UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

SECURITIES AND EXCHANGE COMMISSION, Plaintiff, v. SAGE ADVISORY GROUP, LLC and BENJAMIN LEE GRANT, Defendants.	)	Case No. JURY TRIAL DEMANDED

COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

Plaintiff Securities and Exchange Commission ("the Commission") alleges the following against defendants Sage Advisory Group, LLC ("Sage") and Benjamin Lee Grant ("Grant"):

PRELIMINARY STATEMENT

1. This enforcement action concerns a stockbroker (Grant) who lied to his brokerage customers in order to induce them to transfer their assets to a new investment advisory firm (Sage) of which he was the sole owner. Prior to October 2005, Grant was a registered representative at Wedbush Morgan Securities ("Wedbush"), a full-service broker-dealer based in Los Angeles, California. He had more than 300 customer accounts with more than $100 million in assets, and virtually all of the customers' assets were managed by First Wilshire Securities Management, Inc. ("First Wilshire"), an investment adviser based in Pasadena, California. Grant resigned from Wedbush on September 30, 2005 to go into business for himself as Sage.

2. In a letter dated October 4, 2005, Grant told his Wedbush customers that Sage had been formed to handle their investments and that, at the suggestion of First Wilshire, their brokerage accounts were being moved from Wedbush to Charles Schwab & Co., Inc. ("Schwab"), a discount broker-dealer based in San Francisco, California. The letter told Grant's customers that the charge for their accounts was changing from (a) a 1% management fee paid to First Wilshire plus Wedbush's brokerage commissions to (b) a 2% "wrap fee" paid to Sage, and that, according to First Wilshire, a wrap fee was historically less expensive. The letter also told Grant's customers that if they wanted to avoid any disruption in First Wilshire's management of their assets (which was delivering above-average performance), they had to sign and return the enclosed documents establishing Sage as their investment adviser and Schwab as the custodian of their brokerage accounts as soon as possible. When some customers asked questions about the October 4, 2005 letter, Grant told them that if they wanted to retain First Wilshire as a money manager, they had to transfer their business to Sage and Schwab, because First Wilshire was no longer willing to manage their assets at Wedbush.

3. Those statements to Grant's customers were materially false and misleading. First Wilshire had not suggested the transfer of the customers' accounts from Wedbush to Schwab, and First Wilshire had not refused to continue managing their assets at Wedbush – meaning that the customers were not forced to transfer their business to Sage and Schwab if they wanted to retain First Wilshire as their money manager. Further, Grant failed to tell his customers that, because the switch from Wedbush to Schwab was going to significantly reduce the brokerage costs for their transactions (which would no longer be paid directly by the customers), the only person likely to benefit from the new 2% wrap fee was himself.

4. Grant's scheme to induce his brokerage customers to follow him to Sage was a success. Virtually all of his brokerage customers at Wedbush became his advisory clients at Sage, and his compensation more than doubled as a result – from less than $500,000 in 2004 and in 2005 to more than $1 million in 2006 and in 2007.

5. Sage's public filings with the Commission on Form ADV also contained materially false and misleading statements. The Form ADV stated that Sage conducted periodic discussions with its advisory clients about their risk tolerance and financial needs, but in fact Sage and Grant did not conduct such discussions after the client's initial investment with First Wilshire. The Form ADV stated that Sage recommended money managers based on the manager's expertise and the client's individual needs, but in fact Sage and Grant recommended that all their clients meeting First Wilshire's minimum asset threshold should have all their assets managed by First Wilshire, regardless of the client's investment objectives and risk tolerance – even though First Wilshire characterized its small-cap investment strategy as "aggressive"). The Form ADV also stated that Sage would use a portion of the 2% wrap fee to provide periodic reports, but in fact Sage and Grant did not send any statements, newsletters or reports to the clients. In short, even though he styled himself as an investment adviser, Grant did little more than sit back and wait for the clients' wrap fee payments to roll in.

6. Through the activities alleged in this Complaint, Sage and Grant engaged in: (a) fraud in the offer or sale of securities, in violation of Section 17(a) of the Securities Act of 1933 ("Securities Act"); (b) fraudulent or deceptive conduct in connection with the purchase or sale of securities, in violation of Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder; (c) fraudulent or deceptive conduct with respect to

investment advisory clients, in violation of Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 ("Advisers Act"); and (d) the making of untrue statements of material fact in reports filed with the Commission, in violation of Section 207 of the Advisers Act. In addition, Sage engaged in violations of record-keeping and other provisions of Sections 204A and 206(4) of the Advisers Act and Rules 204A-1 and 206(4)-7 thereunder, and Grant aided and abetted Sage's violations of those provisions.

7. Accordingly, the Commission seeks: (a) the entry of a permanent injunction prohibiting Sage and Grant from further violations of the relevant provisions of the federal securities laws; (b) disgorgement of Sage and Grant's ill-gotten gains, plus pre-judgment interest; and (c) the imposition of a civil penalty due to the egregious nature of Sage and Grant's violations.

JURISDICTION

8. The Commission seeks a permanent injunction and disgorgement pursuant to Section 20(b) of the Securities Act [15 U.S.C. §77t(b)], Section 21(d)(1) of the Exchange Act [15 U.S.C. §78u(d)(1)], and Section 209(d) of the Advisers Act [15 U.S.C. §80b-9(d)]. The Commission seeks the imposition of a civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. §77t(d)], Section 21(d)(3) of the Exchange Act [15 U.S.C. §78u(d)(3)], and Section 209(e) of the Advisers Act [15 U.S.C. §80b-9(e)].

9. This Court has jurisdiction over this action pursuant to Sections 20(d) and 22(a) of the Securities Act [15 U.S.C. §§77t(d), 77v(a)], Sections 21(d), 21(e) and 27 of the Exchange Act [15 U.S.C. §§78u(d), 78u(e), 78aa], and Sections 209(d), 209(e) and 214 of the Advisers Act

[15 U.S.C. §§80b-9(d), 80b-9(e), 80b-14]. Venue is proper in this District because, at all relevant times, Sage maintained an office here and Grant maintained a residence here.

10. In connection with the conduct described in this Complaint, Sage and Grant directly or indirectly made use of the mails or the means or instruments of transportation or communication in interstate commerce.

11. The conduct of Sage and Grant involved fraud, deceit, or deliberate or reckless disregard of regulatory requirements, and resulted in substantial loss, or significant risk of substantial loss, to other persons.

DEFENDANTS

12. Sage Advisory Group, LLC ("Sage") is a Massachusetts limited liability company based in Boston. It has been registered with the Commission as an investment adviser since July 22, 2005. As a registered investment adviser, Sage is required by Section 203 of the Advisers Act to execute and keep current an application for investment adviser registration on Form ADV. [*See* 17 C.F.R. §279.1.] Part I of Form ADV is filed with the Commission and is available to the public; Part II of Form ADV is sent to the adviser's clients. According to its most recent Form ADV (dated March 31, 2010), Sage has more than 325 client accounts with more than $114 million in assets under management.

13. Benjamin Lee Grant, age 38, lives in Boston. He is the founder, sole owner, and sole employee of Sage, and he signs Sage's filings on Form ADV under penalty of perjury.

STATEMENT OF FACTS

Material Misrepresentations and Omissions in the October 4, 2005 Letter and in Grant's Subsequent Communications with His Brokerage Customers

14. From February 1998 to December 2001, Grant was a registered representative of First Wilshire.

15. From December 2001 through September 2005, Grant was a registered representative of Wedbush. He worked as an independent contractor, servicing his own group of customers. First Wilshire managed virtually all of his customers' assets, and Wedbush handled their securities transactions. Grant's customers paid First Wilshire a management fee equal to 1% of their assets under management, and they also paid Wedbush's brokerage costs, which included a charge of $22 per trade plus a commission. Grant's compensation from Wedbush was 85% of the commissions paid by his customers.

16. Grant began making plans to leave Wedbush in the summer of 2005. He incorporated Sage in July 2005. He entered into an agreement with Schwab in September 2005. Pursuant to that agreement, Schwab would charge Sage's advisory clients $9.95 per trade for accounts of more than $1 million, and $20 per trade for accounts of less than $1 million, and Schwab would not charge any additional commission. Grant resigned from Wedbush on September 30, 2005.

17. Grant sent a letter dated October 4, 2005 to his Wedbush customers on Sage stationery. (A true and accurate copy of the October 4, 2005 letter is attached hereto as **Exhibit A**.) Enclosed with the October 4, 2005 letter were an investment management agreement for Sage, an investment management agreement for First Wilshire specifying the 2%

wrap fee for Sage and identifying Schwab as custodian, a Schwab brokerage account application, a Schwab account transfer form, and Part II of Sage's report on Form ADV.

18. The October 4, 2005 letter began:

> As suggested by First Wilshire Securities Management, we will be changing the custodian of your account(s) from Wedbush Morgan Securities to Charles Schwab.

Grant knew or was reckless in not knowing that those statements – that First Wilshire had suggested the transfer of their brokerage accounts from Wedbush to Schwab, and that the transfer of accounts was already being implemented – were materially false and misleading. First Wilshire had made no such suggestion, the transfer of brokerage accounts was not already underway, and Sage had no right to implement such a transfer without the customers' prior consent.

19. The October 4, 2005 letter stated:

> Please note that as of the first day of October, the management fee for all accounts will be changing from 1% plus brokerage commissions to a 2% "wrap fee". The new "wrap fee" is inclusive of advisory fees, management fees and transaction costs. We expect the new fee to be less expensive than the previous fee in heavy trading years and more expensive than the previous fee in light trading years. First Wilshire has indicated that the "wrap fee" has historically been slightly less expensive for their clients.

Grant knew or was reckless in not knowing that those statements – that the 2% wrap fee was already in place and that, according to First Wilshire, a wrap fee was historically less expensive – were materially false and misleading and omitted material information. Sage had no right to impose the 2% wrap fee without the customers' prior consent, and the letter failed to disclose that First Wilshire's historical fee comparison had not considered the substantial savings that

would result from Grant's plan to use a discount broker like Schwab – savings that were going to go straight into Grant's pockets.

20. The October 4, 2005 letter stated:

> To avoid any disruption to the management services provided to you by First Wilshire, please sign the enclosed documents as soon as possible and return them to us in the enclosed UPS next day delivery envelope... Please review the documents carefully before mailing them to confirm that all information is correct and that all signatures and initials are complete.

Grant knew or was reckless in not knowing that this statement – that if his customers wanted to avoid any disruption in First Wilshire's management of their assets (which was delivering above-average performance), they had to sign and return the documents transferring their business to Sage and Schwab – was materially false and misleading. First Wilshire was willing to continue managing the customers' assets at Wedbush using a different broker, and so the customers could have chosen not to follow Grant to Sage without forfeiting the high returns from First Wilshire. Indeed, the only "disruption" at issue was caused by Grant's decision to leave Wedbush, go into business for himself as Sage, and increase his own compensation by charging a 2% wrap fee.

21. Schedule H to Sage's Form ADV, which was included with the October 4, 2005 letter, stated that under the 2% wrap fee, First Wilshire would receive a 1% management fee while Sage would retain the other 1% of assets under management (from which it would pay brokerage and other costs). Schedule H also stated:

> A client may be able to obtain some or all of the types of services available through Sage and [First Wilshire] on an "unbundled" basis. Depending on the circumstances, the aggregate of any separately-paid fees may be lower (or higher) than the annual fees described herein [*i.e.*, the 2% wrap fee].

Grant knew or was reckless in not knowing that this statement – that the 2% wrap fee "may be" more or less expensive than the separate ("unbundled") cost of the services at issue – was materially false and misleading and omitted material information. Grant failed to disclose that Schwab was going to charge a lower amount per trade ($9.95 per trade for accounts of more than $1 million and $20 per trade for accounts of less than $1 million) compared to Wedbush ($22 per trade for all accounts), and that, unlike Wedbush, Schwab was not going to charge any additional commission. As a result, the separate costs of First Wilshire's 1% management fee and Schwab's brokerage charges were going to be substantially less than the 2% wrap fee.

22. Schedule H to Sage's Form ADV also stated:

> While Sage believes that the wrap fee program as described is appropriate and suitable for those clients to whom it recommends such program, the fees it charges and the fee sharing arrangement it has with [First Wilshire] may be viewed as creating a financial incentive for Sage to recommend the program.

Grant knew or was reckless in not knowing that this statement – that Sage "may" have a financial incentive to recommend the 2% wrap fee – was materially false and misleading. The financial benefit to Sage and Grant was not merely possible, it was certain. Grant understood that the total brokerage costs ($22 per trade plus commissions) which his customers paid to Wedbush were approximately 1% of assets under management. As noted above, Grant was paid 85% of the total commissions (but not the charges per trade). By contrast, under the proposed 2% wrap fee, Sage would receive 1% of the clients' assets under management, from which it would pay Schwab a smaller charge per trade and no additional commissions. In other words, after paying Schwab's charges from the 2% wrap fee, Sage and Grant would retain much more than the 85% of commissions which Grant had received while at Wedbush. As a result, the qualified language

in Schedule H failed to disclose that Grant knew his compensation was going to increase substantially under the 2% wrap fee.

23. Some of Grant's customers asked questions about the October 4, 2005 letter. Grant told several of them that First Wilshire was no longer willing to manage their assets if they left their accounts at Wedbush, and that they had to transfer their business to Sage and Schwab if they wanted to retain First Wilshire as a money manager. Grant knew or was reckless in not knowing that those statements were materially false and misleading because, as explained above, First Wilshire was willing to continue managing the customers' assets at Wedbush through another broker.

24. In short, Grant crafted the October 4, 2005 letter and his response to follow-up questions in order to induce his Wedbush brokerage customers to become his advisory clients at Sage. By going into business as an investment adviser, Grant assumed a fiduciary duty to put his clients' interests ahead of his own. Instead, Grant put his own interests first – by creating the false impression that his customers had to follow him to Sage or else they would lose their relationship with First Wilshire, and by concealing his strong financial incentive behind the 2% wrap fee.

25. Grant's scheme worked. Almost all of his brokerage customers at Wedbush executed the necessary documents to retain Sage as an investment adviser and to transfer their brokerage accounts from Wedbush to Schwab. Regardless of when the customers executed the documents, Grant and Sage charged them the new 2% wrap fee dating back to October 1, 2005.

26. Grant profited substantially from the new arrangement. Grant's compensation more than doubled as a result – from less than $500,000 in 2004 and in 2005 to more than $1 million in 2006 and in 2007.

Other Material Misrepresentations and Omissions in Sage's Filings with the Commission on Form ADV

27. Part II of Sage's Form ADV stated (in item 1.D to Schedule F) that the firm's investment management services and advice:

> will include discussions of an individual client's risk tolerance and immediate and long term financial needs based upon the client's individual and/or family situation, both financial and personal.

That statement – that Sage had discussions with clients about risk tolerance and financial needs – was materially false and misleading, because Sage and Grant did not conduct such discussions with their advisory clients after their initial investment with First Wilshire.

28. Part II of Sage's Form ADV (in item 1.D to Schedule F) stated:

> Sage will utilize the services of one or more money managers… Money managers will be recommended by taking into account the manager's experience, area of expertise, performance record, market niche and other relevant factors that Sage believes are compatible with a client's financial objectives, investment time horizon and tolerance for investment risk.

That statement – that Sage recommended money managers based on the manager's expertise and the client's financial objectives and risk tolerance – was materially false and misleading. Grant had previously worked at First Wilshire, virtually all of his brokerage customers at Wedbush had used First Wilshire as their money manager, and Sage and Grant did not evaluate any other investment managers for those clients when they moved their business to Sage. Nor did Sage and Grant advise new clients to consider money managers other than First Wilshire. Indeed,

Sage and Grant recommended that all clients meeting First Wilshire's minimum asset threshold should have all their assets managed by First Wilshire, regardless of the client's investment objectives or risk tolerance (even though First Wilshire characterized its small-cap investment strategy as "aggressive").

29. Part II of Sage's Form ADV (in Schedule H) stated:

> Sage's fee for the wrap fee program is 2%. A portion of these fees are allocated to pay for the discretionary investment management services of [First Wilshire], the execution of trades for the client's account by Schwab, establishing the client's account (custody of which is held at Schwab), and providing periodic reports.

That statement – that a portion of the fee paid to Sage was used to provide periodic reports – was materially false and misleading. Sage and Grant did not send any statements, newsletters or reports to their clients.

FIRST CLAIM FOR RELIEF
(Violation of Section 17(a) of the Securities Act)

30. The Commission repeats and incorporates by reference the allegations in paragraphs 1-29 above.

31. As set forth above, Grant's October 4, 2005 letter to his brokerage customers, his responses to questions from certain customers, and Sage's public filings on Forms ADV (which Grant signed under penalty of perjury) were materially false and misleading.

32. Sage and Grant, directly and indirectly, acting intentionally, knowingly or recklessly, in the offer or sale of securities by the use of the means or instruments of transportation or communication in interstate commerce or by the use of the mails: (a) have employed or are employing devices, schemes or artifices to defraud; (b) have obtained or are

obtaining money or property by means of untrue statements of material fact or omissions to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or (c) have engaged or are engaging in transactions, practices or courses of business which operate as a fraud or deceit upon purchasers of the securities.

33. As a result, Sage and Grant have violated and, unless enjoined, will continue to violate Section 17(a) of the Securities Act [15 U.S.C. §77q(a)].

SECOND CLAIM FOR RELIEF
(Violation of Section 10(b) of the Exchange Act and Rule 10b-5)

34. The Commission repeats and incorporates by reference the allegations in paragraphs 1-33 above.

35. As set forth above, Grant's October 4, 2005 letter to his brokerage customers, his responses to questions from certain customers, and Sage's public filings on Forms ADV (which Grant signed under penalty of perjury) were materially false and misleading.

36. Sage and Grant, directly or indirectly, acting intentionally, knowingly or recklessly, by the use of means or instrumentalities of interstate commerce or of the mails, in connection with the purchase or sale of securities: (a) have employed or are employing devices, schemes or artifices to defraud; (b) have made or are making untrue statements of material fact or have omitted or are omitting to state a material fact necessary to make the statements made, in the light of the circumstances under which they were made, not misleading; or (c) have engaged or are engaging in acts, practices or courses of business which operate as a fraud or deceit upon certain persons.

37. As a result, Sage and Grant have violated and, unless enjoined, will continue to violate Section 10(b) of the Exchange Act [15 U.S.C. §78j(b)] and Rule 10b-5 [17 C.F.R. §240.10b-5].

THIRD CLAIM FOR RELIEF
(Violation of Sections 206(1) and 206(2) of the Advisers Act)

38. The Commission repeats and incorporates by reference the allegations in paragraphs 1-37 above.

39. Sage was an "investment adviser" within the meaning of Section 202(a)(11) of the Advisers Act [15 U.S.C. §80b-2(a)(11)]. Likewise, Grant was an "investment adviser" due to his ownership and control of Sage.

40. As set forth above, Grant's October 4, 2005 letter to his brokerage customers, his responses to questions from certain customers, and Sage's public filings on Forms ADV (which Grant signed under penalty of perjury) were materially false and misleading.

41. Sage and Grant, by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly, acting intentionally, knowingly or recklessly: (a) have employed or are employing devices, schemes, or artifices to defraud; or (b) have engaged or are engaging in transactions, practices, or courses of business which operate as a fraud or deceit upon a client or prospective client.

42. As a result, Sage and Grant have violated and, unless enjoined, will continue to violate Sections 206(1) and (2) of the Advisers Act [15 U.S.C. §§80b-6(1), (2)].

FOURTH CLAIM FOR RELIEF
(Violation of Section 207 of the Advisers Act)

43. The Commission repeats and incorporates by reference the allegations in paragraphs 1-42 above.

44. Section 207 of the Advisers Act provides that it is unlawful for any person willfully to make any untrue statement of a material fact in any registration application or report filed with the Commission under Section 203, or to omit to state in any such application or report any material fact which is required to be stated therein.

45. As set forth above, Sage's public filings on Forms ADV (which Grant signed under penalty of perjury) were materially false and misleading.

46. As a result, Sage and Grant have violated and, unless enjoined, will continue to violate Section 207 of the Advisers Act [15 U.S.C. §80b-7].

FIFTH CLAIM FOR RELIEF
(Violation of Section 206(4) of the Advisers Act and Rule 206(4)-7)

47. The Commission repeats and incorporates by reference the allegations in paragraphs 1-46 above.

48. Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder provide that it shall constitute a fraudulent, deceptive, or manipulative act, practice or course of business for any registered investment adviser, directly or indirectly, to fail to adopt and implement written policies and procedures reasonably designed to prevent violation of the Advisers Act and the rules adopted thereunder.

49. From its inception through 2009, Sage did not have such written policies and procedures.

50. As a result, Sage violated and, unless enjoined, will violate Section 206(4) of the Advisers Act [15 U.S.C. §80b-6(4)] and Rule 206(4)-7 [17 C.F.R. §275.206(4)-7]. In addition, Grant aided and abetted Sage's violation of those provisions.

SIXTH CLAIM FOR RELIEF
(Violation of Section 204A of the Advisers Act and Rule 204A-1)

51. The Commission repeats and incorporates by reference the allegations in paragraphs 1-51 above.

52. Section 204A of the Advisers Act and Rule 204A-1 thereunder require an investment adviser to adopt a code of ethics with certain minimum standards.

53. From its inception through 2009, Sage did not have a code of ethics.

54. As a result, Sage violated and, unless enjoined, will violate Section 204A of the Advisers Act [15 U.S.C. §§80b-4A] and Rule 204A-1 [17 C.F.R. §275.204A-1]. In addition, Grant aided and abetted Sage's violation of those provisions.

PRAYER FOR RELIEF

WHEREFORE, the Commission requests that this Court:

A. Enter a permanent injunction restraining Sage, Grant, and each of their agents, servants, employees and attorneys and those persons in active concert or participation with them who receive actual notice of the injunction by personal service or otherwise, including facsimile transmission or overnight delivery service, from directly or indirectly engaging in the conduct described above, or in conduct of similar purport and effect, in violation of:

1. Section 17(a) of the Securities Act [15 U.S.C. §77q(a)];

2. Section 10(b) of the Exchange Act [15 U.S.C. §78j(b)] and Rule 10b-5 thereunder [17 C.F.R. §240.10b-5];

3. Sections 206(1), 206(2) and 206(4) of the Advisers Act [15 U.S.C. §§80b-6(1), 80b-6(2), 80b-6(4)] and Rule 206(4)-7 thereunder [17 C.F.R. §275.206(4)-7];

4. Section 207 of the Advisers Act [15 U.S.C. §80b-7]; and

5. Section 204A of the Advisers Act [15 U.S.C. §80b-4A] and Rule 204A-1 thereunder [17 C.F.R. §275.204A-1].

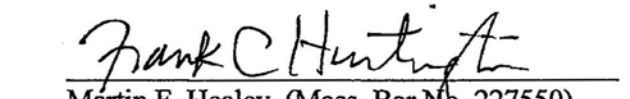
B. Require Sage and Grant to disgorge their ill-gotten gains, plus pre-judgment interest;

C. Order Sage and Grant to pay an appropriate civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. §77t(d)], Section 21(d)(3) of the Exchange Act [15 U.S.C. §78u(d)(3)], and Section 209(e) of the Advisers Act [15 U.S.C. §80b-9(e)];

D. Retain jurisdiction over this action to implement and carry out the terms of all orders and decrees that may be entered; and

E. Award such other and further relief as the Court deems just and proper.

Respectfully submitted,



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Dated: September 29, 2010

EXHIBIT A

SAGE
ADVISORY GROUP, LLC

October 4, 2005

[Name and Address Redacted]

RE: First Wilshire Securities Management, Inc.

Dear

As suggested by First Wilshire Securities Management, we will be changing the custodian of your account(s) from Wedbush Morgan Securities to Charles Schwab. Our new relationship with Charles Schwab will offer a variety of benefits, including a superior trading platform, advanced account management, and comprehensive monthly statements.

Please note that as of the first day of October, the management fee for all accounts will be changing from 1% plus brokerage commissions to a 2% "wrap fee". The new "wrap fee" is inclusive of advisory fees, management fees and transaction costs. We expect the new fee to be less expensive than the previous fee in heavy trading years and more expensive than the previous fee in light trading years. First Wilshire has indicated that the "wrap fee" has historically been slightly less expensive for their clients.

To avoid any disruption to the management services provided to you by First Wilshire, please sign the enclosed documents as soon as possible and return them to us in the enclosed UPS next day delivery envelope. The envelope is prepaid, and you can mail it in any UPS drop box, or call UPS to schedule a pickup (800-PICK-UPS). The documents have been highlighted to indicate where your signature or initials are required. Please review the documents carefully before mailing them to confirm that all information is correct and that all signatures and initials are complete.

Sage Advisory Group is a new investment advisory firm that was created to act as your advisor and primary contact. Please contact us at any time if we can be of service to you.

Sincerely yours,

Benjamin Lee Grant

Enclosures