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January 2025

FORM ADV PART 2A
BROCHURE

This brochure provides information about the qualifications and business practices of Key Capital Management, Inc. If you have any questions about the contents of this brochure, contact us at (615) 826-5749. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Key Capital Management, Inc is available on the SEC's website at www.adviserinfo.sec.gov.

Key Capital Management, Inc (CRD: 173773) is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

For this annual update, there are no material changes to report.
Additionally, while not material, certain disclosures throughout this Brochure have been updated and enhanced. Clients should carefully read this brochure in its entirety.

Contents

Item 4 Advisory Business

Description of Firm
Key Capital Management, Inc (“KCMI”, the/our “firm”, or the “Advisor”) is a registered investment adviser based in Hendersonville, Tennessee. We are organized as a corporation ("Inc") under the laws of the State of Tennessee. We have been providing investment advisory services since July 2015. We are owned by Wesley Wood.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we," "our," and "us" refer to Key Capital Management, Inc and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

We provide discretionary and non-discretionary portfolio management as well as financial planning services to clients.

At the outset of each client relationship, we spend time with the client, asking questions, discussing the client's investment experience and financial circumstances, and broadly identifying major goals of the client. Based on our reviews, we generally develop with each client:

- a financial outline based on the client's financial circumstances and goals, the client's risk tolerance level and the client's investment objectives and guidelines (the "Investment Policy Statement")

The Investment Policy Statement is a reflection of the client's current financial picture and a look to the future goals of the client. It outlines the types of investments we will make or recommend on behalf of the client based on our own research and analysis in order to meet those goals. The elements of the Investment Policy Statement are discussed periodically with each client but are not necessarily written documents.

Portfolio Management Services
As described above, we will develop an Investment Policy Statement with each portfolio management client. It will be updated from time to time when requested by the client, or when determined to be necessary or advisable by us based on updates to the client's financial or other circumstances.

To implement the client's Investment Policy Statement, we will manage the client's investment portfolio on a discretionary or a non-discretionary basis pursuant to an investment advisory agreement with the client. If you participate in our discretionary portfolio management services, we require you to grant us discretionary authority to manage your account. Subject to a grant of discretionary authorization, we have the authority and responsibility to formulate investment strategies on your behalf. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without obtaining your approval prior to each transaction. We will also have discretion over the broker or dealer to be used for securities transactions in your account. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm, a power of attorney, or trading authorization forms.

Clients can grant KCMI discretionary authority to select one or more unaffiliated third-party investment adviser firms to serve as sub-advisors. This will allow KCMI, when deemed appropriate for the client, to hire sub-advisors to manage all or a portion of the assets in the client account. KCMI has full discretion to hire and fire sub-advisors as they deem suitable, which means we will be able to select and terminate sub-advisers without the client’s specific approval each time. See Item 16 – Investment Discretion for more information.

Sub-advisors will maintain the models or investment strategies agreed upon between sub-advisor and KCMI. Sub-advisors execute all trades on behalf of KCMI in client accounts. KCMI will be responsible for the overall direct relationship with the client. KCMI retains all authority to terminate the sub-advisor relationship at KCMI's discretion.

KCMI will conduct due diligence of any recommended Sub-Adviser and monitor the performance of Sub-Adviser with respect to the Sub-Advisor's management of the designated assets of the client's account(s) relative to appropriate peers and/or benchmarks.

KCMI will be available to answer questions the client has regarding any portion of client's account managed by a Sub-Adviser and will act as the communication conduit between the client and the Sub-Adviser.

Clients are advised that there may be other Sub-Advisers not recommended by our firm, which are suitable for the client and that may be more or less costly than arrangements recommended by our firm.

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

Notwithstanding the foregoing, clients may impose certain written restrictions on us in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments in an investment portfolio or prohibiting the sale of certain investments held in the account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client's investment portfolio. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of ours.

Clients who choose a nondiscretionary arrangement must be contacted prior to the execution of any trade in the account(s) under management. This may result in a delay in executing recommended trades, which could adversely affect the performance of the portfolio. This delay also normally means the affected account(s) will not be able to participate in block trades, a practice designed to enhance the execution quality, timing and/or cost for all accounts included in the block. In a non-discretionary arrangement, the client retains the responsibility for the final decision on all actions taken with respect to the portfolio. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

As part of our portfolio management services, in addition to other types of investments (see disclosures below in this section), we customarily do invest your assets according to one or more model portfolios developed by our firm. These models are designed for investors with varying degrees of risk tolerance ranging from a more aggressive investment strategy to a more conservative investment approach. Clients whose assets are invested in model portfolios may not set restrictions on the specific holdings or allocations within the model, nor the types of securities that can be purchased in the model. Nonetheless, clients may impose restrictions on investing in certain securities or types of securities in their account. In such cases, this may prevent a client from investing in certain models that are managed by our firm.

Wrap Fee Program(s)

We are a portfolio manager to and sponsor of a wrap fee program, which is a type of investment program that provides clients with access to several money managers or mutual fund asset allocation models for a single fee that includes administrative fees, management fees, and commissions. If you participate in our wrap fee program, you will pay our firm a single fee, which includes our money management fees, certain transaction costs, and custodial and administrative costs. We receive a portion of the wrap fee for our services. The overall cost you will incur if you participate in our wrap fee program may be higher or lower than you might incur by separately purchasing the types of securities available in the program.

To compare the cost of the wrap fee program with non-wrap fee portfolio management services, you should consider the frequency of trading activity associated with our investment strategies and the brokerage commissions charged by or other broker- dealers, and the advisory fees charged by investment advisers. For more information concerning the Wrap Fee Program, see *Appendix 1* to this Brochure.

Types of Investments
We offer advice, based on your stated goals and objectives, on various types on investments including equity securities, warrants, corporate debt securities (other than commercial paper), commercial paper, certificates of deposit, municipal securities, variable life insurance, variable annuities, mutual fund shares, United States government securities, options contracts on securities, money market funds, real estate, real estate investment trusts ("REITs"), exchange traded funds ("ETFs"), interests in partnerships investing in real estate and interests in partnerships investing in oil and gas interests.

In general, we manage wrap fee accounts on a discretionary basis. Wrap fee accounts are typically more appropriate for active accounts and are managed accordingly. We also manage non-wrap fee accounts on either a discretionary or a non-discretionary basis and may include a different investment strategy in managing non-wrap accounts.

If you participate in a wrap fee program, we will provide you with a separate Wrap Fee Program Brochure explaining the program and costs associated with the program. You should also review this Part 2A thoroughly to evaluate any differences between the services we offer as wrap versus non-wrap.

Assets Under Management
As of January 2, 2025, we provide continuous and regular supervisory management and oversight services for approximately $276,511,634 in client assets on a discretionary basis and approximately $16,474,001 on a non-discretionary basis.

Item 5 Fees and Compensation

Please note that fees for our services may be higher than fees charged by other financial professionals offering similar services.

Portfolio Management Services
Portfolio management fees are individually negotiated with each client and are generally up to 2% of the market value of assets in the account calculated annually. Factors considered in determining the fees charged generally include but are not limited to: the complexity of the client's portfolio; assets to be placed under management; anticipated future assets; related accounts; portfolio style; account composition; or other special circumstances or requirements. The specific fee schedule will be identified in the advisory agreement between the client and us.

Portfolio management fees are generally payable monthly, in arrears, based on the value of the last day of the period. If the portfolio management agreement is executed at any time other than the first day of a calendar month, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the month for which you are a client. We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, our qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.

Either we or the client may terminate their investment advisory agreement at any time, subject to written notification requirements in the investment advisory agreement. In the event of termination, the client will receive a bill for all advisory services during the period up to and including the date of termination. The bill will be based on the daily rate, which is calculated by dividing the annual rate by 365/366, times the number of days in the period. This bill will be due on the date of termination. Assets in each of your account(s) are included in the fee assessment unless specifically identified in writing for exclusion.

At our discretion, we may, and customarily do, combine the account values of family members living in the same household to determine the applicable advisory fee.

Wrap Program Fees

Fees for clients participating in the Wrap Program are charged in accordance with the annual fees described above. With respect to clients participating in the Wrap Program, we generally receive the total fee charged less the amounts paid by us for all transaction and execution expenses. Please see the Wrap Program Brochure (Appendix 1) for further details on the Wrap Program fees.

Portfolio Management with Sub-Advisors

When appropriate and in the best interest of the individual clients, KCMI can also utilize the services of a sub-adviser to manage clients' investment portfolios. When clients have a portion of their assets managed by a Sub-Adviser, the total advisory fee (KCMI's fee plus Sub-Adviser(s)' fees) shall generally not exceed 2.30% of the client's total assets on an annual basis. However, Sub-Adviser fees are always charged separately from KCMI's fee. Therefore, KCMI will only enter into sub-advisor agreements with other registered investment advisor firms where the client will be responsible for paying additional fees directly to the sub-advisor. The fees paid by clients to sub-advisers will never be more than .3% (30 basis points) and will be deducted from the assets under management with the sub-advisor. Sub-Advisers are also responsible for calculating and collecting their fees directly from clients. KCMI is not responsible for the collection of Sub-Adviser fees.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, refer to the *Brokerage Practices* section of this brochure.

Compensation for the Sale of Securities or Other Investment Products

Employees of KCMI are not registered representatives of any broker dealer. Our firm does not receive 12b-1 fees in connection with mutual funds purchased or held for advisory client accounts. You are under no obligation, contractual or otherwise, to purchase or hold securities products through our firm or any affiliate. Persons providing investment advice on behalf 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 you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. 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. You are under no obligation, contractual or otherwise, to purchase insurance products through any person affiliated with our firm.

Rollover Recommendations

As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset-based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee-based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of: 1)) Leaving the funds in your employer's (former employer's) plan; 2) moving the funds to a new employer's retirement plan; 3) cashing out and taking a taxable distribution from the plan; and/or 4) rolling the funds into an IRA rollover account. Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney. Our recommendations may include any of them, depending on what we conclude is in your best interest.

We are fiduciaries under the Investment Advisers Act of 1940 and when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are also fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. As a fiduciary, we are required to document the reason(s) for why the recommendation we made is in your best interest.

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

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of a capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 Types of Clients

We offer investment advisory services to the following types of clients:

- Individuals;
- High Net Worth Individuals

In general, there is a minimum dollar amount of $50,000 to open and maintain an advisory account; however, we have the right to waive the account minimum based on the client and the complexity of the situation.

We may also combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum.

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

Our Methods of Analysis and Investment Strategies
We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

Technical Analysis - involves studying past price patterns, trends and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

> **Risk:** The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Fundamental Analysis - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

> **Risk:** The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

Modern Portfolio Theory - a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.

> **Risk:** Market risk is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification.

Long-Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

> **Risk:** Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if

the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

Short-Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Risk: Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial information, liquidity needs and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio. **It is important that you notify us immediately with respect to any material changes to your financial circumstances, including for example, a change in your current or expected income level, tax circumstances, or employment status.**

Tax Considerations
Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Custodians and broker-dealers must report the cost basis of equities acquired in client accounts. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss
Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Other Risk Considerations
When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential loses. The following risks may not be all-inclusive, but should be considered carefully by a prospective client before retaining our services.

Liquidity Risk: The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price or it may not be possible to sell the investment at all.

Credit Risk: Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

Inflation and Interest Rate Risk: Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worthless and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.

Horizon and Longevity Risk: The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for people who are retired or are nearing retirement.

Recommendation of Particular Types of Securities
We recommend various types of securities, and we do not primarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment. A description of the types of securities we may recommend to you and some of their inherent risks are provided below.

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.

Certificates of Deposit: Certificates of deposit ("CD") are generally a safe type of investment since they are insured by the Federal Deposit Insurance Company ("FDIC") up to a certain amount. However, because the returns are generally low, there is risk that inflation outpaces the return of the CD. Certain CDs are traded in the market place and not purchased directly from a banking institution. In addition to trading risk, when CDs are purchased at a premium, the premium is not covered by the FDIC.

Municipal Securities: Municipal securities, while generally thought of as safe, can have significant risks associated with them including, but not limited to: the credit worthiness of the governmental entity that issues the bond; the stability of the revenue stream that is used to pay the interest to the bondholders; when the bond is due to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same amount of interest or yield to maturity.

Bonds: Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

Stocks: There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") are but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Mutual Funds and Exchange Traded Funds: Mutual funds and exchange traded funds ("ETF") are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely whereas "closed end" funds have a fixed number of shares to sell which can limit their availability to new investors.

ETFs may have tracking error risks. For example, the ETF investment adviser may not be able to cause the ETF's performance to match that of the Underlying Index or other benchmark, which may negatively affect the ETF's performance. In addition, for leveraged and inverse ETFs that seek to track the performance of their Underlying Indices or benchmarks on a daily basis, mathematical compounding may prevent the ETF from correlating with performance of its benchmark. In addition, an ETF may not have investment exposure to all of the securities included in its Underlying Index, or its weighting of investment exposure to such securities may vary from that of the Underlying Index. Some ETFs may invest in securities or financial instruments that are not included in the Underlying Index, but which are expected to yield similar performance.

Commercial Paper: Commercial paper ("CP") is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default. There is a less risk in asset based commercial paper (ABCP). The difference between ABCP and CP is that instead of being an unsecured promissory note representing an obligation of the issuing company, ABCP is backed by securities. Therefore, the perceived quality of the ABCP depends on the underlying securities.

Variable Annuities: A variable annuity is a form of insurance where the seller or issuer (typically an insurance company) makes a series of future payments to a buyer (annuitant) in exchange for the immediate payment of a lump sum (single-payment annuity) or a series of regular payments (regular-payment annuity). The payment stream from the issuer to the annuitant has an unknown duration based principally upon the date of death of the annuitant. At this point, the contract will terminate and the remainder of the funds accumulated forfeited unless there are other annuitants or beneficiaries in the contract. Annuities can be purchased to provide an income during retirement. Unlike fixed annuities that make payments in fixed amounts or in amounts that increase by a fixed percentage, variable annuities, pay amounts that vary according to the performance of a specified set of investments, typically bond and equity mutual funds. Many variable annuities typically impose asset-based sales charges or surrender charges for withdrawals within a specified period. Variable annuities may impose a variety of fees and expenses, in addition to sales and surrender charges, such as mortality and expense risk charges; administrative fees; underlying fund expenses; and charges for special features, all of which can reduce the return. Earnings in a variable annuity do not provide all the tax advantages of 401(k)s and other before-tax retirement plans. Once the investor starts withdrawing money from their variable annuity, earnings are taxed at the ordinary income rate, rather than at the lower capital gains rates applied to other non-tax-deferred vehicles which are held for more than one year. Proceeds of most variable annuities do not receive a "step-up" in cost basis when the owner dies like stocks, bonds and mutual funds do. Some variable annuities offer "bonus credits." These are usually not free. In order to fund them, insurance companies typically impose mortality and expense charges and surrender charge periods. In an exchange of an existing annuity for a new annuity (so-called 1035 exchanges), the new variable annuity may have a lower contract value and a smaller death benefit; may impose new surrender charges or increase the period of time for which the surrender charge applies; may have higher annual fees; and provide another commission for the broker.

Real Estate Investment Trust: A real estate investment trust ("REIT") is a corporate entity which invests in real estate and/or engages in real estate financing. A REIT reduces or eliminates corporate income taxes. REITs can be publicly or privately held. Public REITs may be listed on public stock exchanges. REITs are required to declare 90% of their taxable income as dividends, but they actually pay dividends out of funds from operations, so cash flow has to be strong or the REIT must either dip into reserves, borrow to pay dividends, or distribute them in stock (which causes dilution). After 2012, the IRS stopped permitting stock dividends. Most REITs must refinance or erase large balloon debts periodically. The credit markets are no longer frozen, but banks are demanding, and getting, harsher terms to re-extend REIT debt. Some REITs may be forced to make secondary stock offerings to repay debt, which will lead to additional dilution of the stockholders. Fluctuations in the real estate market can affect the REIT's value and dividends.

Item 9 Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of KCMI or the integrity of KCMI's management. In 2017 Wesley Wood, without admitting or denying the findings, Wood agreed to a Settlement with FINRA and consented to the sanctions and to the entry of findings that he reimbursed a customer fees, by providing the customer a total of $9,289.54, after she complained about the surrender fees and early redemption penalties incurred in liquidating certain securities in her account and he failed to inform his member firm of the customer's complaint or the reimbursement. The findings stated that Wood exchanged firm related email with the same customer using a personal email address that was not disclosed to or approved by his firm. The communications with the customer was in violation of the firm's written supervisory procedures. The emails sent by Wood and contained therein were not retained or preserved by the firm, thereby causing the firm to fail to comply with its recordkeeping obligations. Wood agreed to a settlement with FINRA suspending him from association with any FINRA member for a period of two months and agreed to pay a fine of $10,000.

Further information regarding Wesley Wood, Key Capital Management Group or other advisors at KCMI can be found by visiting the SEC Investment Adviser Public Disclosure website at https://adviserinfo.sec.gov/

Item 10 Other Financial Industry Activities and Affiliations

Wood Financial Group, LLC, which is under common ownership with KCMI, offers tax preparation services. As a result, there is an incentive for KCMI to recommend that clients use this service, and it presents a conflict of interest.

Certain persons providing investment advice at our firm are licensed insurance agents with our affiliated company, Wood Financial Group, LLC . These persons are registered with state insurance boards of the states in which they sell insurance products. As a wealth management firm, KCMI recommends the use of various insurance products during our financial planning recommendations where we believe it is in your best interest. You should be aware that insurance products pay a commission or other compensation and therefore represent a conflict of interest. Commission-based products are subject to a different standard of conduct than that of the fiduciary duty of a registered investment advisor. KCMI always seeks to act in the best interest of the client, including when we recommend insurance products to our advisory clients, and we will disclose the commission prior to the sale. If a financial plan recommends the use of an insurance product, you are in no way required to implement the plan through any representative of KCMI in such individual's capacity as an insurance agent of Wood Financial Group, LLC.

KCMI always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients and the recommendation of tax prep services. Clients are in no way required to purchase such services or products through any representative of KCMI in such individual's outside capacities.

Sub-Advisers

As described in and Item 5 – Fees and Compensation, KCMI has formed relationships with independent, investment advisers to serve as sub-advisors through our portfolio management services program. We do not compensate sub-advisers for client referrals nor do sub-advisers compensate our firm for client referrals. Fees charged by sub-advisers are separate and distinct from the fees we charge. Please refer to the previous disclosures in Item 4 & Item 5 regarding our use of sub-advisers.

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

Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Furthermore, and in accordance with SEC Rule 204A-1, our securities transaction policy requires that Access Persons associated with our firm provide the Chief Compliance Officer with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person provides the Chief Compliance Officer with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter, and transaction reports on a quarterly basis.

Block Trading

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). Refer to the *Brokerage Practices* section in this brochure for information on our block trading practices.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Item 12 Brokerage Practices

We generally recommend the brokerage services of Charles Schwab ("Schwab" or "Custodian") member New York Stock Exchange/SIPC. Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. In recognition of the value of the services the Custodian provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, the most favorable compared to other available providers and their services. We consider various factors, including:

- Capability to buy and sell securities for your account itself or to facilitate such services.
- The likelihood that your trades will be executed.
- Availability of investment research and tools.
- Overall quality of services.
- Competitiveness of price.
- Reputation, financial strength, and stability.
- Existing relationship with our firm and our other clients.

Research and Other Soft Dollar Benefits

We do receive soft dollar benefits from our custodian in the form or research and technology to assist us in managing our clients' accounts. All benefits received from our custodian would fall under the guidelines of section 28(e) of the Securities Exchange Act of 1934.

Economic Benefits
As a registered investment adviser, we have access to the institutional platform of your account custodian. As such, we will also have access to research products and services from your account custodian and/or other brokerage firm. These products may include financial publications, information about particular companies and industries, research software, and other products or services that provide lawful and appropriate assistance to our firm in the performance of our investment decision-making responsibilities. Such research products and services are provided to all investment advisers that utilize the institutional services platforms of these firms and are not considered to be paid for with soft dollars. However, you should be aware that the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts another broker who did not provide research services or products might charge.

Brokerage for Client Referrals
We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage
The Adviser will comply with any guidelines and/or limitations reasonably requested by a client relating to brokerage for the client's account that are contained in the client's investment management agreement. When possible, the Adviser will also observe any non-binding statement of client preferences with respect to brokerage direction.

If a client directs the Adviser to use a particular broker-dealer for execution of the client's trade orders (a "directed brokerage arrangement"), and the Adviser agrees to the arrangement, a client should understand that the Adviser may be unable to achieve best execution for the client's transactions. Any costs related to the directed brokerage arrangement are not included in the Adviser's fee, and the client is solely responsible for monitoring, evaluating and reviewing the arrangement with the directed broker-dealer and paying any commissions or markups or markdowns or other costs imposed by the directed broker-dealer. Additionally, the Adviser generally will not aggregate the client's directed brokerage trade orders with orders for other clients of the Adviser or include such orders in its trade rotation process.

If the Adviser aggregates a client's directed brokerage trade orders with trade orders for other clients of the Adviser, the Adviser may employ the use of "step-outs" to satisfy the client's directed brokerage arrangement. A "stepout" occurs when an executing broker executes the trade and then "steps out" the trade to a clearing broker (which would be the directed broker-dealer in a directed brokerage arrangement) that confirms and settles the trade. In such a case, a client will bear the costs of any commissions, markups or markdowns imposed by the executing broker-dealer in addition to the costs of any commissions, markups or markdowns imposed by the directed broker dealer

Item 13 Review of Accounts

Our advisers will monitor your accounts on an ongoing basis and will conduct account reviews at least annually or upon client request, to ensure the advisory services provided to you are consistent with your investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- market moving events,
- security specific events, and/or,
- changes in your risk/return objectives.

The individuals conducting reviews may vary from time to time, as personnel join or leave our firm.

We will provide you with additional or regular written reports in conjunction with account reviews. Reports we provide to you will contain relevant account and/or market-related information such as an inventory of account holdings and account performance, etc. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

Item 14 Client Referrals and Other Compensation

We do not directly or indirectly compensate any person who is not advisory personnel for client referrals.

We receive economic benefits from a non-client in connection with providing investment advice or other advisory services to you. Through our participation in certain programs or use of a custodian we are entitled to receive economic benefits. As part of our fiduciary duty, we endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm from a non-client in and of themselves creates a potential conflict of interest and may influence our choice in providing services to your account. This arrangement does not cause our clients to pay any additional transaction fees beyond those that are traditionally charged by our firm and/or other service providers.

Refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with your account custodian.

Item 15 Custody

As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other qualified custodian. You will receive account statements from the qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

Item 16 Investment Discretion

Through our Portfolio Management Services and upon receiving written authorization from a client in our client-engagement agreement, KCMI will maintain trading authorization over client accounts. Upon receiving written authorization from the client, KCMI can implement trades on a discretionary basis. When discretionary authority is granted, KCMI will have the authority to determine the type of securities and the amount of securities that can be bought or sold for the client’s portfolio without obtaining the client’s consent for each transaction.

If you decide to grant trading authorization on a non-discretionary basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

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

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if you are not able to be reached or are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

Clients can grant KCMI discretionary authority (without first consulting with the client) to establish and/or terminate a relationship with a Sub-Adviser for purposes of managing the client's account(s) or a portion of the account(s) determined by KCMI. When a client grants KCMI with discretionary authority to establish or terminate Sub-Adviser relationships, the client also grants the Sub-Advisers selected by KCMI with discretionary authority (in the sole discretion of the Sub-Adviser without first consulting with the client) to make all decisions to buy, sell or hold securities, cash or other investments for such portion of the account(s) managed by the Sub-Adviser. The client will also grant the Sub-Adviser selected by KCMI with the power and authority to carry out these decisions by giving instructions, on behalf of the client, to brokers and dealers and the qualified custodian(s) of the account(s). The client will authorize KCMI to provide a copy of the KCMI agreement to the qualified custodian or any broker or dealer, through which transactions will be implemented on behalf of the client, as evidence of Sub-Adviser's authority under the agreement.

All clients have the ability to place reasonable restrictions on the types of investments that may be purchased in an account.

Item 17 Voting Client Securities

As a policy and in accordance with KCMI's investment advisory agreement, KCMI does not vote proxies related to securities held in client accounts. The custodian of the account will normally provide proxy materials directly to the client. Clients may contact KCMI with questions relating to proxy procedures and proposals; however, KCMI generally does not research particular proxy proposals.

Item 18 Financial Information

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and we do not require the prepayment of more than $1,200 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.

We have not filed a bankruptcy petition at any time in the past ten years.