard of care when making investment recommendations (e.g., give prudent advice);
- Never put the financial interests of BCA ahead of you when making recommendations (e.g., give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that BCA gives advice that is in your best interest;
- Charge no more than is reasonable for the services of BCA; and
- Give Client basic information about conflicts of interest.

To the extent we recommend you roll over your account from a current retirement plan account to an individual retirement account managed by BCA, please know that BCA and our investment adviser representatives have a conflict of interest.

We can earn increased investment advisory fees by recommending that you roll over your account at the retirement plan to an IRA managed by BCA. We will earn fewer investment advisory fees if you do not roll over the funds in the retirement plan to an IRA managed by BCA.

Thus, our investment adviser representatives have an economic incentive to recommend a rollover of funds from a retirement plan to an IRA which is a conflict of interest because our recommendation that you open an IRA

account to be managed by our firm can be based on our economic incentive and not based exclusively on whether or not moving the IRA to our management program is in your overall best interest.

We have taken steps to manage this conflict of interest. We have adopted an impartial conduct standard whereby our investment adviser representatives will (i) provide investment advice to a retirement plan participant regarding a rollover of funds from the retirement plan in accordance with the fiduciary status described below, (ii) not recommend investments which result in BCA receiving unreasonable compensation related to the rollover of funds from the retirement plan to an IRA, and (iii) fully disclose compensation received by BCA and our supervised persons and any material conflicts of interest related to recommending the rollover of funds from the retirement plan to an IRA and refrain from making any materially misleading statements regarding such rollover.

When providing advice to you regarding a retirement plan account or IRA, our investment advisor representatives will act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, based on the investment objectives, risk, tolerance, financial circumstances, and a client's needs, without regard to the financial or other interests of BCA or our affiliated personnel.

### **Bill Pay, Bookkeeping, Payroll & Other Concierge Services**

For clients who desire bill payment, bookkeeping, payroll or other concierge services, Teams will provide such services itself or through BCA centralized resources or third-party services. Fees for these services are established on a client-by-client basis and can be structured as hourly or flat fees. In some cases, an unaffiliated professional will be used.

### **Family Office Services**

1. Wills, Trusts, Beneficiary Designations, Asset Ownership, Gifting
2. Family Vision statement that may include a client's financial, tax and wealth transfer objectives
3. Philanthropic Advisory
4. Assistance in Estate Settlement
5. Bill pay & Tax Preparation
6. Advising on client's financial, tax and wealth transfer objectives
7. Asset protection planning
8. Family governance, Family mission, and Succession planning
9. Legacy planning
10. Philanthropic planning and management
11. Estate tax analysis and review
12. Insurance risk management
13. Business benefits
14. Tax Optimization
15. Collection valuation (art, jewelry, antique, auto, etc.)
16. Investment Policy and Design
17. Family governance and council of investments serving on committee design
18. Investment adviser oversight and coordination

Family Office Services vary by client and may include some or all of the services above. While some of these topics may be discussed through a financial planning engagement, our Family Office Services includes more in-depth discussions or analysis.

### **Summary of Services**

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BCA provides administrative, back-office and retirement plan services to assets managed or advised by the IARs that are affiliated with us for its services. In conjunction with BCA's advisory services, BCA provides comprehensive support to investment advisors, which includes, but is not limited to:

- a. Acting as operational liaison between advisors and approved custodians;
- b. Providing a billing platform for advisors with the ultimate responsibility for fee schedules set by the advisors;
- c. Performing reconciliation and maintenance of certain client account data;
- d. Providing access to certain investment options including TAMPS, SMA solutions;
- e. Providing access to various portfolio management tools and performance reports; and
- f. Undertaking other administrative actions, agreed to by all parties, necessary to provide requested support to advisors.

### C. Client Account Management

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

- Establishing an Investment Strategy – BCA, in connection with the Client, will develop an investment strategy that seeks to achieve the Client's investment goals and objectives taking into consideration the Client's financial situation, time horizon and tolerance for risk.
- Asset Allocation – BCA will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance of risk for each Client.
- Portfolio Construction – BCA will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – BCA will provide investment management and ongoing oversight of the Client's investment portfolio.

### D. Wrap Fee Programs

BCA can include securities transaction costs together with its investment advisory fees into a single, "bundled" fee. Including these fees into a single asset-based fee is considered a "wrap fee program". Depending on the level of trading required for the Client's account[s] in a particular year, the Client may pay more or less in total fees than if the Client paid its own transaction fees. Please see Appendix 1 – Wrap Fee Program Brochure, which is included as part of this Disclosure Brochure. Please see Item 5.B. below.

### E. Assets Under Management

As of December 31, 2023, BCA manages the following assets:

Discretionary Assets	\$1,016,644,919
Non-Discretionary Assets	\$57,145,180
<b>Total Assets Under Management</b>	<b>\$1,073,790,099</b>

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

### Item 5 – Fees and Compensation

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding BCA's services along with descriptions of each service's fees and compensation arrangements. Each Client shall sign one or more agreements that detail the responsibilities of BCA and the Client. The exact fees each Client pays and other terms will be outlined in the agreement between Client and BCA.



BCA allows its IARs to set advisory fees within ranges provided by BCA. As a result, your IAR can charge more or less for the same service than another IARs associated with BCA.

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

### **Investment Management Services**

Investment advisory fees are paid quarterly, in advance of each calendar quarter, pursuant to the terms of the investment advisory agreement. Investment advisory fees are based on the market value of assets under management at the prior quarter.

The annual advisory fee will range between 0.65% and 1.85%. Each advisor has the authority and discretion to price their advisory services within this range, therefore, the annual advisory fee, the frequency of the advisory fee and the structure of the advisory fee (tiered fee schedule or flat fee) will fluctuate from advisor to advisor and from client to client. Accounts under the same household may be aggregated for a discounted fee.

Advisory fees charged for investment management services are negotiable based on the IAR providing the services, the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities, mutual funds, complex products, fixed income), the potential for additional account deposits, the relationship of the client with the IAR and the total amount of assets under management (high net worth or ultra high net worth clients). Family members and employees of BCA receive a discounted fee for our advisory services.

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

### **Use of BCA Model Portfolios**

BCA will be paid an annual fee of 25 Basis Points (.25%) on the assets being managed in each BCA Model Portfolio. Fees are paid quarterly, in advance of each calendar quarter, pursuant to the terms of the investment advisory agreement. For any partial period, fees will be appropriately pro-rated based on the number of calendar days in the partial quarter and charged at the next billing period.

BCA will consider a client's risk tolerance, investment objectives and goals, time horizon, account restrictions, personal circumstances and overall financial situation prior to recommending a BCA Model Portfolio.

Each Model Portfolio is designed to meet specific goals and objectives. Additionally, you have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

The allocation percentages for alternative investments can vary widely depending on factors such as risk tolerance, investment goals, and market conditions. However, here are some general guidelines based on different investor categories:

1. **Mass Affluent Investors:** Mass affluent investors typically have investable assets ranging from \$100,000 to \$1 million. Their allocation to alternative investments might be relatively modest, often ranging from 5% to 15% of their overall investment portfolio. This allocation could include assets such as real estate investment trusts (REITs), commodities, or alternative mutual funds.
2. **Accredited Investors:** Accredited investors are individuals or entities that meet certain income or net worth criteria defined by securities regulations. They typically have more substantial resources than mass affluent investors. Accredited investors might allocate a larger portion of their portfolio to



alternatives, often ranging from 10% to 30%. This allocation may include private equity, hedge funds, venture capital, or direct investments in private companies.

3. **Qualified Purchasers:** Qualified purchasers are a subset of accredited investors who meet higher thresholds for investments in certain private funds. They generally have even larger investable assets. For qualified purchasers, alternative investments can represent a significant portion of their portfolio, often ranging from 20% to 50% or more. This allocation might include a broader range of alternative assets such as private equity, hedge funds, real estate partnerships, and other private investment vehicles.

Clients must also meet the definition of accredited investor (average yearly income over \$200,000 or \$300,000 with spouse or partner for last two years or has a net worth exceeding \$1 million) or qualified client (at least \$1,100,000 under management with BCA or have a net worth (excluding the client's primary residence) in excess of \$2,200,000),

### **Fees For Asset Management Services through Sub-Advisers**

Clients participating in a Sub-Advisory Program are charged a specified fee for management services from BCA and the Sub-Advisor. These fees are typically charged based on a percentage of assets under management, billed in arrears or in advance, on a monthly or quarterly basis, depending on the Sub-Advisor Program. 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

Advisory fees for management services through Sub-Advisors are calculated and charged one of three ways and dependent on your specific Sub-Advisor: 1) the total fee is calculated and paid to BCA; BCA pays a portion of the total fee to Sub-Advisor; 2) the total fee is calculated and paid to Sub-Advisor; Sub-Advisor pays a portion of the total fee to BCA; and 3) BCA and Sub-Advisor each calculate their own fee and fees are deducted separately from account. You will authorize the qualified custodian(s) of your account to deduct the fees directly from your account and pay such fees directly to the Sub-Advisor and/or BCA via one of the options above.

BCA's annual fee for asset management services through a Sub-Advisor will range between 0.65% and 1.85%. The asset management fee charged by the Sub-Advisor is separate from, and in some cases, in addition to the fee charged by BCA. Your maximum annual fee for a Sub-Advisor Program will never exceed 1.85%.

This fee is 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, other services provided by BCA, the relationship of the client with the investment adviser representative (family member, long-standing client or existing client from previous firm) and the total amount of assets under management for the client.

The asset management services continue in effect until terminated by either party (i.e., BCA or you) by providing written notice of termination to the other parties. When fees are billed in arrears, the Sub-Advisor will prorate the final fee payment based on the number of days services are provided during the final period. When the fees are billed in advance, a refund will be provided to client, if necessary, once the final payment is determined.

BCA believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to our compensation, you may also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

In addition, you can incur certain charges imposed by third-parties other than BCA in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and

miscellaneous expenses imposed by the qualified custodian(s) of your account. Management fees charged by BCA and Sub-Advisors are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

### **Financial Planning and Consulting Services**

BCA offers financial planning and consulting services on an hourly basis ranging between \$150 to \$500 per hour or as a fixed engagement fee ranging from \$1,500 to \$100,000. Financial planning and consulting fees are negotiable depending on the nature and complexity of each Client's circumstances. An estimate for total hours and/or costs will be provided prior to engaging for these services.

BCA utilizes a third-party program to provide certain estate planning services when legal advice is needed. Client is referred to a designated attorney to complete the estate planning component of the financial plan. The third-party program fee is not passed on to the client but paid by BCA. To the extent that the client engages the outside professional for services, client is responsible for the payment of the fees for the services of such an outside professional. BCA is not required to reimburse client for such payments and BCA receives no portion of the fee for such payments to the outside professional.

If client is currently receiving investment management services from BCA for an asset management fee, BCA waives fees for our financial planning or consulting services.

To the extent BCA provides you with general investment recommendations as part of the financial planning or consulting services and you implement such investment recommendations through BCA, we may offer in our agreement with you to waive or reduce the fees for our financial planning or consulting services.

### **Retirement Plan Advisory Services**

Retirement plan advisory fees are paid monthly or quarterly, in advance of each billing period, depending on the circumstances surrounding the retirement plan account and pursuant to the terms of the retirement plan advisory agreement. Retirement plan advisory fees are charged at either a flat rate or based on plan assets. If the fee is based on plan assets the fee will range between 0.20% to 1.00% annually. A flat rate fee will range between \$4,000 and \$50,000 annually. The exact amount of the fixed fee will be specified in your agreement with BCA. At no time will BCA require payment of more than \$1,200 in fees more than six months in advance. 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.

Fees based on plan assets are calculated based on the average daily balance or based on the market value of assets in the plan on the last day of the prior billing period. Fees are negotiable based on the volume of meetings, the number of participants and the complexity of the services provided to the Plan.

BCA does not reasonably expect to receive any other compensation, direct or indirect, for its services. If we receive any other compensation for such services, we will (i) offset that compensation against our stated fees, and (ii) will disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

### **B. Fee Billing**

#### **Investment Management Services**

Investment advisory fees will be calculated by the Advisor or its delegate and deducted from the Client account[s] at the Custodian. The Advisor or its delegate shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the respective quarter-end date. The amount due is calculated by

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applying the quarterly rate (annual rate divided by the numbers of days in the year, multiplied by the number of days in the respective quarter) to the total assets under management with BCA at the end of the prior quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting BCA to be paid directly from their accounts held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian. Clients may elect to be directly invoiced for their fees as well.

If assets in excess of \$100,000 are deposited into or withdrawn from a Client account[s] after the inception of a billing period, the fee payable with respect to such assets is adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a pro rata basis. In the event the advisory agreement is terminated by written notice of either party, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

### **Financial Planning Services**

Financial planning and consulting fees can be invoiced up to fifty percent (50%) of the expected total fee upon execution of the financial planning and consulting agreement. The balance shall be invoiced upon completion of the agreed upon deliverable(s), if applicable.

### **Retirement Plan Advisory Services**

Fees based on plan assets are calculated based on the average daily balance or based on the market value of assets in the plan on the last day of the current or prior billing period. The amount due is calculated by applying the monthly or quarterly rate (annual rate divided by the numbers of days in the year, multiplied by the number of days in the respective month or quarter) to the total assets under management with BCA at the end of the prior billing period. Depending on the Retirement Plan, fees will be billed monthly or quarterly, in advance or in arrears. Flat rate fees will be deducted on the last day of the prior calendar month or quarter. Fees may be deducted from the accounts of the Plan Participants or paid by the Plan Sponsor.

### **Held Away Assets**

BCA charges fees with respect to Held Away Assets according to its general fee schedule above. Bay Colony often bills clients directly for these assets. At times, fees may be deducted from the client's account at the primary Custodian with written authorization from client.

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

Clients can incur certain fees or charges imposed by third parties, other than BCA, in connection with investments made on behalf of the Client's account[s]. With the exception of Clients engaged under the Advisor's wrap fee program, the Client is responsible for all custody and securities execution fees charged by the Custodian. The investment advisory fee charged by BCA is separate and distinct from these custody and execution fees. Fees for Sub-advisory Services charged by BCA are separate of the fees charged by the Client Advisor. For certain wrap fee engagements, BCA includes securities transactions costs as part of its overall investment advisory fee through the BCA Wrap Fee Program. Securities transaction fees for Client-directed trades may be charged back to the Client. Please see Item 4.D. above as well as Appendix 1 – Wrap Fee Program Brochure.

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

which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by BCA to fully understand the total fees to be paid.

All fees paid to BCA for services are separate and distinct from the commissions, fees and expenses charged by insurance companies associated with any insurance products acquired by you. If you sell or liquidate certain existing securities positions to acquire any insurance or annuity, you may also pay a commission and/or deferred sales charges in addition to the financial planning and consulting fees paid to BCA and any commissions, fees and expenses charged by the insurance company for subsequently acquired insurance and/or annuities.

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

##### **Investment Management and Retirement Plan Advisory Services**

BCA is compensated for its advisory services in advance of the quarter in which services are rendered. Either party may terminate the agreement with BCA, at any time, by providing thirty (30) days advance written notice to the other party. Upon termination, the Client shall be responsible for fees up to and including the effective date of termination. BCA will also have no obligation to recommend or take any action with regard to the securities, cash or other investments in a client's account. The Advisor will refund any unearned, prepaid fees from the effective date of termination to the end of the quarter. The Client's agreement with the Advisor is non-transferable without the Client's prior consent.

If assets in excess of \$25,000 are deposited into or withdrawn from a Client account[s] after the inception of a billing period, the fee payable with respect to such assets is adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a pro rata basis. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

##### **Use of Independent Managers**

In the event that a Client should wish to terminate their relationship with an Independent Manager, the terms for termination will be set forth in the respective agreements between the Client and those third parties. BCA will assist the Client with the termination and transition as appropriate.

##### **Financial Planning and Consulting Services**

The Advisor can be compensated partially in advance of the engagement deliverable, if applicable. Either party may terminate a planning agreement, at any time, by providing written notice to the other party. Upon termination, the Client shall be billed for actual hours logged on the planning project times the contractual hourly rate or in the case of a fixed fee engagement, the percentage of the engagement scope completed by the Advisor. The Advisor will refund any unearned, prepaid planning fees from the effective date of termination. The Client's financial planning and consulting agreement with the Advisor is non-transferable without the Client's prior consent.

##### **Retirement Plan Advisory Services**

Either party may request to terminate their services with BCA, at any time, in whole or in part, by providing advance written notice to the other party. The Client shall be responsible for advisory fees up to and including the effective date of termination. The Client's retirement plan services agreement with the Advisor is non-transferable without the Client's prior consent. If services are terminated within five business days of signing the client agreement, services are terminated without penalty. Any prepaid but unearned fees are promptly refunded to the client.

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

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

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

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

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

#### Item 7 – Types of Clients

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BCA provides investment advisory services to individuals, high net worth individuals, trusts, estates, retirement plans, charitable organizations, and businesses . This information may change over time and is updated at least annually by BCA. BCA generally requires a relationship size of \$250,000, however, the minimum relationship size may be reduced at the discretion of BCA, especially for legacy assets or accounts .

Your Sub-Adviser or other third-party manager may have a minimum fee or account value, which will be stated in their ADV Part 2A Firm Brochure.

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

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

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

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

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

##### **B. Investment Strategies**

Investment Models. BCA may offer certain investment Models when suitable for clients.

##### **C. Risk of Loss**

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

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

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

#### Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

#### Portfolio Turnover Risk

Depending on the structure of the client account, client portfolios may experience relatively high portfolio turnover in periods of market volatility, which may result in increased transaction costs and performance that is lower than expected and potentially greater tax exposure.

#### **Exchange-Traded Notes (ETNs).**

An ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs may be linked to a variety of assets, for example, commodity futures, foreign currency, and equities. ETNs are similar to ETFs in that they are listed on an exchange and can typically be bought or sold throughout the trading day. However, an ETN is not a mutual fund and does not have a net asset value; the ETN trades at the prevailing market price. Some of the more common risks of an ETN are as follows: The repayment of the principal, interest (if any), and the payment of any returns at maturity or upon redemption are dependent upon the ETN issuer's ability to pay. In addition, the trading price of the ETN in the secondary market may be adversely impacted if the issuer's credit rating is downgraded. The index or asset class for performance replication in an ETN may or may not be concentrated in a specific sector, asset class or country and may therefore carry specific risks. ETNs may be closed and liquidated at the discretion of the issuing company.

#### ETF Risks

The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs has a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

#### Mutual Fund Risks

The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.



## **Closed-End/Interval Funds.**

Clients should be aware that closed-end funds available within the program may not give investors the right to redeem their shares, and a secondary market may not exist. Therefore, clients may be unable to liquidate all or a portion of their shares in these types of funds. While the fund may from time to time offer to repurchase shares, it is not obligated to do so (unless it has been structured as an "interval fund"). In the case of interval funds, the fund will provide limited liquidity to shareholders by offering to repurchase a limited number of shares on a periodic basis, but there is no guarantee that clients will be able to sell all of the shares in any particular repurchase offer. The repurchase offer program may be suspended under certain circumstances.

## **Alternative Strategy Mutual Funds.**

Certain mutual funds invest primarily in alternative investments and/or strategies. Investing in alternative investments and/or strategies may not be suitable for all investors and involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and potential illiquidity. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility. These types of funds tend to have higher expense ratios than more traditional mutual funds. They also tend to be newer and have less of a track record or performance history.

### Money Market Funds

A money market fund is technically a security. The fund managers attempt to keep the share price constant at \$1/share. However, there is no guarantee that the share price will stay at \$1/share. If the share price goes down, you can lose some or all of your principal. The U.S. Securities and Exchange Commission ("SEC") notes that "While investor losses in money market funds have been rare, they are possible." In return for this risk, you should earn a greater return on your cash than you would expect from a Federal Deposit Insurance Corporation ("FDIC") insured savings account (money market funds are not FDIC insured). Next, money market fund rates are variable. In other words, you do not know how much you will earn on your investment next month. The rate could go up or go down. If it goes up, that may result in a positive outcome. However, if it goes down and you earn less than you expected to earn, you may end up needing more cash. A final risk you are taking with money market funds has to do with inflation. Because money market funds are considered to be safer than other investments like stocks, long-term average returns on money market funds tends to be less than long term average returns on riskier investments. Over long periods of time, inflation can eat away at your returns.

## **Options Contracts**

Certain types of option trading are permitted in order to generate income or hedge a security held in the program account; namely, the selling (writing) of covered call options or the purchasing of put options on a security held in the program account. Client should be aware that the use of options involves additional risks. The risk of buying long puts is limited to the loss of the premium paid for the purchase of the put if the option is not exercised or otherwise sold by the program account.

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

## **Short Sales**

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



purchases the security to replace the borrowed security. A short sale involves the theoretically unlimited risk of an increase in the market price of the security that would result in a theoretically unlimited loss.

### **Model Portfolios**

BCA does not guarantee that use of the Models will achieve any specified rate of return. BCA makes no representation as to the potential investment profits or avoidance of losses or any other results or benefits that may be achieved by using the BCA Models.

### **Alternative Investments**

The performance of alternative investments (limited partnerships), such as Master Limited Partnerships (“MLPs”), Commodity ETNs, REITs, and Interval Funds can be volatile and may have limited liquidity. An investor could lose all or a portion of their investment. Such investments often have concentrated positions and investments that may carry higher risks. Client should only have a portion of their assets in these investments.

### Crypto-Assets

BCA prohibits the direct purchase of cryptocurrency (e.g. Bitcoin), initial coin offering (ICO), distributed ledger technology, blockchain and any related products or pooled investment vehicles (collectively “Crypto-Assets”). However, BCA may recommend Crypto-Assets through the purchase of ETFs or mutual funds. BCA believes the risk is too high for the majority of our clients. There are a number of additional risks associated with digital currencies, including but not limited to:

- **Liquidity risk.** Cryptocurrencies are unregulated, and no party is required to accept payments in virtual currency. As a result, certain market conditions might make it difficult or impossible to sell quickly at a reasonable price.
- **Pricing risk.** Cryptocurrencies trade in decentralized markets. In addition, cryptocurrency exchanges and platforms do not feature the regulations, controls, and investor protections available in traditional stock, options, and futures markets. For these reasons, there is no unifying single pricing mechanism that reflects digital currency values.
- **Regulatory risk.** Cryptocurrencies essentially compete with currencies issued by governments. At some point, governments may seek to regulate or restrict cryptocurrencies, or issue a digital version of their own currencies. Such developments could adversely affect cryptocurrency prices.

### **Private Investments**

Private investments may be introduced to a limited number of clients to participate in 40-Act Interval funds. BCA will introduce this program to those clients for whom it reasonably believes this program is appropriate given the client's net worth, investible assets, current portfolio composition, investment objective, liquidity needs, and risk considerations. Through the due diligence process, BCA seeks to identify appropriate Private Investment Vehicles for a client's review and consideration. Unlike liquid investments that a client may maintain, Private Investment Vehicles generally involve additional material risks, including liquidity constraints and lack of transparency.

### **Private Funds**

BCA will invest the PE Closed-End Funds in a portfolio of Third-Party Portfolio Funds and directly in equity or debt securities of portfolio companies, Third-Party Portfolio Funds and other private equity firms. The PE Closed-End Funds will also invest opportunistically in Third-Party Portfolio Funds acquired as “secondary investments” in privately negotiated transactions from investors in the Third-Party Portfolio Funds typically after the end of the Third-Party Portfolio Fund’s fundraising period (each, a “Secondary Investment”). The interests in Third-Party Portfolio Funds consist of a variety of private equity fund types and strategies, such as venture capital partnerships, special situations partnerships, buyout private equity partnerships, international private equity partnerships (together with Secondary Investments and Co-Investments, the “Private Equity Securities”).

The Private Funds are not registered under the Investment Company Act, and their shares or interests, as applicable, are not registered under the Securities Act, and are instead sold to qualified investors who meet certain criteria on a private placement basis. Most of the Private Funds require that investors be (1)(a) “accredited investors” as defined under Regulation D under the Securities Act (“Regulation D”) and (b) “qualified purchasers” as defined in Section 2(a)(51)(A) of the Investment Company Act or “knowledgeable employees” under Rule 3c-5 of the Investment Company Act or (2) not “U.S. Persons” as defined under Regulation S of the Securities Act. Accordingly, the Private Funds are not publicly offered in the United States. Certain Private Funds rely on Section 3(c)(1) of the Investment Company Act. The investors in those Private Funds are not required to be “qualified purchasers” or “knowledgeable employees”; rather those Private Funds restrict the beneficial ownership of its outstanding securities to not more than one hundred persons.

Some Private Funds are not continuously offered. Certain of the Private Funds invest in affiliated and unaffiliated pooled investment vehicles (“Portfolio Funds”) or Separate Accounts. The general partner, managing member or adviser to the Portfolio Funds and the Separate Accounts (which, for affiliated Portfolio Funds and Proprietary Separate Accounts, are collectively referred to as “Portfolio Managers”). BCA has the overall responsibility for implementing the investment strategies of Portfolio Funds or Separate Accounts within the stated investment strategies and objectives of each BCA Private Fund. Certain BCA Private Funds invest in one or more Private Investments. Clients should refer to each BCA Private Fund’s offering memorandum and constitutional documents the “Offering Documents” for additional information.

### **Structured Products.**

Structured products are securities derived from another asset, such as a security or a basket of securities, an index, a commodity, a debt issuance, or a foreign currency. Structured products frequently limit the upside participation in the reference asset. Structured products are senior unsecured debt of the issuing bank and subject to the credit risk associated with that issuer. This credit risk exists whether or not the investment held in the account offers principal protection. The creditworthiness of the issuer does not affect or enhance the likely performance of the investment other than the ability of the issuer to meet its obligations. Any payments due at maturity are dependent on the issuer’s ability to pay. In addition, the trading price of the security in the secondary market, if there is one, may be adversely impacted if the issuer’s credit rating is downgraded. Some structured products offer full protection of the principal invested, others offer only partial or no protection. Investors may be sacrificing a higher yield to obtain the principal guarantee. In addition, the principal guarantee relates to nominal principal and does not offer inflation protection. An investor in a structured product never has a claim on the underlying investment, whether a security, zero coupon bond, or option. There may be little or no secondary market for the securities and information regarding independent market pricing for the securities may be limited. This is true even if the product has a ticker symbol or has been approved for listing on an exchange. Tax treatment of structured products may be different from other investments held in the account (e.g., income may be taxed as ordinary income even though payment is not received until maturity). Structured CDs that are insured by the FDIC are subject to applicable FDIC limits.

### **Structured Note Transactions**

A structured note is a financial instrument that combines two elements, a debt security and exposure to an underlying asset or assets. It is essentially a note, carrying counter party risk of the issuer. However, the return on the note is linked to the return of an underlying asset or assets (such as the S&P 500 Index or commodities).

It is this latter feature that makes structured products unique, as the payout can be used to provide some degree of principal protection, leveraged returns (but usually with some cap on the maximum return), and be tailored to a specific market or economic view. In addition, investors may receive long-term capital gains tax treatment if certain underlying conditions are met, and the note is held for more than one year. Finally, structured notes may also have liquidity constraints, such that the sale thereof before maturity may be limited.

### **Concentrated Portfolios**

Concentrated portfolios are an aggressive and highly volatile approach to trading and investing and should be viewed as complementary to a stable, highly predictable investment approach. Concentrated portfolios hold fewer different stocks than a diversified portfolio and are much more likely to experience sudden dramatic price swings. In addition, the rise or drop in price of any given holding in the portfolio is likely to have a larger impact on portfolio performance, than a more broadly diversified portfolio.

### **Frequent Trading**

Frequent trading in securities can result in higher transaction costs in the Client's account[s]. For taxable accounts, frequent trading can also result in taxable transactions each year that would not be present in a buy-and-hold strategy. There are no guarantees that a frequent trading strategy will correctly time purchases and sales of any particular security.

### **Sub-Advisors**

Bay Colony Advisors may provide individualized client management services through the selection of a suitable Sub-Advisor. When using a Sub-Advisor, BCA will have the authority to allocate and reallocate client assets among various investment managers and will allocate assets to the Sub-Advisor based on that authority. Sub-Advisors are licensed as investment advisers by their resident states and other applicable jurisdiction, including the U.S. Securities Exchange Commission. The Sub-Advisor will have the power and authority to supervise and direct all investment decisions for those accounts designated by the Firm on a discretionary basis, including the purchase and sale of securities and any other transactions unless specifically directed otherwise in writing.

Sub-Advisors are evaluated by BCA using data and information from several sources, including the manager and independent databases. We also review the manager's Form ADV Part 2, as well as the portfolio holdings, reports that help demonstrate the manager's securities selection process. Other factors we may consider when evaluating a manager include:

- Management style
- Performance record
- Pricing
- Reporting capabilities
- Reputation

In recommending a Sub-Advisor to you, your representative will consider your:

- financial situation,
- risk tolerance,
- investment horizon,
- liquidity needs,
- tax considerations,
- investment objectives, and
- any other issues important to your state of affairs

BCA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon and, only if deemed appropriate, will recommend that clients authorize the active discretionary management of a portion of their assets by Sub-Advisors.

### **Leveraged and Inverse ETFs, ETNs and Mutual Funds.**

Leveraged ETFs, ETNs and mutual funds, sometimes labeled “ultra” or “2x” for example, are designed to provide a multiple of the underlying index's return, typically on a daily basis. Inverse products are designed to provide the opposite of the return of the underlying index, typically on a daily basis. These products are different from and can be riskier than traditional ETFs, ETNs and mutual funds. Although these products are designed to provide returns that generally correspond to the underlying index, they may not be able to exactly replicate the performance of the index because of fund expenses and other factors. This is referred to as tracking error. Continual re- setting of returns within the product may add to the underlying costs and increase the tracking error. As a result, this may prevent these products from achieving their investment objective. In addition, compounding of the returns can produce a divergence from the underlying index over time, in particular for leveraged products. In highly volatile markets with large positive and negative swings, return distortions may be magnified over time. Some deviations from the stated objectives, to the positive or negative, are possible and may or may not correct themselves over time. To accomplish their objectives, these products use a range of strategies, including swaps, futures contracts and other derivatives. These products may not be diversified and can be based on commodities or currencies. These products may have higher expense ratios and be less tax-efficient than more traditional ETFs, ETNs and mutual funds.

#### **Inverse ETFs (also called "short" funds)**

Inverse ETFs seek to deliver the opposite of the performance of the index or benchmark they track. Like traditional ETFs, some leveraged and inverse ETFs track broad indices, some are sector-specific, and others are linked to commodities, currencies, or some other benchmark. Inverse ETFs often are marketed as a way for investors to profit from, or at least hedge their exposure to, downward moving markets.

#### **Leveraged ETF Risks**

Leveraged ETFs seek to deliver multiples of the performance of the index or benchmark they track. These ETFs attempt to deliver some multiple of an index's daily returns (positive or negative). Please consider the implications to both the upside and the downside of multipliers. While it may seem that a 2x multiplier is a benefit in an up-market cycle' it is important to remember that the same multiplier applies when the ETF moves against the market. This could potentially result in significant losses, and highlights the additional risk associated with Leveraged ETFs.

Clients are re restricted in the use of leveraged ETFs unless sophisticated clients who have either a minimum of \$1,100,000 in assets under management with Bay Colony Advisors or have a net worth of at least \$2,200,000, excluding primary residence. Previously, leveraged and inverse ETFs were recommended to sophisticated clients.

### **Business Development Companies (BDCs).**

BDCs are typically closed-end investment companies. Some BDCs primarily invest in the corporate debt and equity of private companies and may offer attractive yields generated through high credit risk exposures amplified through leverage. As with other high-yield investments, such as floating-rate/leveraged loan funds, private real estate investment trusts (“REITs”) and limited partnerships, investors are exposed to significant market, credit, and liquidity risks. In addition, fueled by the availability of low-cost financing, BDCs run the risk of over-leveraging their relatively illiquid portfolios. Due to the illiquid nature of non-traded BDCs, investors' exit opportunities may be limited only to periodic share repurchases by the BDC at high discounts.

## **Annuities.**

If client purchases a variable annuity that is part of the program, client will receive a prospectus and should rely solely on the disclosure contained in the prospectus with respect to the terms and conditions of the variable annuity. Client should also be aware that certain riders purchased with a variable annuity may limit the investment options and the ability to manage the subaccounts. Additionally, the decision to liquidate an annuity prior to its maturity date may result in surrender charges and a complete loss of certain benefits for which significant fees may have previously paid to the annuity issuer.

Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear.

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### Item 9 – Disciplinary Information

There are no legal, regulatory or disciplinary events involving BCA or any of its Supervised Persons. BCA and its Advisory Persons value the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 152583.

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

BCA is not and does not have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, accounting firm, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

#### Insurance Agents

Certain Associated Persons of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to our clients. Insurance commissions earned by these persons are separate from and in addition to our advisory fees. This is conducted as an outside activity from Bay Colony Advisors.

The sale of insurance instruments and other commissionable products offered by Associated Persons are intended to complement our advisory services. However, this practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. We address this conflict of interest by recommending insurance products only where we, in good faith, believe that it is appropriate for the client's particular needs and circumstances and only after a full presentation of the recommended insurance product to our client. In addition, we explain the insurance underwriting process to our clients to illustrate how the insurer also reviews the client's application and disclosures prior to the issuance of a resulting insuring agreement.

Clients to whom the firm offers advisory services are informed that they are under no obligation to purchase insurance services. Clients who do choose to purchase insurance services are under no obligation to use our licensed Associated Persons and may use the insurance brokerage firm and agent of their choice. Where fixed annuities are sold, clients should also note that the annuity sales result in substantial up-front commissions and ongoing trails based on the annuity's total value. In addition, many annuities contain surrender charges and/or restrictions on access to your funds. Payments and withdrawals can have tax consequences. Optional lifetime income benefit riders are used to calculate lifetime payments only and are not available for cash surrender or in a death benefit unless specified in the annuity contract.

In some annuity products, fees can apply when using an income rider. Annuity guarantees are based on the financial strength and claims-paying ability of the issuing insurance company. We urge our clients to read all insurance contract disclosures carefully before making a purchase decision. Rates and returns mentioned on any program presented are subject to change without notice. Insurance products are subject to fees and additional expenses.

#### Insurance Review and Sales

When engaged to do so through one of our advisory services, BCA will review and, as appropriate, recommend changes or additions to a client's health, life, disability, long-term care or other insurance coverage needs. Clients are free to follow or decline such recommendations. Certain BCA representatives retain insurance licenses and, as a result, clients can elect to purchase a policy through such partner.

#### Dually Registered as Investment Adviser Representatives

Certain investment adviser representatives of BCA own and are also licensed as investment adviser representatives with other investment adviser firms. BCA is not affiliated with any other investment adviser firm. These investment adviser representatives are not offering advisory services from the unaffiliated investment adviser firm. All advisory services will be provided through BCA.

#### Use of DBA Names

Investment Advisor Representatives may have their own legal business entities whose business names and logos may appear on marketing materials approved by BCA, or client statements as approved by the Custodian. The Client should understand that the businesses are legal entities of the Investment Advisor Representative and not Bay Colony Advisors, nor the Custodian. Additionally, the business entity may provide services other than as an Investment Advisor Representative as disclosed herein such as CPA, attorney, insurance agent, as well as other non-investment related services as outside business activities; however, Investment Advisory Services of the Investment Advisor Representatives are only provided through Bay Colony Advisors. Additional information about the aforementioned arrangement the RIA Firm has with an Investment Advisor Representative can be found within the respective ADV Part 2B, also referred to as the brochure supplement which contains information about the educational background, business experience, and disciplinary history (if any) of the Investment Advisor Representatives who provide advisory services to the client or as listed in the Schedule D of ADV Part 1.

#### Accounting Services

Some investment adviser representatives of BCA are also licensed CPAs. Clients needing assistance with tax preparation and/or account services may be referred to them but are not obligated to use their services. No referral fee is paid to these investment adviser representatives or BCA.

#### Accounting Firms

Certain individual associates of BCA may be actively engaged in the practice of public accounting or tax preparation services through independent accounting firms. Certain associates may also have ownership in these independent accounting firms. Tax and/or accounting services provided by these individuals are separate and distinct from the advisory services of BCA and are provided for separate and typical compensation. There are no referral fee arrangements between BCA and these unaffiliated accounting firms. Any Associate engaged in accounting or tax services has disclosed this activity in their Brochure Supplement (Form ADV Part 2B). No BCA client is obligated to use these individuals or their accounting firms for any accounting or tax services.

#### Use of Sub-Advisors

As described in *Item 4 – Advisory Business* and *Item 5 – Fees and Compensation*, BCA has formed relationships with independent managers to serve as a Sub-Advisor for clients.



When we refer clients to an unaffiliated Sub-Advisor, you need to know that our firm has an agreement in place to split the fee charged for asset management services with the Sub-Advisor. Therefore, we have a conflict of interest because we only recommend Sub-Advisors that agree to pay us a portion of the fees billed to your account managed by the Sub-Advisor. BCA mitigates this conflict by only recommending Sub-Advisors that are a good fit for the client and we will always act in the client's best interest. Client always has the option to engage another investment adviser firm for Sub-Advisor services.

Sub-Advisors are evaluated using data and information from several sources, including the manager and independent databases. We also review the manager's Form ADV Part 2, as well as the portfolio holdings reports that help demonstrate the manager's securities selection process. Other factors we may consider when evaluating a manager include:

- Management style
- Performance record
- Pricing
- Reporting capabilities

A complete description of the Sub-Advisor's services, practices and fees will be disclosed in the Sub-Advisor's Form ADV Part 2A that will be provided to the client.

#### Alliance Partner Third-Party Management Solutions

BCA has reviewed and conducts ongoing due diligence on certain 3<sup>rd</sup> party asset managers. These managers are recommended to be used for BCA's investment adviser representatives, however not exclusively. BCA has no common ownership with any of these 3<sup>rd</sup> party managers. Some 3<sup>rd</sup> party managers may offer administration, custody, billing and reporting.

#### Outsource CIO

Investment adviser representatives of BCA may establish a relationship directly with an unaffiliated Investment Officer (CIO) to help with certain tasks with alternative investments. The CIO services may include the following, however, the IAR, not BCA or the client, are responsible for paying for the services.

- Oversight of Asset Allocation and Focused Investment guidelines
- Alternative asset analysis
- Investment Policy Statement creation and customization assistance
- Due diligence assistant

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

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

BCA has implemented a Code of Ethics (the "Code") that defines our fiduciary commitment to each Client. This Code applies to all persons associated with BCA (our "Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. BCA and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of BCA associates to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of our Code of Ethics, please contact us at (978) 369-7200 or via email at [info@baycolonyadvisors.com](mailto:info@baycolonyadvisors.com).

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



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

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

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

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

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

## Item 12 – Brokerage Practices

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

BCA does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize BCA to direct trades to the Custodian as agreed in the investment advisory agreement. Further, BCA does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where BCA does not exercise discretion over the selection of the Custodian, it may recommend the Custodian[s] to Clients for custody and execution services. BCA may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, its reputation, and/or the location of the Custodian's offices. Clients are not obligated to use the recommended Custodian and will not incur any extra fee or cost associated with using a broker not recommended by the Advisor. However, the Advisor may be limited in the services it can provide if the recommended Custodian is not engaged. BCA will generally recommend that Clients establish their account[s] at Fidelity Clearing & Custody Solutions and related entities of Fidelity Investments, Inc. (collectively "Fidelity"), where the Advisor maintains an institutional relationship. Fidelity may enable the Advisor to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Fidelity may be higher or lower than those charged by other financial institutions. BCA maintains an institutional relationship with Fidelity, whereby the Advisor receives economic benefits from Fidelity. Please see Item 14 below.

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

#### **1. Soft Dollars -**

Soft Dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with the broker-dealer/custodian in exchange for research and other services. BCA participates in a Soft Dollar relationship with Fidelity, where they can obtain additional benefits such as access to research, back-office support, and other technology platforms by allocating a portion of BCA's trading activity to Fidelity. While BCA uses these services and benefits, Clients may directly or indirectly receive these additional benefits. For example, in certain circumstances, Fidelity Investments or other custodians may provide reimbursements to aid the financial professional in transfer costs. Fidelity may also reimburse clients for certain costs they incur during a transfer to the custodian. These reimbursements are paid directly to the client and not to the advisor. Please see Item 14 below for additional details.

## **2. Brokerage Referrals –**

BCA does not receive any compensation from any third-party in connection with the recommendation for establishing an account.

## **3. Directed Brokerage -**

All Clients are serviced on a “directed brokerage basis”, where BCA will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective account[s] at the Custodian. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). BCA will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

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

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

## Item 13 – Review of Accounts

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

Securities in Clients accounts are monitored on a regular and continuous basis by John Ohl and James Catacchio, the principal offers of BCA. Formal reviews are generally conducted at least annually or more or less frequently depending on the needs of the Client.

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

In addition to the investment monitoring noted in Item 13.A. above, each Client account shall be reviewed at least annually. Reviews may be conducted more or less frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify BCA if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

## C. Review Reports

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

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

## Item 14 – Client Referrals and Other Compensation

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### A. Compensation Received by BCA

#### Soft Dollar Relationship

Fidelity provides BCA with some non-cash benefits (not available to retail customers) in return for placing Client assets with them or executing trades through them. Such non-cash benefits are referred to as "Soft Dollars". Currently, these benefits come in the form of investment research and discounts for service providers. We will also receive such items as investment software, books and research reports. These products, services, or educational seminars are items that will play a role in determining how to invest Client accounts. If there is any item that has a multi-use aspect, mixed between investment and non-investment purposes, BCA will determine a reasonable allocation of investment to non-investment use and Soft Dollars will be allocated only to the investment portion of the product (and we will pay the remaining cost). BCA receives a benefit from these services, as otherwise we would be compiling the same research ourselves. This causes a conflict of interest as we may want to place more Client accounts with a broker-dealer/custodian such as Fidelity, solely because of these added benefits. As such, BCA has an incentive to select or recommend a broker-dealer based on interests in receiving the research or other products or services, rather than on Clients' interest in receiving most favorable execution. BCA attempts to mitigate this conflict by performing regular reviews of execution services and value Clients receive to ensure Clients are receiving the best possible value for costs paid. However, the value to all of our Clients of these benefits is included in our evaluation of custodians. Products and services received via Soft Dollars will generally be used for the benefit of all Clients. However, it is possible that a given Client's trades will generate Soft Dollars that acquire products and/or services that are not ultimately utilized for that same Client's account. Soft Dollars provide additional value and are accordingly considered in determining which broker-dealer or custodian to utilize as part of our best execution analysis.

#### Participation in Institutional Advisor Platform

As noted in Item 12, the Advisor has established an institutional relationship with Fidelity to assist the Advisor in managing Client account[s]. Access to the Fidelity Institutional platform is provided at no charge to the Advisor. The Advisor receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Fidelity. The software and related systems support benefit the Advisor, but not its Clients directly. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a conflict of interest since these benefits can influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Additionally, the Advisor will receive the following benefits from Fidelity: receipt of duplicate Client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its institutional participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to Client accounts; and access to an electronic communication network for Client order entry and account information.

### Buckingham Strategic Partners

BCA has retained an independent third-party account administrator, Buckingham Strategic Partners, which performs certain services such as account administration, back-office fulfillment, report and statement production, and recordkeeping for client accounts. Such services are paid directly by BCA. Buckingham Strategic Partners is an investment adviser registered with the Securities and Exchange Commission.

### Educational Conferences

Bay Colony Advisors (“BCA”). From time to time, BCA holds partnership meetings and conferences, which typically include our IAR’s, and external attendees. Those meetings are intended to provide training or education to personnel of BCA. However, the meetings will provide sponsorship opportunities for asset managers, asset custodians, vendors and other third-party service providers. Sponsorship fees allow these companies to advertise their products and services to BCA. Although the participation of BCA firm personnel in these meetings is not preconditioned on the achievement of a sales target for any conference sponsor, this practice could nonetheless be deemed a conflict as the marketing and education activities conducted, and the access granted, at such meetings and conferences could cause BCA Advisors to focus on those conference sponsors in the course of its duties. BCA attempts to mitigate any such conflict by allocating the sponsorship fees only to defraying the cost of the meeting or future meetings and not serve as revenue for itself or any affiliate. Conference sponsorship fees are not dependent on assets placed with any specific provider or revenue generated by such asset placement. The following entities have provided conference sponsorship to BCA in the last year: Fidelity Brokerage Services, BMO, Putnam, T. Rowe Price, and Capital Group.

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

If a Client is introduced to BCA by either an unaffiliated or an affiliated solicitor (herein “Solicitor”), BCA will pay the Solicitor a referral fee. Referral fees are paid solely from BCA investment management fee and do not result in any additional charges or higher fees to the Client. The Solicitor will provide the Client with a copy of BCA’s Disclosure Brochure along with a Solicitor’s Disclosure Statement containing the terms and conditions of the solicitation arrangement including compensation.

### Social Media Solicitation

Certain investment adviser representatives (IARs) may establish a profile on a social media referral site, including but not limited to Wiser Adviser or SmartAsset, to receive leads generated by soliciting prospects who use the site. IARs pay the social media provider a cash referral fee based on the number of referrals sent to the IAR, not based on the number of clients attained. Prospective clients referred to the IAR are not required or obligated in any way to work with the IAR or BCA. If the prospect becomes a client of BCA, the referral arrangement will not result in any charges to the client in addition to the normal level of fees charged for the advisory services provided. The selection of an investment adviser is important and should not be based solely on marketing or referrals. Prospects are free to work with any investment adviser or financial professional of their own choosing. When a prospective client is referred to BCA, they will be provided with information necessary to access our Disclosure Brochure.

### StoneCastle Federally Insured Cash Account Program

BCA has entered into an agreement with StoneCastle Cash Management, LLC to refer advisory clients to their Federally Insured Cash Account Program (FICA Program). Clients sign a FICA Account application directly with StoneCastle. StoneCastle will pay a fee to BCA for clients who deposit money into a FICA Account. Clients will pay an annual fee of 10 basis points for the program, which can be waived at the discretion of BCA. Clients are never obligated to use the services of StoneCastle. The arrangement between BCA and StoneCastle are in compliance with state and federal securities rules regarding paid solicitor arrangements. When a client is referred to StoneCastle by BCA, BCA provides the client with a copy of StoneCastle’s Disclosure Brochure as required by the *Investment Advisers Act of 1940*. The client also will complete a Solicitor’s Disclosure Statement document.

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## Item 15 – Custody

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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.

BCA is deemed to have custody of client funds and securities whenever it is given the authority to have fees deducted directly from client accounts. In addition, there are a small number of BCA client arrangements where the Investment Adviser Representative serves as trustee for the client. The role of the Investment Adviser Representative as trustee is imputed (or “assigned”) to BCA and therefore we are deemed to have custody of those client funds and securities.

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 (other than the Adviser affiliated trustee) are also notified, in writing, of the qualified custodian’s name, address and the manner in which the funds or securities are maintained promptly when the account is opened and following any changes. Account statements are delivered directly from the qualified custodian to each client, or the client’s independent representative (other than the Adviser affiliated trustee), at least quarterly. Finally, affiliated trustee accounts managed by us are subject to an annual surprise verification examination conducted by a third-party, independent accounting firm.

BCA is also deemed to have custody of client funds and securities when BCA has standing authority (also known as a standing letter of authorization or “SLOA”) to move money from a client’s account to a third-party account.

## Item 16 – Investment Discretion

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

Client may also grant BCA discretionary authority (without first consulting with Client) to establish and/or terminate a relationship with a Sub-Adviser for purposes of managing the account or a portion of the account determined by BCA.

When a Sub-Adviser provides management services for your account, the Sub-Adviser requires client to authorize discretionary trading authorization over your Account. When discretionary authority is granted, the Sub-Adviser will have discretionary authority to make all decisions to buy, sell or hold securities, cash or other investments for such portion of the Account managed by the Sub-Adviser. Client will also grant the Sub-Adviser with the power and authority to carry out these decisions by giving instructions, on behalf of Client, to brokers and dealers and the qualified custodian(s) of the Account.

## Item 17 – Voting Client Securities

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BCA does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

If you utilize a Sub-Adviser for management services, the Sub-Adviser's proxy voting policy will be disclosed in their ADV Part 2A Firm Brochure which you will receive at the time of engaging them for asset management services.

### Class Action Lawsuits

You retain the right under applicable securities laws to initiate individually a lawsuit or join a class-action lawsuit against the issuer of a security that was held, purchased or sold by or for you. BCA does not initiate such a legal proceeding on behalf of clients and does not provide legal advice to clients regarding potential causes of action against such a security issuer and whether the client should join a class-action lawsuit. We recommend that you seek legal counsel prior to making a decision regarding whether to participate in such a class-action lawsuit. Moreover, our services do not include monitoring or informing you of any potential or actual class-action lawsuits against the issuers of the securities that were held, purchased or sold by or for you.

### Item 18 – Financial Information

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

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# BAY COLONY ADVISORS

## Form ADV Part 2A Appendix 1 – Wrap Fee Program Brochure

**Effective: June 2024**

This Form ADV 2A - Appendix 1 (“Wrap Fee Program Brochure”) provides information about the qualifications and business practices of Bay Colony Advisory Group, Inc. d/b/a Bay Colony Advisors (“BCA” or the “Advisor”) when offering services pursuant to a wrap program. This Wrap Fee Program Brochure shall always be accompanied by the BCA Disclosure Brochure, which provides complete details on the business practices of the Advisor. If you did not receive the complete BCA Disclosure Brochure or you have any questions about the contents of this Wrap Fee Program Brochure or the BCA Disclosure Brochure, please contact us at (978) 369-7200.

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

Additional information about BCA and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 152583.

## Item 2 – Material Changes

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

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

### Material Changes

BCA has the following material changes to this Wrap Fee Program Brochure since the last annual amendment filing on March 22, 2024. See also the material changes to ADV Part 2A in Item 2.

Item 4 and 6 – BCA no longer has a relationship with Advisory Alpha for asset management services.

Item 6 – When BCA recommends a Sub-Advisor, the investment advisor representative will consider the following for each client: • financial situation, • risk tolerance, • investment horizon, • liquidity needs, • tax considerations, • investment objectives, and • any other issues important to the client's state of affairs.

Item 7 - We do not evaluate our investment advisor representatives as portfolio managers in the same manner that we evaluate Sub-Advisers. Client decides whether you want your advisory representative to manage your assets directly or whether your assets are managed by a third party. We do supervise your advisory representative as described in the brochure supplement; we have provided to you.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 152583. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (978) 369-7200 or by email at [info@baycolonyadvisors.com](mailto:info@baycolonyadvisors.com).

### Item 3 – Table of Contents

<b>Item 1 – Cover Page .....</b>	<b>36</b>
<b>Item 2 – Material Changes .....</b>	<b>37</b>
<b>Item 3 – Table of Contents.....</b>	<b>38</b>
<b>Item 4 – Services Fees and Compensation .....</b>	<b>38</b>
<b>Item 5 – Account Requirements and Types of Clients .....</b>	<b>41</b>
<b>Item 6 – Portfolio Manager Selection and Evaluation .....</b>	<b>41</b>
<b>Item 7 – Client Information Provided to Portfolio Managers .....</b>	<b>42</b>
<b>Item 8 – Client Contact with Portfolio Managers.....</b>	<b>43</b>
<b>Item 9 – Additional Information.....</b>	<b>43</b>

### Item 4 – Services Fees and Compensation

#### **A. Services**

BCA provides customized investment management services for its Clients. The BCA Wrap Program (“Program”) is an investment advisory program sponsored by BCA, a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”).

This customized solution is achieved through continuous personal Client contact and interaction while providing discretionary investment management and planning services. BCA works with each Client to identify their comprehensive goals as well as risk tolerance and financial situation in order to initiate a strategy for supporting the Client. BCA will then construct a portfolio to meet the specific objectives of each Client. Portfolios consist of diversified mutual funds and/or exchange-traded funds (“ETFs”) to achieve the Client’s investment goals. The Advisor may also utilize individual stocks, bonds, options, limited partnerships, investment managers, inverse and leveraged ETFs, if appropriate, or other alternative investments to meet the needs of its Clients. BCA may retain certain types of investments based on a Client’s legacy portfolio construction. BCA will only recommend an investment into leveraged ETFs to sophisticated Clients who have either \$1,100,000 in assets under management with BCA and/or has a net worth of at least \$2,200,000, excluding primary residence. BCA prohibits the direct purchase of cryptocurrency (e.g. Bitcoin), initial coin offering (ICO), distributed ledger technology, blockchain and any related products or pooled investment vehicles (collectively “Crypto-Assets”). However, BCA may recommend Crypto-Assets through the purchase of ETFs or mutual funds.

BCA allows its IARs to set advisory fees within ranges provided by BCA. As a result, your IAR can charge more or less for the same service than another IARs associated with BCA.

Investment advisory fees are paid quarterly in advance, pursuant to the terms of the investment advisory agreement. Investment advisory fees are based on the market value of assets under management at the end of the prior quarter.

The annual advisory fee will range between 0.65% and 1.85%. Each advisor has the authority and discretion to price their advisory services within this range, therefore, the annual advisory fee, the frequency of the advisory fee and the structure of the advisory fee (tiered fee schedule or flat fee) will fluctuate from advisor to advisor and from client to client. Accounts under the same household may be aggregated for a discounted fee.

Advisory fees charged for investment management services are negotiable based on the IAR providing the services, the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities, mutual funds, complex products, fixed income), the potential for additional account deposits, the relationship of the client with the IAR and the total amount of assets under management (high net worth or ultra high net worth clients. Family members and employees of BCA receive a discounted fee for our advisory services.

The Program is offered as a wrap fee program, which in this case means clients have the ability to trade in certain investment products without incurring separate brokerage commissions or transactions charges. Investment advisory fees paid by the Client pay for both the investment advisory services and costs associated with the execution of transactions. Fees are negotiable at the sole discretion of the Advisor.

### **Investment Management Services Through Sub-Advisors**

BCA has entered into arrangements with Sub-Advisors to provide asset management services to clients through such programs. The Sub-Advisory Programs involve providing you with continuous and ongoing supervision over your specified accounts.

These arrangements allow BCA access model portfolios, model managers, strategists, third-party money managers and trading services. As part of these Sub-Advisory Programs, client will give BCA and the Sub-Advisor discretion to select third party, non-affiliated investment managers to design and manage model portfolios for your assets. When BCA offers services through Sub-Advisors, BCA will provide you with a copy of the Sub-Advisor's disclosure brochure which contains a detailed description of the Sub-Advisor's services, fees and programs.

BCA will assist client with the establishment of an advisory account with the Sub-Advisor to utilize one or more services of the Sub-Advisor. Through the Sub-Advisory Programs, client will receive continuous investment advice based on your needs and circumstances. BCA will be responsible for understanding the financial condition and investment objective of the client. BCA and the Sub-Advisor will then assist clients in allocating their assets among different investment options in the Program and/or recommend strategies developed by the model managers or third-party managers.

Although we review the performance of Sub-Advisors and their programs, we only recommend Sub-Advisors that have an arrangement with BCA . Therefore, we have a conflict of interest.

Clients are advised that there may be other Sub-Advisor Programs not recommended by our firm, that are suitable for the client and that may be more or less costly than arrangements recommended by our firm. No guarantees can be made that a client's financial goals or objectives will be achieved by a Sub-Advisor recommended by our firm. Further, no guarantees of performance can ever be offered by our firm.

### **Fees For Asset Management Services through Sub-Advisors**

Clients participating in a Sub-Advisory Program are charged a specified fee for management services from BCA and the Sub-Advisor. These fees are typically charged based on a percentage of assets under management, billed in arrears or in advance, on a monthly or quarterly basis, depending on the Sub-Advisor Program. 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

Advisory fees for management services through Sub-Advisors are calculated and charged one of three ways and dependent on your specific Sub-Advisor: 1) the total fee is calculated and paid to BCA; BCA pays a portion of the

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total fee to Sub-Advisor; 2) the total fee is calculated and paid to Sub-Advisor; Sub-Advisor pays a portion of the total fee to BCA; and 3) BCA and Sub-Advisor each calculate their own fee and fees are deducted separately from account. You will authorize the qualified custodian(s) of your account to deduct the fees directly from your account and pay such fees directly to the Sub-Advisor and/or BCA via one of the options above.

BCA's annual fee for asset management services through a Sub-Advisor will range between 0.65% and 1.85%. The asset management fee charged by the Sub-Advisor is separate from, and in some cases, in addition to the fee charged by BCA. Your maximum annual fee for a Sub-Advisor Program will never exceed 1.85%.

This fee is 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, other services provided by BCA, the relationship of the client with the investment adviser representative (family member, long-standing client or existing client from previous firm) and the total amount of assets under management for the client.

The asset management services continue in effect until terminated by either party (i.e., BCA or you) by providing written notice of termination to the other parties. When fees are billed in arrears, the Sub-Advisor will prorate the final fee payment based on the number of days services are provided during the final period. When the fees are billed in advance, a refund will be provided to client, if necessary, once the final payment is determined.

BCA believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to our compensation, you may also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

In addition, you can incur certain charges imposed by third-parties other than BCA in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and miscellaneous expenses imposed by the qualified custodian(s) of your account. Management fees charged by BCA and Sub-Advisors are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

## **B. Program Costs**

Services provided under the Program can cost the Client more or less than purchasing these types of investment management services separately. The costs of the wrap program will vary depending on services to be provided be to each Client.

BCA provides this Wrap Brochure as the Advisor pays all normal securities transactions costs associates with BCA investment strategies. As defined within the investment advisory agreement, Clients who have chosen to place their assets with Fidelity Investment, Inc. (the "Custodian") and elect to not accept E-Delivery from the Custodian, the Advisor may impose an additional fee of 0.10% of assets under management to cover the additional transaction costs charged by the Custodian.

## **C. Fees**

The BCA Fee Program includes typical securities trading costs incurred in connection with the discretionary investment management services provided by BCA. Securities transaction fees for Client directed trades are borne by the Client. There are other fees charged by unaffiliated third parties, including management fees for Sub-Advisory services, that Clients should fully understand. Please see Item 5.C. – Other Fees and Expenses in the Disclosure Brochure (included with this Wrap Fee Program Brochure).

If assets in excess of \$100,000 are deposited into or withdrawn from a Client account[s] after the inception of a billing period, the fee payable with respect to such assets is adjusted to reflect the interim change in portfolio

value. For the initial period of an engagement, the fee is calculated on a pro rata basis. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

#### **D. Compensation**

BCA is the sponsor and the primary portfolio manager of the Program. BCA receives advisory fees paid by Clients for participating in the program and will receive compensation if services are delivered through its affiliated institutional asset management division, Bay Colony Advisory Group, Inc.

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

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BCA provides investment advisory services to individuals, high net worth individuals, trusts, estates, retirement plans, charitable organizations, and businesses. This information may change over time and is updated at least annually by BCA. BCA generally requires a relationship size of \$250,000, however, the minimum relationship size may be reduced at the discretion of BCA, especially for legacy assets or accounts.

Your Sub-Adviser may have a minimum fee or account value, which will be stated in their ADV Part 2A Firm Brochure.

### Item 6 – Portfolio Manager Selection and Evaluation

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#### **A. Portfolio Manager Selection**

BCA acts as a sponsor and as a portfolio manager for the Program. At its discretion, BCA may also utilize an unaffiliated investment advisory firm to act as Sub-Advisors for investment solutions and assist us with the asset management services provided to our clients' wrap accounts. See Item 4 of this Wrap Fee Brochure for more information about Sub-Adviser relationships.

Bay Colony Advisors has also retained an independent third-party account administrator, Buckingham Strategic Partners, which performs certain services such as account administration, back-office fulfillment, report and statement production, and recordkeeping for client accounts. Such services are paid directly by BCA. Buckingham Strategic Partners is an investment adviser registered with the Securities and Exchange Commission.

Sub-Advisors are evaluated by BCA using data and information from several sources, including the manager and independent databases. We also review the manager's Form ADV Part 2, as well as the portfolio holdings, reports that help demonstrate the manager's securities selection process. Other factors we may consider when evaluating a manager include:

- Management style
- Performance record
- Pricing
- Reporting capabilities
- Reputation

In recommending a Sub-Adviser to you, your representative will consider your:

- financial situation,
- risk tolerance,
- investment horizon,
- liquidity needs,
- tax considerations,
- investment objectives, and



- any other issues important to your state of affairs

. BCA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon and, only if deemed appropriate, will recommend that clients authorize the active discretionary management of a portion of their assets by Sub-Advisors.

### **B. Related Persons**

Your advisory representative (IAR) may act as your portfolio manager. BCA does not evaluate these portfolio managers in the same manner that we evaluate third-party investment managers. You decide whether you want your advisory representative to manage your assets directly or whether your assets are managed by a third-party. We do supervise your advisory representative as described in the brochure supplement; we have provided to you.

BCA does not act as portfolio manager for any third-party wrap fee programs.

### **C. Supervised persons**

Please see Item 8 of the Disclosure Brochure (included with this Wrap Fee Program Brochure) for details on the research and analysis methods employed by the Advisor. Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.

#### Performance-Based Fees

BCA does not charge performance-based fees.

#### Voting Client Securities

BCA does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

If you utilize a Sub-Advisor for management services, their specific proxy voting policy will be disclosed in their ADV Part 2A Firm Brochure which you will receive at the time of engaging them for asset management services.

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

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BCA serves as the portfolio manager under this Wrap Fee Program. BCA may also utilize unaffiliated investment advisory firms to serve as Sub-Advisors and assist us with the asset management services provided to our clients' wrap accounts. BCA is responsible for gathering all information provided by you. We will interview and work with you to gather all information needed relative to your investment objectives and needs in order for BCA to provide management services through our Wrap Fee Program. You are responsible for promptly contacting BCA to notify us of any changes to your financial situation that will impact or materially influence the way we manage your accounts.

BCA has reviewed and conducts ongoing due diligence on certain 3<sup>rd</sup> party asset managers. These managers are recommended to be used for BCA's IAR's, however not exclusively. BCA has no common ownership with any of these 3<sup>rd</sup> party managers. Some 3<sup>rd</sup> party managers may offer administration, custody, billing and reporting. We do not evaluate our investment advisor representatives as portfolio managers in the same manner that we evaluate Sub-Advisors. You decide whether you want your advisory representative to manage your assets directly or whether your assets are managed by a third party. We do supervise your advisory representative as described in the brochure supplement we have provided to you.

Bay Colony's representatives have the discretion to recommend a Third-Party Asset Manager or manage the client investments themselves. When the advisory fee for a Third-Party Asset Manager is paid for by the Investment Advisory Representative, this causes a conflict of interest, as they could potentially earn additional

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revenues if they choose to invest for the client directly. Bay Colony's compliance program supervises the representatives to ensure this conflict is mitigated.

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

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BCA is the sponsor and portfolio manager for this Program. There is no restriction on the Client's ability to contact BCA. If clients utilize a Sub-Adviser for management services, clients will contact BCA with any questions regarding the management of the account.

#### Item 9 – Additional Information

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

Please see Item 9 of the Disclosure Brochure for details on the affiliations of BCA and its Advisory Persons.

##### Other Financial Activities and Affiliations

Please see Items 10 and 14 of the BCA Disclosure Brochure (included with this Wrap Fee Program Brochure).

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

BCA has implemented a Code of Ethics that defines our fiduciary commitment to each Client. Details of this Code of Ethics and related practices are included in item 11 of the Disclosure Brochure.

##### Review of Accounts

Securities in Client accounts are monitored on a regular and continuous basis by John Ohl and James Catacchio, the principal officers of BCA. Details of the review policies and practices are provided in Item 13 of the Disclosure Brochure.

##### Other Compensation

Please see Item 14 – Other Compensation in the Disclosure Brochure (included with this Wrap Fee Program Brochure) for details on additional compensation that can be received by BCA or its Advisory Persons. Each Advisory Person's Brochure Supplement (also included with this Wrap Fee Program Brochure) provides details on any outside business activities and the associated compensation.

##### Financial Information

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

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**Bay Colony Advisory Group, Inc.**

86 Baker Avenue Extension, Suite 310, Concord, MA 01742

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[www.baycolonyadvisors.com](http://www.baycolonyadvisors.com)



# BAY COLONY ADVISORS

## Form ADV Part 2B – Brochure Supplement

for

**John W. Ohl**  
**President, Chief Executive Officer and Chief Compliance Officer**

**Effective: June 2024**

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications of John W. Ohl (CRD# **1548196**) in addition to the information contained in the Bay Colony Advisory Group, Inc. d/b/a Bay Colony Advisors (“BCA” or the “Advisor”) (CRD # 152583) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the BCA Disclosure Brochure or this Brochure Supplement, please contact us at (978) 369-7200 or by email at [info@baycolonyadvisors.com](mailto:info@baycolonyadvisors.com).

Additional information about Mr. Ohl is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or his individual CRD# 1548196.

## Item 2 – Educational Background and Business Experience

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John Ohl, born in 1962, is dedicated to advising Clients of BCA in his role as the President, Chief Executive Officer and Chief Compliance Officer. Mr. Ohl earned a BA from University of Vermont in 1985. Additional information regarding Mr. Ohl's employment history is included below.

### Employment History:

President, CEO, CCO, Bay Colony Advisory Group, Inc. d/b/a Bay Colony Advisors	12/2009 to Present
CEO, Bay Colony Advisory Group, Inc.	06/2000 to Present
Registered Representative, Mutual Securities, Inc.	11/2011 to 08/2012
Agent, Smith Company LTD	10/2008 to 11/2011
Registered Representative, The Leaders Group, Inc.	10/2008 to 12/2010

## Item 3 – Disciplinary Information

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**There are no legal, civil or disciplinary events to disclose regarding Mr. Ohl.** Mr. Ohl has never been involved in any regulatory, civil or criminal action. There have been no lawsuits, arbitration claims or administrative proceedings against Mr. Ohl.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. **As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Ohl.**

However, we do encourage you to independently view the background of Mr. Ohl on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or his Individual CRD# 1548196.

## Item 4 – Other Business Activities

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### Insurance Agency Affiliations

Certain Associated Persons of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to our clients. Insurance commissions earned by these persons are separate from and in addition to our advisory fees. This is conducted as an outside activity from Bay Colony Advisors.

The sale of insurance instruments and other commissionable products offered by Associated Persons are intended to complement our advisory services. However, this practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. We address this conflict of interest by recommending insurance products only where we, in good faith, believe that it is appropriate for the client's particular needs and circumstances and only after a full presentation of the recommended insurance product to our client. In addition, we explain the insurance underwriting process to our clients to illustrate how the insurer also reviews the client's application and disclosures prior to the issuance of a resulting insuring agreement.

Clients to whom the firm offers advisory services are informed that they are under no obligation to purchase insurance services. Clients who do choose to purchase insurance services are under no obligation to use our licensed Associated Persons and may use the insurance brokerage firm and agent of their choice. Where fixed annuities are sold, clients should also note that the annuity sales result in substantial up-front commissions and ongoing trails based on the annuity's total value. In addition, many annuities contain surrender charges and/or

restrictions on access to your funds. Payments and withdrawals can have tax consequences. Optional lifetime income benefit riders are used to calculate lifetime payments only and are not available for cash surrender or in a death benefit unless specified in the annuity contract.

In some annuity products, fees can apply when using an income rider. Annuity guarantees are based on the financial strength and claims-paying ability of the issuing insurance company. We urge our clients to read all insurance contract disclosures carefully before making a purchase decision. Rates and returns mentioned on any program presented are subject to change without notice. Insurance products are subject to fees and additional expenses.

### **Real Estate Affiliation**

Mr. Ohl is a co-owner of Inlet Group, LLC and Portico Properties, LLC, which are real estate rental and property management companies. Mr. Ohl's affiliation with these activities account for more than 10% of his annual income. Mr. Ohl spends 4 hours/month on each of these activities.

### Board Positions

Mr. Ohl is a Finance Committee member of St. Julia Parish and spends 1 hour/quarter on this activity.

Mr. Ohl is on the Advisory Board of Pago Capital, a privately held company. Mr. Ohl spends 2-3 hours/month on this activity.

### Consultant

Mr. Ohl is a Consultant for Tegos, a platform used by subscribers for access to research and other market information. Mr. Ohl spends 1 hour/month on this activity. Mr. Ohl is compensated for this position.

## Item 5 – Additional Compensation

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In addition to the description of additional compensation provided in Item 4, Mr. Ohl can receive additional benefits.

Certain product sponsors may provide Mr. Ohl with other economic benefits as a result of his recommendation or sale of the product sponsors' investments. The economic benefits received by Mr. Ohl from product sponsors can include but are not limited to, financial assistance or the sponsorship of conferences and educational sessions, marketing support, incentive awards, payment of travel expenses, and tools to assist Mr. Ohl in providing various services to clients.

Although BCA and Mr. Ohl endeavor at all times to put the interest of its clients ahead of its own or those of its officers, directors, or representatives ("affiliated persons"), these arrangements present a conflict of interest that may affect the judgment of affiliated persons, including Mr. Ohl.

## Item 6 – Supervision

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Mr. Ohl serves as the President, Chief Executive Officer and Chief Compliance Officer of BCA, and is supervised by James Catacchio, Executive Vice President and COO. Mr. Catacchio can be reached at (978) 369-7200.

BCA has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of BCA. Further, BCA is subject to regulatory oversight by various agencies. These agencies require registration by BCA and its Supervised Persons. As a registered entity, BCA is subject to examinations by regulators, which may be announced or unannounced. BCA is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.



# BAY COLONY ADVISORS

## Form ADV Part 2B – Brochure Supplement

for

**James C. Catacchio**  
**Chief Operating Officer and Executive Vice President**

**Effective: June 2024**

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications of James C. Catacchio (CRD# **4966526**) in addition to the information contained in the Bay Colony Advisory Group, Inc. d/b/a Bay Colony Advisors (“BCA” or the “Advisor”) (CRD # 152583) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the BCA Disclosure Brochure or this Brochure Supplement, please contact us at (978) 369-7200 or by email at [info@baycolonyadvisors.com](mailto:info@baycolonyadvisors.com).

Additional information about Mr. Catacchio is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or his individual CRD# 4966526.



## Item 2 – Educational Background and Business Experience

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James C. Catacchio, born in 1983, is dedicated to advising the Clients of BCA in his role as the Executive Vice President. Mr. Catacchio earned a B.S. in Finance from Bentley College in 2005. Additional information regarding Mr. Catacchio's employment history is included below.

### Employment History:

COO and Executive Vice President, Bay Colony Advisory Group, Inc. d/b/a Bay Colony Advisors	12/2009 to Present
Registered Representative, Mutual Securities, Inc.	12/2010 to 08/2012
Registered Representative, The Leaders Group, Inc.	10/2008 to 12/2010

## Item 3 – Disciplinary Information

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**There are no legal, civil or disciplinary events to disclose regarding Mr. Catacchio.** Mr. Catacchio has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Catacchio.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. **As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Catacchio.**

However, we do encourage you to independently view the background of Mr. Catacchio on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or his individual CRD # 4966526.

## Item 4 – Other Business Activities

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### Insurance Agency Affiliations

Certain Associated Persons of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to our clients. Insurance commissions earned by these persons are separate from and in addition to our advisory fees. This is conducted as an outside activity from Bay Colony Advisors.

The sale of insurance instruments and other commissionable products offered by Associated Persons are intended to complement our advisory services. However, this practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. We address this conflict of interest by recommending insurance products only where we, in good faith, believe that it is appropriate for the client's particular needs and circumstances and only after a full presentation of the recommended insurance product to our client. In addition, we explain the insurance underwriting process to our clients to illustrate how the insurer also reviews the client's application and disclosures prior to the issuance of a resulting insuring agreement.

Clients to whom the firm offers advisory services are informed that they are under no obligation to purchase insurance services. Clients who do choose to purchase insurance services are under no obligation to use our licensed Associated Persons and may use the insurance brokerage firm and agent of their choice. Where fixed annuities are sold, clients should also note that the annuity sales result in substantial up-front commissions and ongoing trails based on the annuity's total value. In addition, many annuities contain surrender charges and/or restrictions on access to your funds. Payments and withdrawals can have tax consequences. Optional lifetime

income benefit riders are used to calculate lifetime payments only and are not available for cash surrender or in a death benefit unless specified in the annuity contract.

In some annuity products, fees can apply when using an income rider. Annuity guarantees are based on the financial strength and claims-paying ability of the issuing insurance company. We urge our clients to read all insurance contract disclosures carefully before making a purchase decision. Rates and returns mentioned on any program presented are subject to change without notice. Insurance products are subject to fees and additional expenses.

#### Financial Committee Member

Mr. Catacchio is also a member of finance committee for the Town of Carlisle, MA. Mr. Catacchio spends less than 5% of his time at this business activity and does not receive any compensation.

#### Item 5 – Additional Compensation

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In addition to the description of additional compensation provided in Item 4, Mr. Catacchio can receive additional benefits.

Certain product sponsors may provide Mr. Catacchio with other economic benefits as a result of his recommendation or sale of the product sponsors' investments. The economic benefits received by Mr. Catacchio from product sponsors can include but are not limited to, financial assistance or the sponsorship of conferences and educational sessions, marketing support, incentive awards, payment of travel expenses, and tools to assist Mr. Catacchio in providing various services to clients.

Although BCA and Mr. Catacchio endeavor at all times to put the interest of its clients ahead of its own or those of its officers, directors, or representatives ("affiliated persons"), these arrangements present a conflict of interest that may affect the judgment of affiliated persons, including Mr. Catacchio.

#### Item 6 – Supervision

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Mr. Catacchio serves as the Chief Operating Officer and Executive Vice President of BCA and is supervised by John Ohl, the Chief Compliance Officer. John Ohl can be reached at (978) 369-7200.

BCA has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of BCA. Further, BCA is subject to regulatory oversight by various agencies. These agencies require registration by BCA and its Supervised Persons. As a registered entity, BCA is subject to examinations by regulators, which may be announced or unannounced. BCA is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.



# BAY COLONY ADVISORS

## Privacy Policy Effective: June 2024

### Our Commitment to You

Bay Colony Advisory Group, Inc. d/b/a Bay Colony Advisors (“BCA” or the “Advisor”) is committed to safeguarding the use of personal information of our Clients (also referred to as “you” and “your”) that we obtain as your Investment Advisor, as described here in our Privacy Policy (“Policy”).

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

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

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

### Why you need to know?

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

### What information do we collect from you?

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

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

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

### How do we protect your information?

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

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

### How do we share your information?

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

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

### State-specific Regulations

California	In response to a California law, to be conservative, we assume accounts with California addresses do not want us to disclose personal information about you to non-affiliated third parties except as permitted by California law. We also limit the sharing of personal information about you with our affiliates to ensure compliance with California privacy laws.
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Massachusetts	In response to a Massachusetts law, clients must "opt-in" to share non-public personal information with non-affiliated third parties before any personal information is disclosed. We may disclose non-public personal information to other financial institutions with whom we have joint business arrangements for proper business purposes in connection with the management or servicing of your account.
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### **Changes to our Privacy Policy**

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

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

### **Any Questions?**

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at (978) 369-7200 or via email at [info@baycolonyadvisors.com](mailto:info@baycolonyadvisors.com).