



**CUMBERLAND**  
— ADVISORS —

**Item 1 – Cover Page**

**ADV Part 2 A**

**CUMBERLAND ADVISORS**

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January 28, 2026

This brochure provides information about the qualifications and business practices of Cumberland Advisors (Cumberland Advisors®). If you have any questions about the contents of this brochure, please contact us at 800-257-7013. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Cumberland Advisors is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). In addition, the SEC’s website provides information about any persons affiliated with Cumberland Advisors who are registered, or required to be registered, as investment adviser representatives. Cumberland Advisors is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

## **ITEM 2 – MATERIAL CHANGES**

Since our last update dated April 11, 2025, we have made the following material changes:

Item 4: Amended to reflect ownership change and financial planning and consulting services, as well as updated assets under management.

Item 5: Amended to clarify fees and expenses.

Item 8: Updated to reflect our current investment strategies.

Item 12: Amended to reflect current brokerage practices.

Item 14: Updated to reflect that we do not receive any economic benefits from anyone who is not a client.

Clients and prospective clients may obtain a copy of the entire brochure, free of charge, by visiting our website [www.cumber.com](http://www.cumber.com).

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#### **ITEM 4 – ADVISORY BUSINESS**

Cumberland Advisors is a registered investment advisory firm headquartered in Sarasota, FL. Originally founded in 1973, the firm has clients in approximately 49 states, the District of Columbia, and several foreign countries. Cumberland Advisors is 100% owned by Mid Penn Bancorp.

As of 12/31/25, the firm had assets under management of \$3,217,125,317 billion. This includes fixed income accounts (municipal bond and taxable fixed-income securities) as well as equity accounts. Cumberland Advisors had (i) discretionary assets under management in the amount of \$3,208,374,185 and (ii) nondiscretionary assets under management of \$8,751,132. Our clients include high net worth individuals, institutions, public and corporate retirement plans, corporations, foundations and government entities (direct clients as well as managed money through financial advisors). For most investment styles, our stated minimum “household” investable asset size is \$1,000,000, with account sizes that range up to multi-digit millions.

Cumberland Advisors has numerous investment styles designed to meet the investment needs of a wide variety of clients. Please see **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**, for information on some of these styles.

Cumberland Advisors tailors its advisory services to individual clients’ needs and objectives by having personalized discussions among clients, their consultants, tax advisors, and the assigned portfolio management contact at Cumberland Advisors. Clients may impose cash restrictions and asset allocation restrictions.

Cumberland Advisors provides financial advisory and consulting services to state and local governments and provides advice with respect to investments on a non-managed, non-discretionary basis. This advice is provided through consulting agreements with state and local governmental units for special-purpose funds, including reserves or pension funds. Consulting services are usually provided to individuals or institutions where investment advice is provided to the client and acted upon by the client, rather than at the discretion of Cumberland Advisors.

Cumberland Advisors provides asset management services through both wrap-fee programs and traditional management programs. Wrap-fee programs, which are described in more detail in the applicable disclosure brochures published by their respective sponsors, bundle or “wrap” investment advisory, trade execution and custodial services into a package for which the client pays a single fee to the sponsor based on a percentage of the assets enrolled in the service. Cumberland Advisors does not sponsor a wrap-fee program. In addition, consulting services such as asset allocation and market advice may also be provided by Cumberland Advisors to the wrap client. Program sponsors pay our investment advisory fee. Clients who participate in a wrap fee program should consider whether the program’s fees may exceed the aggregate cost of such services if they were to be provided separately. Clients should take into account the level of the fee charged by the sponsor, the amount of portfolio activity in the account, and the value of the custodial and other services, which are provided under the program.

Cumberland Advisors provides services through traditional management programs for an investment management fee, with transaction services billed separately on a per-transaction basis and custodial services billed by an unaffiliated custodian. From a management perspective, there is no fundamental difference in the way Cumberland Advisors manages wrap-fee accounts versus traditional management accounts. The only significant difference is the way in which transactional and custodial services are paid.

The Firm’s holistic investment management services may include financial planning and consulting services to clients for whom the Firm is managing a customized portfolio. These services are provided to these clients

at no additional fee. Generally, financial planning services involve preparing a financial plan or rendering a specific financial consultation based on the client's financial goals and objectives. This planning or consulting may encompass one or more areas of need, including investment planning, retirement planning, personal savings, education savings, insurance planning, estate planning, tax review and planning, and other areas of a client's financial situation. A financial plan developed for, or financial consultation rendered to, the client will usually include general recommendations for a course of activity or specific actions to be taken by the client. For example, recommendations may be made that the client start or revise investment programs, commence or alter retirement savings, provide guidance on retirement withdrawals, Roth IRA conversions, establish education savings and/or charitable giving programs, review estate planning documents or provide guidance to create estate planning documents.

Financial planning and consulting recommendations can pose conflict between the interests of the Firm and the client. As the Firm charges investment management fees based on the value of the assets under its management, the Firm has a financial incentive to recommend that clients engage the Firm for investment management services or increase the investment assets managed by the Firm. Clients are not obliged to implement any recommendations made by the Firm or maintain an ongoing relationship with the Firm. If the client elects to act on any of the Firm's recommendations, the client is under no obligation to do so through the Firm. Financial plans are based on the client's financial situation at the time we present the financial plan to the client, and on the information provided to us. The client must promptly notify us if his/her financial situation, goals, objectives or needs change. Certain assumptions may be made with respect to interest rates, inflation rates, and use of past trends and performance of the market and economy. Past performance is not indicative of future performance. We cannot offer any guarantees or promises that the client's financial goals will be met. Unless the client has engaged the Firm to provide discretionary investment advisory services pursuant to a financial plan, the client is under no obligation to act upon the Firm's recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to affect the transaction through the Firm.

Although we provide estate planning recommendations, we are not estate planning attorneys or tax accountants. As such, all estate planning documents and legal questions regarding these documents need to be addressed by an attorney licensed to practice in the jurisdiction where the client is domiciled.

## **ITEM 5 – FEES AND COMPENSATION**

### **A. Advisory Fees and Compensation**

#### *Investment Advisory Fees*

Cumberland Advisors charges an advisory fee (the “Advisory Fee”) to its direct investment advisory clients, in accordance with the fee schedules set forth below.

The investment management fees that Cumberland Advisors charges are typically negotiated with each client. Cumberland Advisors takes into account the complexity and type of securities portfolios the client is interested in when considering the amount of fee charged. The fees stated below represent the maximum fee that may be charged for each type of portfolio. The fee that Cumberland Advisors and the client agree upon can be found in the documents in Cumberland Advisors’ client files. Cumberland Advisors also manages money as a subadvisor through other firms’ platforms and programs. The fees charged in these programs can be found in the disclosure documents for each program.

Investment Management Fees:

- Exchange-Traded Fund (ETF) Portfolios – Maximum Annual Fee Charged – 100 basis points (1.00%)
- Balanced Portfolios – Maximum Annual Fee Charged – 75 basis points (0.75%)
- Active/Passive Portfolios – Maximum Annual Fee Charged - 60 basis points (.60%)
- Fixed Income Portfolios- Maximum Annual Fee Charged – 52.5 basis points (.525%)

#### *Model Delivery Fees*

Cumberland Advisors may charge fees for the delivery of portfolio construction and/or buy and sell signals to certain customers or other investment advisors. The fees for this service will be individually negotiated with the other party and will be billed quarterly in advance.

### **B. Payment of Fees**

Investment advisory clients are typically billed in advance for advisory fees on a quarterly basis in the first month of each quarter. Accounts billed in arrears are an exception and determined by custodian rules. Generally, new accounts that are opened during the quarter are billed when released for trading and additional deposits during the quarter generate interim invoices. Accounts that are closed during the quarter generate interim credit invoices or refunds. [Set forth below is additional detail related to Cumberland Advisors’ quarterly billing process]:

#### *Quarterly bills for existing accounts*

There are three types of accounts for billing purposes:

1. Direct-bill accounts – Our Accounting Department uses the fee calculated by the portfolio and client management system, based on the market close on the last day of the prior quarter and increased or decreased for cashflows from prior quarter.
2. Wrap accounts – Custodian bills for Cumberland Advisors’ services and generates a fee report for Cumberland Advisors’ use.
3. Wrap accounts – Cumberland Advisors generates the custodian billing. Accounts are invoiced by Cumberland Advisors, based on the market value of the account on the last day of the prior quarter. The Accounting Department prepares a report of fees that is uploaded to the custodian.

Based on billing instructions for each, custodians will be notified of amounts owed by email or uploaded to the custodian to process for payment. With the exception of direct bill accounts, fees are posted in our portfolio management system and internal accounting system when they are deducted from client accounts by the custodian and copies of all direct-bill invoices will be electronically stored.

Debit reports are generated in a portfolio and client management system for Wrap accounts, by custodian. Fees are posted to Cumberland Advisors' accounting system when custodian reports are received. In cases where the custodian reports are not received in a timely manner, Cumberland Advisors will estimate the amount to be received, based on prior quarter-ending market value, and will post the estimate to our internal accounting system until the actual fee report is received, at which time the accounts will be adjusted in the accounting system. A copy of all debit reports will be electronically stored.

#### *New accounts opened during the billing period*

The Accounting Department will determine if the new account needs to be direct-billed. If the account is a direct-bill account for which Cumberland Advisors generates an invoice, the Accounting Department will calculate a prorated fee. Direct-bill clients will receive an invoice for the fee amount to be paid. Invoices are due upon receipt. If the account is a wrap account for which Cumberland Advisors calculates the fee, debit reports will be sent to the custodian, and the fee amount will be paid directly from the clients' account. Invoices are due upon receipt.

Fees for new direct bill accounts or wrap accounts for which Cumberland Advisors generates an invoice will be posted to a portfolio and client management system, our accounting system, and a copy will be stored electronically. Charges for wrap accounts for which the custodian calculates Cumberland Advisors' fee, will be posted in Cumberland Advisors' portfolio and client management system when the fee is deducted from the account. Wrap accounts that open in the current quarter may not be changed until the following quarter, depending on custodian rules. Any debit reports received or generated for wrap accounts will be stored electronically.

#### *Additional deposits to an account during the billing quarter*

There will be additional fees charged on all contributions of cash or equivalent value of "in kind" securities when the contribution is made to the portfolio, pro-rated through the end of the quarter. The fee will be included with the next quarterly billing. If it is determined that an interim fee is required, an invoice will be generated in the portfolio and client management system and recorded in Cumberland Advisors' accounting system, and a copy of the invoice will be stored electronically. Fees on wrap accounts for which the custodian generates the charges will be posted in the portfolio management system when the fee is deducted from the clients' account.

#### *Withdrawals to an account during the billing quarter*

On direct-bill and Wrap accounts for which Cumberland Advisors generates the invoice, there will be credits issued on withdrawals of cash or equivalent market value of "in kind" securities at the end of the withdrawal month, pro-rated through the end of the quarter. If it is determined that a credit is required, an invoice will be generated in the portfolio and client management system and the fee will be applied against any outstanding balance in the client account and will be posted to the portfolio management system and our accounting system. This will be a cash flow adjustment that will be applied against the next quarterly billing. If there is no outstanding balance remaining, the fee amount will be refunded to the client, or to the client's transferred account. On Wrap accounts that the custodian bills, withdrawal refunds on Cumberland Advisors' fees are determined by custodian rules.

#### *Accounts that close during the billing quarter*

When notice is received by email from the Operations Department that a direct-bill or Wrap account for which Cumberland Advisors generates the invoice is closing, the Accounting Department or portfolio management system will calculate a prorated interim credit of prepaid fees for the period from the date of termination through the end of the then-current quarter based on the number of days remaining in that quarter. Interim credits will be posted in the portfolio and client management system and our accounting system and a copy of the credit invoice will be stored electronically. Accounts that are paid in full but have an outstanding credit balance will be refunded by Cumberland Advisors within approximately 45 days of closing. In Wrap accounts that the custodian bills, closed account refunds on Cumberland Advisors' fees are determined by the custodian's rules.

### **C. Additional Fees and Expenses**

In addition to the Advisory Fees paid to Cumberland Advisors, investment advisory clients will sign separate agreements with an unaffiliated custodian and pay a fee for their custodial services to that custodian. These fees may include an account set-up fee, an annual basic fee, and early closure fee, in addition to the basic quarterly fee charged by the custodian. Additional fees and expenses that may be charged to investment advisory clients include the following:

- As part of our investment advisory services to you, we invest, or recommend that you invest, in 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 exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses.
- Clients investing in Exchanged Traded Funds (ETFs) securities will pay a commission per share to the broker executing these trades. See Item 12, Brokerage Practices.
- In connection with fixed-income transactions within the Program, trades are generally executed on a principal basis. In these cases, the price of the security will include a mark-up (when purchased) or mark-down (when sold) representing the difference between the dealer's inventory cost and the price offered to the client. This spread is compensation to the executing broker-dealer for sourcing inventory and providing liquidity.
- None of these amounts constitute advisory compensation, and the Firm does not receive any portion of the mark-ups, mark-downs, or dealer spreads. These implicit transaction costs are separate from, and in addition to, the Program wrap fee.

### **D. Termination**

Investment advisory clients are typically billed in advance for fees incurred on a quarterly basis in the first month of each quarter. The client may terminate the investment contract with Cumberland Advisors at any time, by telephone followed by a written notice. In the event of termination by the client, and upon a written request from the client, prepaid fees for the current quarter will be refunded on a prorated basis.

**ITEM 6 – PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT**

Cumberland Advisors does not charge its client's performance-based fees. (i.e. fees based on a share of capital gains or capital appreciation of the assets of a client). Side by Side Management is not applicable to Cumberland Advisors.

## **ITEM 7 – TYPES OF CLIENTS AND MINIMUM ACCOUNT SIZE**

Our clients include high net worth individuals, institutions, investment companies, public and corporate retirement plans, corporations, foundations and government entities (direct clients as well as managed money through financial advisors).

### **Non-Profit Organizations**

Our investment professionals can use a blend of 13 investment styles to reflect the short and long-range financial goals of an organization. The portfolio is rebalanced when necessary to maintain target asset allocations and adhere to any restrictions that the client may have requested to be imposed on the account.

Generally, Cumberland Advisors requires a minimum “household” investable asset size of \$1,000,000; however, Cumberland Advisors reserves the right to waive the minimum account or to impose a higher minimum. Minimum account sizes are as follows:

Fixed Income Investment Styles: \$250,000

Equity and Balanced Investment Styles: \$250,000

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

### **Firm Philosophy, Method of Analysis, and Investment Strategies**

Cumberland Advisors seeks to manage risk as well as return. We strive to offset the erosion of financial assets by inflation, and to realize appreciation so that the real value of assets is maintained. We construct portfolios of bonds, stocks, or both. Investing in securities involves a risk of loss that clients should be prepared to bear.

Cumberland Advisors' portfolio managers work as a team to develop investment strategies. Each client works primarily with one investment advisor representative.

Cumberland Advisors' portfolios reflect our clients' varying needs. Some clients are families with assets to be conserved and enhanced. Some are institutions seeking prudent supervision for retirement, endowment, or cash management. The objectives range from growth-oriented total return to current income.

We offer our investment management services to individuals and institutions either directly or through certain financial institutions and advisors (wrap accounts). We focus on preservation and prudent growth and income. We have multiple portfolio strategies to help do this.

All of our portfolio styles are in separately managed accounts only. This means that Cumberland Advisors does not manage a pooled investment vehicle where clients own “part” of the invested whole. Rather, our main strategies (known as portfolio styles) use individual bonds and investment funds to construct individual accounts based on specific objectives. Our main portfolio styles are:

- Tax-Free Municipal Bonds
- Taxable Bonds
- Market-Based Exchange-Traded Funds (ETFs) – US/ International/Global/Tactical Trend Allocation
- Balanced

### **Core Concepts**

Since its founding in 1973, Cumberland Advisors' investment strategy has been based upon the following critical economic concepts:

- *The value of stocks and bonds is linked to interest rates.*
- *The nominal interest rate has three “arts” a “real” interest rate, an expectation of inflation, and a risk premium.*
- *Opportunities in the markets are present at all times, especially in the midst of euphoria or hysteria.*

### **Fixed-Income Risks:**

Investing in any securities involves a risk of loss that the investor should be prepared to bear. Bonds have the following known risks:

- *Credit:* Creditworthiness of issuers impacts ability to pay.
- *Default:* Due to poor revenue, management failure, or fraud.
- *Interest rate:* Rising inflation erodes real value of the bonds.
- *Liquidity Risk:* Impacts the ability to move out of a security while actively rebalancing portfolio durations to meet strategy adjustments.

Notes:

*High Investment-Grade Bias:* We specialize in seeking high-quality, investment-grade bonds for individual client accounts. The client owns specific bonds, chosen to satisfy the client account's specific requirements, usually with revenue-generating and general obligation (GO) properties. We employ our own proprietary rating system and analysts to determine suitability of bonds for our conservative portfolios.

*Active Bond Management:* We actively manage the individual portfolios through the entire business cycle, lengthening or shortening durations, maturities, and features based on our market outlook. We do not construct laddered portfolios.

### **General Exchange-Traded Fund (ETF) Risks:**

Investing in equity securities involves a risk of loss that the investor should be prepared to bear. Except for the Tactical Trend Allocation style, we use exchange-traded funds (ETFs) exclusively for our separately managed accounts equity accounts.

Relative to mutual funds, ETFs are more transparent, trade efficiently throughout the day on stock exchanges, have better tax scenarios, give pure market access to global markets and asset classes, and are significantly less expensive overall. ETFs have the following risks:

- *Transaction costs:* Can erase or erode gains.
- *Lack of liquidity:* New or non-supported funds can raise bid/ask spread costs and impede quick exits.
- *Fund closure:* ETF sponsor can close a fund (inconvenient).
- *Trading intricacy:* Due to market exchange mechanism, trading can be more complex.
- *Rebalancing:* Due to the rebalancing strategy used for ETF strategies, positions may be sold or closed in the very short term (within 30 days). Also, the same security may be bought for some accounts, while being sold for others. This may result in increased commissions for some clients. This rebalancing strategy does not take into consideration any tax implications that may result from this type of trading.

### **General Exchange-Traded Notes (ETNs) Risks:**

ETNs are different. Instead of being an independent pool of securities, an ETN is a bond issued by a financial institution. That company promises to pay ETN holders the return on some index over a certain period of time and return the principal of the investment at maturity. However, if something happens to that company (such as bankruptcy) and it's unable to make good on its promise to pay, ETN holders could be left with a worthless investment (just like anyone else who had lent the company money).

- *Credit Risk.* ETNs are unsecured debt obligations of the issuer.
- *Market Risk.* As an index's value changes with market forces, so will the value of the ETN in general. This can result in a loss of principal to investors.
- *Liquidity Risk.* Although ETNs are exchange-traded, the trading market may not develop.
- *Price-Tracking Risk.* Investors should be wary of buying at a price that varies significantly from closing and intraday indicative values.
- *Holding-Period Risk.* Some leveraged, inverse and inverse leveraged ETNs, are designed to be short-term trading tools, and the performance of these products over long periods can differ significantly from the stated multiple of the performance (or inverse of the performance) of the underlying index or benchmark during the same period.  
*Call, Early Redemption and Acceleration Risk.* Some ETNs are callable at the issuer's discretion.

- *Conflicts of Interest.* The issuer of the notes may engage in trading activities that are at odds with investors who hold the notes (shorting strategies, for instance).

### **Cash Management in Accounts**

We use cash as a strategic asset in tactically managing equity portfolios. As market uncertainty increases, we will raise cash levels by degrees in the accounts. A 30-50% cash level is an extreme position, signifying that we are significantly cautious about current market prospects. We are unlikely to raise cash levels beyond 50%, even in our most cautious market view. Most cash positions range from fully invested (0% cash) to 25% cash.

## **FIXED INCOME STRATEGIES**

**TOTAL RETURN MUNICIPAL; SHORT-TERM MUNICIPAL INCOME; INTERMEDIATE MUNICIPAL INCOME; LONG-TERM MUNICIPAL INCOME; TOTAL RETURN GOV/CREDIT; SHORT-TERM GOV/CREDIT; INTERMEDIATE GOV/CREDIT; LONG-TERM GOV/CREDIT**

### **TOTAL RETURN MUNICIPAL STYLE**

#### **Description**

We construct municipal bond portfolios for individual clients based on each investor's specific requirements. The style is suitable for clients who benefit from the tax-free nature of municipal bonds. We emphasize investment-grade bonds coupled with active management through the full interest-rate cycle. Bonds that have revenue streams against them (such as water, utility, sewer, and toll-road) are preferred. Due to the large size of our tax-free municipal bond practice, we can purchase large bond lot sizes at aggressive prices and pass the advantage through to individual accounts.

#### **Method of Analysis and Investment Strategy**

The investment decisions for the Total Return Municipal Portfolio Style bring together Cumberland Advisors' investment strategy for the macro-economic environment applied to a portfolio of actively managed municipal bonds.

- Individual client account objectives govern investment procedures.
- Portfolios are managed over the full interest-rate cycle, taking advantage of opportunities in market fluctuations.
- We take an active approach to maturities and duration while managing market changes as well as shifts in credit values.
- Trading frequency in each account varies widely based on market outlook. A properly constructed account may not need daily or monthly adjustments, but maturity and market changes may prompt trading.
- We seek to employ the account's funds in suitable bonds most of the time. Cash that is not employed does not generate value for the client.

#### **Risk of Loss**

Investing in any securities involves a risk of loss that the investor should be prepared to bear. Bonds have the following known risks:

- *Credit:* Creditworthiness of issuers impacts ability to pay.
- *Default:* Due to poor revenue, management failure, or fraud.
- *Interest rate:* Rising inflation erodes real value of the bonds.

- *Liquidity Risk*: Impacts the ability to move out of a security while actively rebalancing portfolio durations to meet strategy adjustments.

We seek to manage these risks by:

- Specializing in high-quality, investment-grade bonds as the investable universe
- Emphasizing revenue-based bonds as well as general-obligation credits
- Monitoring the portfolio bond issues to detect potential risks that could indicate a potential for default
- Studying closely monetary policy that impacts interest rates

### **SHORT-TERM MUNICIPAL INCOME STYLE**

Managed as per the Total Return Municipal style with the following exceptions:

- Bonds have a maturity of 6 years or less at purchase
- Emphasis on generating cash flow over total return

### **INTERMEDIATE MUNICIPAL INCOME STYLE**

Managed as per the Total Return Municipal style with the following exceptions:

- Bonds have a maturity that does not exceed 16 years at purchase
- Emphasis on generating cash flow over total return

### **LONG-TERM MUNICIPAL INCOME STYLE**

Managed as per the Total Return Municipal style with the following exceptions:

- Bonds have a remaining maturity of 15 years or more at purchase
- Emphasis on generating cash flow over total return

### **TOTAL RETURN GOV/CREDIT STYLE**

#### **Description**

We construct taxable bond portfolios for individual clients and institutions. We emphasize high-quality bonds coupled with active management throughout the full interest-rate cycle. We actively manage bonds by constantly monitoring both bond and stock markets and rebalancing client portfolios as needed in times of fluctuation. We extend or reduce duration when we see compelling opportunities. We look to exit markets in periods of euphoria and enter markets in periods of hysteria. We emphasize long-lasting relationships and continuous dialogue among clients, their consultants, tax advisors, accountants, and estate planners.

#### **Method of Analysis and Investment Strategy**

The investment decisions for the Taxable Bond Portfolio Style bring together Cumberland Advisors' investment strategy for the global markets with actively managed taxable bonds. We believe that value is realized by holding bonds for the proper duration in a given interest-rate environment. We think it is unwise to limit opportunities based on narrowly defined bond portfolio parameters. Consequently, Cumberland Advisors has developed expertise in identifying and managing bond portfolios throughout the complete interest-rate cycle while considering credits, relative yields, and durations.

## **Cumberland Advisors Taxable Fixed-Income Universe**

To accomplish duration exposure objectives in the portfolio, we assess the relative attractiveness of spreads between the following alternatives.

- U.S. Treasury bonds
- Federal agency debt
- Taxable municipal bonds
- Investment-grade corporate bonds
- Preferred Exchange Traded Funds

Niche bonds, such as taxable municipals, add value to portfolios by providing unique cash-flow characteristics, inefficient pricing opportunities, and high credit quality. Preferred exchange traded funds may also be used.

### **Risk of Loss**

Investing in any securities involves a risk of loss that the investor should be prepared to bear. Bonds have the following known risks:

- *Credit*: Creditworthiness of issuers impacts ability to pay
- *Default*: Due to poor revenue, management failure, or fraud
- *Liquidity Risk*: Impacts the ability to move out of a security while actively rebalancing portfolio durations to meet strategy adjustments
- *Interest rate*: Rising inflation erodes the real value of the bonds

We seek to manage these risks by:

- Restrict purchases to high-quality, investment-grade bonds as the investable universe
- Selecting taxable bonds by relative attractiveness to other types of taxable fixed-income securities
- Monitoring the portfolio bond issues to detect potential risks that could indicate a potential for default
- Closely monitoring monetary policy that impacts interest rates

### **SHORT-TERM GOV/CREDIT**

Managed as per the Total Return Municipal style with the following exceptions:

- Bonds have a maturity of 6 years or less at purchase
- Emphasis on generating cash flow over total return

### **INTERMEDIATE GOV/CREDIT**

Managed as per the Total Return Municipal style with the following exceptions:

- Bonds have a remaining maturity that does not exceed 11 years at purchase
- Emphasis on generating cash flow over total return

## **LONG-TERM GOV/CREDIT**

Managed as per the Total Return Municipal style with the following exceptions:

- Emphasis on generating cash flow over total return
- Bonds have a remaining maturity greater than 15 years.

## **MARKET-BASED EXCHANGE TRADED FUND STRATEGIES**

### **U.S. EQUITY ETF; U. S. CORE ETF; INTERNATIONAL EQUITY ETF; GLOBAL EQUITY ETF STYLES**

#### **Description**

Cumberland Advisors' market-based equity portfolio styles offer clients and institutions one single investment account that holds multiple exchange-traded funds (ETFs) and provides highly diversified regional investment options. Broader market diversification provides market exposure as well as risk reduction, decreasing risk that any individual stock may carry in a portfolio.

#### **Method of Analysis and Investment Strategies**

The firm takes a top-down macroeconomic perspective to assess relative attractiveness among markets, sectors, regions, and asset classes. Exchange-traded funds (ETFs) allow for the implementation of Cumberland Advisors' macroeconomic and sector-specific judgments through a single investment vehicle. Multiple ETFs can then be tactically adjusted as Cumberland Advisors evaluates current market opportunities and risks.

#### **Cumberland Advisors' Equities Management Philosophy:**

- *Risk management* is as important as return management.
- *Asset-allocation* techniques help stabilize returns and reduce risk.
- *Macroeconomic factors* and fundamentals drive asset-class returns.
- *Portfolio managers* add value by size, sector, subsector, style, region, and country choices, and NOT through individual stock picking.
- ETFs provide a flexible, efficient, and low-cost implementation method.

#### **Crafting the Portfolios**

Managed ETF portfolios provide active management of investments in a core and satellite approach. Broad based, diversified ETFs form the core, while country, region, sector, subsector, and style ETFs form the satellites. These strategies provide diversification, low cost, and tax efficiency. They also control strategic sector, style, industry, country, and region exposure, with limited "style drift." ETFs are chosen based on liquidity, sponsor support, and cost. The core positions usually consist of 3-8 broad-based diversified ETFs, while the satellite positions usually consist of 7-20 countries, regions, sectors, subsectors and/or style ETFs.

*Examples of Exchange-Traded Funds by Category*

<b>Size (Market Cap.)</b>	Large-cap, Mid-cap, Small-cap funds
<b>Sector (Industry)</b>	Finance, Technology, Health Care
<b>Sub-sector (Industry)</b>	Semiconductors, Drugs, Homebuilders
<b>Style</b>	Growth, Value
<b>Multi-Country</b>	Advanced Economies, Euro Zone, Emerging Markets
<b>Country</b>	U.S., Germany, U.K., Japan, China, Chile, etc.

### Managing the Portfolio

Cumberland Advisors' investment team continually monitors and analyzes economic and financial-market developments, together with the performance of assets in the portfolio. Model weights and ETF selections are made for core and satellite positions, and then tactically adjusted and rebalanced to each account based on strategy changes and market developments.

Non-US Exchange Traded Funds may be used in the US ETF style. These would technically be global ETFs but with a large part of the holdings held in the US and the ETF would be incorporated and trade in the US. This type of security provides exposure to foreign sectors that are not necessarily available in US Exchange traded Funds.

### Exchange-Traded Fund Portfolio Risks

Investing in equity securities involves a risk of loss that the investor should be prepared to bear. We predominantly use exchange-traded funds (ETFs) for our separately managed accounts equity practice. Relative to mutual funds, ETFs tend to: be transparent, be traded throughout the day on stock exchanges, have different tax implications than mutual funds, potentially be less expensive for the investor own. ETFs have the following risks:

- *Transaction costs:* Can erase or erode gains. Need monitoring.
- *Lack of liquidity:* New or non-supported funds can raise bid/ask spread costs and impede quick exits.
- *Fund closure:* ETF sponsor can close the fund (inconvenient).
- *Trading intricacy:* Due to market exchange mechanism, trading can be more complex.
- *Rebalancing:* Due to the rebalancing strategy used for ETF strategies, positions may be sold or closed in a very short time frame (within 30 days). Also, the same security may be bought for some accounts, while being sold for others. This may result in increased commissions for some clients. This rebalancing strategy does not take into consideration any tax implications that may result from this type of trading.

### Cash Management in Accounts

We use cash as a strategic asset in tactically managing equity portfolios. As market uncertainty increases, we will raise cash levels by degrees in the accounts. A 30-50% cash level is an extreme position, signifying that we are significantly cautious about current market prospects. Most cash positions range from fully invested (0% cash) to 25% cash.

## **TACTICAL TREND STYLE**

### Description

The primary objective of this style is to generate investment appreciation through the tactical asset allocation of capital. The asset allocation will be at Cumberland Advisors' discretion.

### **Method of Analysis and Investment Strategies**

The strategy utilizes trend following, relative strength, and price research to identify favorable investment opportunities across six general asset classes: domestic equities, international equities, fixed-income, commodities, currencies and cash. The strategy may include short or inverse positions when deemed appropriate for downside risk protection in the portfolio. The exposure levels to the six primary asset classes identified above can range from 0% - 100%. Short or inverse exposure will generally not exceed an allocation of 30%.

### **Managing the Portfolio**

The strategy will mainly include exchange-traded funds (including commodity and currency ETFs). Exchange-traded notes (ETNs) can also be used if deemed appropriate. The portfolio may also include any individual equity, fixed-income security (including Treasury bills), or money market instruments when the individual security is advantageous versus the exchange-traded products that are available. Any one exchange-traded product security will not exceed 25% of the total portfolio at the time of initial purchase. Positions may subsequently exceed the 25% threshold due to market appreciation. When positions are held in individual stocks or bonds, no individual stock or bond instrument will exceed 10% of the portfolio at the time of initial purchase. Positions may subsequently exceed the 10% threshold due to market appreciation. Cash that has not been invested yet will be held in a money market instrument until required for the purchase of securities.

The methods of analysis fall within the general framework of technical analysis, specifically the use of trend analysis, relative strength and momentum tools. The investment goal is to achieve price appreciation by monitoring the supply and demand of specific ETFs over various market periods. Turnover in the account could range from extremely low to excessively high depending on market conditions. However, the fundamentals of trend analysis and momentum investing include finding entry points for emergent trends and then sticking with the successful trades. In such conditions turnover in the account would remain quite low. Both short-term and long-term capital gains will be generated in the portfolio style. The portfolio style follows a multi-asset framework which allows the manager to invest in multiple asset classes depending on risk/reward opportunities and potential returns.

### **U.S. BALANCED GOV/CREDIT; U.S. BALANCED MUNICIPAL**

#### **Description**

These strategies blend a 60%/40% ratio of the U.S. Equity ETF portfolio with either the Total Return Gov/Credit (taxable), or the Total Return Municipal styles.

### **ACTIVE GOV/CREDIT/TAXABLE BONDS/PASSIVE EQUITY; ACTIVE MUNICIPAL/PASSIVE ETF STYLE**

#### **Description**

The diversified portfolio objective is to have long-term capital gains, low turnover, high risk-adjusted returns, and low fees. This portfolio style suits investors or institutions that understand the value of active bond management and want to avoid exposure to bond mutual funds or other pooled fixed-income investments. This portfolio style may also be suitable for investors who (for tax or philosophical reasons) want to pursue almost exclusively transactions that generate long-term capital gains for the equity portion of the investments.

### **Method of Analysis and Investment Strategies**

- Follows Modern Portfolio Theory assumptions (60% Equity/40% Fixed Income) in Buy/Hold/Rebalance management style.
- Offers active bond management and passive equity exposure. Passive exchange-traded funds (ETFs) are used for equity exposure. Individually selected and actively managed, high credit quality bonds are employed for fixed income exposure.

### **Managing the Portfolio**

Individual bonds are purchased to be held in the account according to the overall investment strategy of the portfolio management team's judgment. The bonds are investment grade securities managed in a total return manner to maximize value over the full interest rate cycle. The bond portion of the account is actively managed although the actual turnover in the bonds will be low. The bonds may be either taxable or tax-free depending on the

The equity portion of the account contains two broad-based exchange-traded funds that efficiently give the investor passive access to a majority of the US equity market. Forty-two (42%) percent of the portfolio contains the exchange-traded fund SPY, the S&P 500 ETF. The remaining eighteen percent (18%) of the portfolio contains the exchange-traded fund MDY, the mid-cap ETF contains the next 400 stocks beyond the S&P 500 companies.

The accounts are reviewed quarterly and are rebalanced back to the original percentage when the mix between equities and bonds vary significantly from the 60/40 mandate.

**ITEM 9 – DISCIPLINARY INFORMATION**

There is no disciplinary information to report.

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

### **A. Broker-Dealer Registration Status**

Neither Cumberland Advisors nor any of its management persons is registered, or have an application to register, as a broker-dealer or a registered representative of a broker-dealer.

### **B. Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Adviser Registration Status**

Neither Cumberland Advisors nor any of its management persons is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing entities.

### **C. Material Relationships or Arrangements with Related Parties which are Industry Participants**

Neither Cumberland Advisors nor any of its management persons has any relationship or arrangement that is material to its advisory business or to its clients with any related person who is a broker-dealer, municipal securities dealer, or government securities dealer or broker; investment company or other pooled investment vehicle (including a mutual fund, close-end investment company, unit investment trust, private investment company or “hedge fund” and offshore fund); other investment adviser or financial planner; futures commission merchant, commodity pool operator, or commodity trading adviser; banking or thrift institution; accountant or accounting firm; lawyer or law firm, insurance company or agency; pension consultant; real estate broker or dealer; or sponsor or syndicator of limited partnerships.

### **D. Material Conflicts of Interest Relating to Other Investment Advisers**

Cumberland does not recommend or select other investment advisers for its clients.

### **E. Miscellaneous**

Cumberland Advisors makes charitable contributions or underwrites or sponsors charitable events at the request of others. Such contributions generate a conflict to the extent that they create an incentive for the recipient or beneficiary of the payment to use, recommend or include Cumberland Advisors in a preferred list of advisors or refer clients to Cumberland Advisors. Contributions are subject to Cumberland Advisors’ internal review and approval procedures.

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

### **Code of Ethics**

Cumberland Advisors has adopted a Code of Ethics that covers personal securities transactions by its employees and associated persons. The Code of Ethics also describes Cumberland Advisors' standards of business conduct, compliance with federal securities laws, and Cumberland Advisors' fiduciary duty to its clients. A copy of our Code of Ethics is available, free of charge, to any client or prospective client upon request by calling 800-257-7013.

While Cumberland Advisors believes that the individual investment activities of its employees and associated persons should be encouraged, it seeks to avoid conflicts of interest (or even the appearance of conflicts) surrounding the advisory services it provides to its clients and the personal investments of its employees. Pursuant to the Code of Ethics, certain restrictions apply to the investment activities of persons associated with Cumberland Advisors. In general, in any situation where the potential for a conflict exists, transactions for clients must take precedence over personal transactions of such employees. Should any situation arise which is not specifically governed by this Code of Ethics, this general intent shall govern the resolution of the matter.

Both employees of Cumberland Advisors and the firm's proprietary account may invest in the same securities as those in clients' managed accounts. This may present a conflict of interest, in that Cumberland Advisors or its employees may obtain a better execution on a trade than a managed client. In order to address this potential conflict, Cumberland Advisors has the following rules in effect.

1. All employees must request and receive approval prior to any trading being done in their non-managed personal securities accounts.
2. **Employee Equity Trades**  
The Portfolio Manager of each style is responsible for the frequency and selection of securities traded in each portfolio. Some securities may be simultaneously traded by different portfolio managers in several different styles. Employee trades may be completed the same day as Managed Account trading as long as all Managed account trading in the particular style has been completed. This may result in employee trades completed in "XYZ" security in Global ETF (or other style) accounts being executed the day before trades for "XYZ" are completed in a Managed account in the Tactical Trend or other styles.
3. **Employee Fixed Income Trades**  
Employee and Cumberland Advisors proprietary account fixed-income trade orders may be included with or traded on the same day as fixed-income trade orders in the same securities that are traded for managed accounts. If a fixed-income trade order is not completely filled, the employee and/or Cumberland Advisors proprietary account trade orders will be the first orders dropped out of the allocation procedure. One or more ERISA Accounts may be dropped based upon the parameters described herein. Each ERISA Account will be evaluated based upon the actual duration of the account in comparison to the [target] duration selected by the plan's fiduciary. An ERISA Account will have priority over another ERISA Account to the extent that is further from its target duration from the other ERISA Accounts.
4. There is no blackout period or prior approval needed when employee or Cumberland Advisors' proprietary accounts trade mutual funds.

## **ITEM 12 – BROKERAGE PRACTICES**

### **A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions**

When choosing a broker to execute a trade for a client's account, Cumberland Advisors seeks to obtain the best execution for the client while taking the following into consideration: the price at which the trade will be executed, cost of effecting the transaction, the ease and speed of execution, the reliability of the broker through past experience, and the ability to work a large order without negatively affecting the market. In the case of fixed-income securities, we may also consider whether the broker provides Cumberland with liquidity and competitive pricing on smaller lots of bonds, and who the lead manager is on a new issue.

1. Research and other Soft Dollar Benefits - Subject to its general policy of seeking quality execution at reasonably competitive rates, and unless instructed by a client to use a particular broker dealer(s), Cumberland Advisors may execute transactions for any account through broker-dealers including trades that include commissions received from riskless principal transactions eligible for soft dollar credits under Section 28(e) of the Securities Exchange Act of 1934, as amended ("the 1934 Act") and the allocation of principal business and portfolio brokerage and the acquisition of securities in underwritings. A portion of the commission paid by the client will be used to provide Cumberland Advisors with research and other services designed to assist in the furnishing of investment advice to its client accounts.

When client brokerage commissions are used to obtain research or other products or services, Cumberland Advisors receives a benefit, because we do not have to pay for these services directly. This could provide an incentive for Cumberland Advisors to select a broker-dealer based on our interest in receiving the research or other products or services, rather than on the best interest of our client in receiving the most favorable execution. Commissions (or markups or markdowns) charged by brokers providing soft-dollar services may be higher than those charged by brokers not providing these services.

Soft dollar services are used to benefit all of our client accounts. Services are not allocated proportionately to the soft dollar credits each account generates. Receipt of these services, in exchange for soft dollars, benefits Cumberland Advisors by, among other things, allowing Cumberland Advisors to (i) supplement its own research and analysis activities and (ii) receive the views and information of individuals and research staff of other securities firms having special expertise on certain companies, industries, areas of the economy and market factors without having to produce or pay directly for such research, products or services.

Research services provided by brokers may include information on the economy, industries, groups of securities, individual companies, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio holdings, technical market action, pricing and appraisal services, credit analysis, measurements analysis, performance analysis and analysis of corporate responsibility issues. Such research services are received primarily in the form of written reports, access to various computer-generated data and research software.

We also execute trades through brokers that provide proprietary economic and fixed-income market research material but for which we do not have written soft dollar agreements.

2. Convergex provides electronic connectivity with our order management system. The connectivity gives Cumberland a portal by which we are able to enter orders with direct access to the market. Orders are executed quickly and efficiently. In some cases, where entering a large order all at once would negatively affect the market, we have the ability to work larger orders in pieces in an efficient manner. Convergex also has the ability to create a basket of illiquid ETFs. When necessary, in trading an illiquid security, Convergex can combine direct and wrap accounts. This allows the system to execute transactions in both account types at the same price. Wrap account transactions would be done as step-outs in this situation and not charged any commission fees.

3. Brokerage for client referrals – not applicable

4. Directed brokerage – In some cases, a client may be allowed to direct trades to a particular broker. This is determined on a case-by-case basis. When a client directs Cumberland to use a specific broker for executing a securities transaction, Cumberland may be unable to achieve the most favorable execution of the client's transaction. For example, we may not be able to aggregate trades with other accounts, which could result in higher transaction costs for the client.

5. Cumberland serves as a portfolio manager in several wrap-fee programs. These wrap fee programs are arrangements in which investment advisory services, brokerage execution services and custody are provided by a sponsor for a single predetermined "wrap" fee (regardless of the number of trades completed by a client) Generally, clients participating in a wrap-fee program ("Wrap Program Clients") pay this single, all-inclusive fee quarterly to the program sponsor, based on the net assets under management. Cumberland receives from the program sponsor a portion of the wrap fee for the portfolio management services it provides. Each program sponsor has prepared a brochure which contains detailed information about its wrap-fee program, including the wrap fee charged. Copies of each brochure are available from the program sponsor upon request. Wrap Program Clients should note that we may execute transactions for their accounts through the wrap sponsor if directed by the client or wrap sponsor. Transactions executed through a wrap sponsor may be less favorable in some respects than Cumberland's clients whose trades are not executed through the wrap sponsor. This is because we may not have the ability to negotiate price or take advantage of combined orders or volume discounts. Cumberland may be constrained in obtaining best execution for Wrap Program Clients by sending trades to the wrap program sponsor.

## **B. Order Aggregation**

When executing client transactions trades may be bunched (or aggregated) with other clients' trades. This increases the average size of orders to brokers and can result in a better execution. Small odd-lot-sized trades can result in a negative price difference to the client.

## **C. Services provided by Schwab Advisor Services**

Schwab makes available to us products and services that may benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. Schwab makes available software and other technology that:

- Provides access to client account data,
- Facilitates trade execution and order processing,
- Facilitates payment of our fees from our clients' accounts, and
- Assists with back-office functions, recordkeeping and reporting.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events,
- Technology, compliance, legal, and business consulting, and
- Publications and conferences on practice management and business succession. Schwab may discount or waive fees for some of these services or pay all or part of a third party's fees.

**D. Non-cash compensation**

From time to time, custodians and other investment advisors with which Cumberland Advisors has a relationship will invite Cumberland Advisors personnel to education and training meetings that are primarily focused on current industry topics and issues. We find these meetings valuable in assisting us in keeping up on current industry issues. Cumberland Advisors personnel may be offered complimentary admission to these events creating a non-cash compensation issue and a possible conflict of interest. Cumberland Advisors has created supervisory policies and procedures to ensure that participation in these meetings is valuable to the firm and performed within industry guidelines.

**E. Handling of Trade Errors**

It is Cumberland's policy to ensure trading errors are handled and corrected in a timely manner in the best interest of the client affected by the error. When Cumberland, or a Cumberland Financial Professional, causes a trade error to occur in a client account that results in a loss, Cumberland works with the relevant broker-dealer or custodian in order to reimburse any costs paid by the client, and make whole the client transaction as it should have originally taken place/or not taken place. If correcting the trade error results in a gain to Cumberland, Cumberland will keep that gain to offset future losses during the year. The retained gain is not shared with the Financial Professional or account owners and any net positive balance at the end of the year will be donated to a non-profit or charity. This situation would result in a benefit to Cumberland as we will receive a tax deduction for the gift.

All trade errors should be corrected within a reasonable period of time following the discovery of the error. Cumberland will not use commissions from client accounts to correct trade errors. It is the policy of Cumberland that Financial Professionals are not permitted to make payments to clients or to client accounts.

## **ITEM 13 – REVIEW OF ACCOUNTS**

### **A. Frequency and Nature of Review of Client Accounts or Financial Plans**

All direct client accounts are reviewed quarterly by the investment adviser representative with staff assistance or client service representative assigned to such accounts. The investment advisory representative may also be the portfolio manager assigned to the account. Such representatives typically review the account to confirm that the account is invested according to its investment policy. Accounts are also reviewed on a random basis by the Compliance Department to confirm that the account is invested properly.

### **B. Factors Prompting Review of Client Accounts Other than a Periodic Review**

Client accounts are also reviewed on a non-periodic basis, specifically when investments with respect to such accounts are being bought or sold. In addition, clients may request a review of their accounts by the portfolio manager assigned to their account at any time. Accounts are also reviewed on a random basis by Cumberland Advisors' Compliance Department to determine/confirm whether accounts are invested properly.

### **C. Content and Frequency of Account Reports to Clients**

Custodians will provide quarterly and/or monthly statements to clients. Cumberland Advisors may provide written quarterly reports regarding their accounts. These reports include the previous and current market value of the account and the performance of such accounts for the period in question. In addition, the reports list the assets that comprise the account and their respective market values. Clients may also request additional reports from Cumberland Advisors including confirms, gain and loss reports, and customized reports.

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

### **A. Economic Benefit for Providing Services to Clients**

Cumberland Advisors does not receive any economic benefits from anyone other than its clients.

### **B. Compensation to Non-Supervised Persons for Client Referrals**

Cumberland Advisors has no agreements in place to pay a percentage of the annual investment advisory fee charged to clients on accounts that were introduced to Cumberland Advisors by such promoter.

## **ITEM 15 – CUSTODY**

Cumberland Advisors does not have physical custody of client assets. All clients sign a separate custodial services agreement with a qualified custodian of their choice. Cumberland shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Cumberland may also provide a written periodic report summarizing account activity and performance. The client is urged to compare any statement or report provided by Cumberland with the account statements received from the account custodian. The custodian does not verify the accuracy of Cumberland's advisory fee calculation.

## **ITEM 16 – DISCRETION**

When opening an account, Cumberland Advisors asks each direct or dual contract client to sign a limited power of attorney that gives Cumberland Advisors discretion over the management of the account, subject to the investment parameters designated by the client and Cumberland Advisors to meet the client's investment objectives. In addition, clients may impose certain restrictions on their accounts such as cash restrictions, maturity restrictions, and in some cases, asset-allocation restrictions.

## **ITEM 17 – VOTING CLIENT SECURITIES**

Cumberland Advisors shall vote proxies related to all managed and non-managed securities. The authority to vote proxies is established in the client's Client Services Agreement or comparable documents. In accordance with our fiduciary duties and SEC Rule 206(4)-6, we have adopted policies and procedures that we believe are reasonably designed to ensure that proxies are voted in the best interests of our clients. We use Glass Lewis research to assist in voting decisions and vote through a third-party vendor. Should a conflict of interest arise between Cumberland Advisors and the client's best interest, the proxy will be voted in accordance with the recommendation of Glass Lewis. Clients may obtain information on how a proxy on a security held in their account was voted and/or a copy of our proxy voting policy and procedures by calling 800-257-7013.

**ITEM 18 – FINANCIAL INFORMATION**

- A. Cumberland Advisors does not require or solicit prepayment of more than \$600 in fees per client, six months or more in advance.
- B. There are no financial conditions that are reasonably likely to impair Cumberland Advisors' contractual commitments to clients.
- C. Cumberland Advisors has never been the subject of a bankruptcy petition.