

# FORM ADV PART 2A DISCLOSURE BROCHURE



## The Viable Group, Inc

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This brochure provides information about the qualifications and business practices of The Viable Group, Inc. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 210-824-1750. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about The Viable Group, Inc. (CRD #143266) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

**JANUARY 16, 2019**

## **Item 2: Material Changes**

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### **Annual Update**

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure. In accordance with amendment requirements, the firm is filing an updated Form ADV Part 1.

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### **Material Changes since the Last Update**

This update is in accordance with the required annual update for Registered Investment Advisors. Since the last filing of this brochure on March 29, 2018 the following has been updated:

- Item 4 has been updated to disclose the most recent calculation for assets under management.
  - Item 7 has been updated to disclose the current type of clients.
  - Item 10 has been amended with TPMs updated fee schedules.
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### **Full Brochure Available**

This Firm Brochure being delivered is the complete brochure for the Firm.

## Item 3: Table of Contents

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## Item 4: Advisory Business

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### Firm Description

The Viable Group, Inc. (“VGI”) was founded by Timothy Lee Brown.

VGI provides personalized confidential financial planning and investment management to individuals, trusts, estates, and charitable organizations. Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

VGI is a fee based financial planning and investment management firm. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. The firm’s President is affiliated with entities that sell financial insurance products.

Investment advice is provided, with the client making the final decision on investment selection. VGI does not act as a custodian of client assets. The client always maintains asset control.

VGI does not act as a custodian of client assets.

An evaluation of each client's initial situation is provided to the client, often in the form of a net worth statement or risk analysis. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

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### Types of Advisory Services

VGI provides investment supervisory services, also known as asset management services and furnishes financial planning and investment advice through consultations.

On more than an occasional basis, VGI furnishes advice to clients on matters not involving securities, such as taxation issues and trust services that often include estate planning.

#### ASSET MANAGEMENT

VGI offers discretionary direct asset management services to advisory clients. VGI will offer clients ongoing portfolio management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, assets allocation, portfolio monitoring and the overall investment program will be based on the above factors. The client will authorize VGI discretionary

authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

#### FINANCIAL PLANNING AND CONSULTING

If financial planning services are applicable, the client will compensate VGI on an hourly or fixed fee basis described in detail under “Fees and Compensation” section of this brochure. Services include but are not limited to a thorough review of all applicable topics including Wills, Estate Plan/Trusts, Investments, Taxes, and Insurance. If conflict of interest exists between the interests of the investment advisor and the interests of the client, the client is under no obligation to act upon the investment advisor’s recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through VGI. Financial plans will be completed and delivered inside of 90 days. Clients may terminate advisory services with 30 days written notice.

#### 401K SERVICES

VGI offers Investment analysis, plan design and asset management for 401K plans. The fees for these services are described in detail under “Fees and Compensation” section of this brochure.

#### SOLICITOR ARRANGEMENTS

VGI solicits the services of Third Party Money Managers to manage client accounts. In such circumstances, VGI receives solicitor fees from the Third Party Manager. This is detailed in Item 10 of this brochure.

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#### **Client Tailored Services and Client Imposed Restrictions**

The goals and objectives for each client are documented in our client files. Investment strategies are created that reflect the stated goals and objective. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without client consent.

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#### **Wrap Fee Programs**

VGI does not participate in wrap fee programs.

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#### **Client Assets under Management**

As of December 31, 2018 VGI managed approximately \$12 Million of assets on a discretionary basis.

## Item 5: Fees and Compensation

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### Method of Compensation and Fee Schedule

VGI bases its fees on a percentage of assets under management, hourly fees, fixed fees and solicitor fees from third party money managers.

#### ASSET MANAGEMENT

VGI offers discretionary direct asset management services to advisory clients. VGI will offer clients ongoing portfolio management services through determining individual investment goals, time horizon, objectives, and risk tolerance. Investment strategies, investment selection, assets allocation, portfolio monitoring and the overall investment program will be based on the above factors. The client will authorize VGI discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

Fees for these services will be based on a percentage of Assets Under Management as follows:

<b>Assets Under Management</b>	<b>Annual Fee</b>	<b>Quarterly Fee</b>
Up to \$2,500,000	1.00%	.25%
\$2,500,001 - \$5,000,000	0.75%	.1875%

The annual Fee may be negotiable. Accounts within the same household may be combined for a reduced fee. Fees are billed quarterly in arrears based on the amount of assets to be managed as of the opening of business on the first business day of each quarter. Quarterly advisory fees deducted from the clients account by the custodian will be reflected in a provided fee invoice as fees are withdrawn. Clients may terminate their account within five days of signing the Investment Advisory Contract for a full refund. Clients may terminate advisory services with 30 days written notice. VGI will be entitled to a pro rata fee for the days service was provided in the final quarter. Client shall be given thirty (30) days prior written notice of any increase in fees.

#### FINANCIAL PLANNING and CONSULTING

Prior to the planning process the client will be provided an estimated plan fee. Services include but are not limited to a thorough review of all applicable topics including Wills, Estate Plan/Trusts, Investments, Taxes, and Insurance. Client will pay nothing to start with the balance payable after ninety (90) days. Client may cancel at any time during the 90 days with no cost or obligation. Services are completed and delivered inside of 90 days.

#### **FIXED FEES**

Financial Planning Services are offered based on a negotiable fixed fee with a maximum fee of \$2,500 based on complexity and unique client needs

#### **HOURLY FEES**

Financial Planning Services are offered based on an hourly fee of \$200 per hour based on complexity and unique client needs

## 401K SERVICES

### **Investment and Plan Advisory Services**

Investment Services: Investment Review and Analysis / Open Architecture Investment Recommendations.

Plan Services: Plan Administration Review and Analysis / Open Architecture Plan Recommendations (record keeping / administration)

<b>Plan Assets</b>	<b>Annual Fee</b>
\$0 - \$3,000,000	.25%
\$3,000,001 - \$5,000,000	.20%
Over \$5,000,000	.15%

The above fees do not include any fees charged by the Third Party Administrator, Custodian, or any other RIA Firm entity. All internal fees charged by ETF's, mutual funds and closed end funds are separate and distinct from the fee schedule listed above. VGI does not share in any brokerage commissions. The above fees are negotiable and the final fee schedule will be attached in the investment advisory agreement. VGI does not at any time act as the Custodian or Third Party Administrator on any employer sponsored plan it renders advice on. Fees are deducted quarterly in arrears and are based on the total asset value as of the last business day of the quarter.

### **401K Investment Analysis and Plan Design**

VGI offers 401K Investment Analysis and Plan Design for a fee of \$2000. The fees are negotiable, and the final fee schedule will be attached in the Service Agreement. Client will pay a minimum of 50% upon commencement and the balance due upon analysis and design completion. VGI reserves the right to postpone or waive fees. Services will be completed and delivered within 6 months. Client will have 10 days to terminate this agreement.

### SOLICITOR FEES

VGI may at times use the services of third party money managers and receive a solicitor fee for soliciting clients. VGI will be paid a portion of the advisory fee paid to the third party money manager. The client will not pay additional advisory fees to the third party money manager for these services. This is detailed in Item 10 of this brochure.

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### **Client Payment of Fees**

Investment management fees are payable quarterly in arrears. This means we bill you after the three-month period has ended. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

Financial Planning fees are due upon delivery of the plan.

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**Additional Client Fees Charged**

Custodians may charge transaction fees on purchases or sales of certain mutual funds, equities and exchange-traded funds. These charges may include Mutual Fund transactions fees, postage and handling and miscellaneous fees (fee levied to recover costs associated with fees assessed by self-regulatory organizations). These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

VGI, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

For more details on the brokerage practices, see Item 12 of this brochure.

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**Prepayment of Client Fees**

VGI does not bill fees in advance.

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**External Compensation for the Sale of Securities to Clients**

VGI does not receive any external compensation for the sale of securities to clients, nor do any of the investment advisor representatives of VGI.

**Item 6: Performance-Based Fees**

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**Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

VGI does not use a performance-based fee structure because of the conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

**Item 7: Types of Clients**

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**Description**

VGI generally provides investment advice to individuals and high net worth individuals.

Client relationships vary in scope and length of service.

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**Account Minimums**

Accounts managed by VGI do not require a minimum to open an account. Accounts managed by third party money managers may require a minimum account balance to open an account.

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

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**Methods of Analysis**

Security analysis methods may include fundamental analysis, technical analysis, and cyclical analysis. Investing in securities involves risk of loss that clients should be prepared to bear.

Fundamental analysis involves evaluating a stock using real data such as company revenues, earnings, return on equity, and profits margins to determine underlying value and potential growth. Technical analysis involves evaluating securities based on past prices and volume. Cyclical analysis involves analyzing the cycles of the market.

When creating a financial plan, LQWA utilizes fundamental analysis to provide review of insurance policies for economic value and income replacement. Technical analysis is used to review mutual funds and individual stocks. The main sources of information include Morningstar, client documents such as tax returns and insurance policies.

In developing a financial plan for a client, LQWA's analysis may include cash flow analysis, investment planning, risk management, tax planning and estate planning. Based on the information gathered, a detailed strategy is tailored to the client's specific situation.

The main sources of information include financial newspapers and magazines, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

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**Investment Strategy**

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement or Risk Tolerance that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, trading, and option writing (including covered options, uncovered options or spreading strategies).

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**Security Specific Material Risks**

All investment programs have certain risks that are borne by the investor. Fundamental analysis may involve interest rate risk, market risk, business risk, and financial risk. Risks involved in technical analysis are inflation risk, reinvestment risk, and market risk. Cyclical analysis involves inflation risk, market risk, and currency risk.

- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Market Risk:* The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Financial Risk:* Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## **Item 9: Disciplinary Information**

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### **Criminal or Civil Actions**

The firm and its management have not been involved in any criminal or civil action.

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### **Administrative Enforcement Proceedings**

The firm and its management have not been involved in administrative enforcement proceedings.

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### **Self-Regulatory Organization Enforcement Proceedings**

The firm and its management have not been involved in legal or disciplinary events related to past or present investment clients.

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## **Item 10: Other Financial Industry Activities and Affiliations**

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### **Broker-Dealer or Representative Registration**

Neither VGI nor any of its employees are registered representatives of a broker-dealer. VGI is not registered as a broker-dealer and does not intend in seeking such registration.

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### **Futures or Commodity Registration**

Neither VGI nor its employees are registered or has an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

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### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

President Timothy Brown has a financial affiliated business as an insurance agent (license # 1270760). Less than 50% of Mr. Brown's time is spent in this practice. From time to time, he will offer clients advice or products from those activities.

These practices represent conflicts of interest because it gives Mr. Brown an incentive to recommend products based on the commission amount received. This conflict is mitigated by disclosures, procedures, and the firm's Fiduciary obligation to place the best interest of the client first and the clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent of their choosing.

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### **Recommendations or Selections of Other Investment Advisors and Conflicts of Interest**

VGI may at times utilize the services of Third Party Money Managers to manage client accounts. In such circumstances, VGI will share in the Third Party asset management fee. This situation creates a conflict of interest. However, when referring clients to a third party money manager, the client's best interest will be the main determining factor of VGI. These fees do not include brokerage fees that may be assessed by the custodial broker dealer. Fees for these services will be based on a percentage of assets under

management not to exceed any limit imposed by any regulatory agency. The final fee schedule will be attached to Exhibit D in VGI's Investment Advisory Agreement.

VGI currently has solicitor agreements with Gradient Investments, LLC and ITS Asset Management, L.P. The fees are as follows:

*Gradient Investments, LLC (GI)*

<b>Fee Schedule for: Strategic &amp; Tactical Portfolios</b>			
<b>Assets Valuation</b>	<b>Maximum Annual Advisory Fee</b>	<b>Gradient Investments</b>	<b>VGI</b>
Up to \$1,000,000	2.00%	1.00%	1.00%
\$1,000,001 - \$2,000,000	1.65%	.80%	.85%
\$2,000,001 - \$3,000,000	1.20%	.60%	.60%
Over \$3,000,000	.95%	.45%	.50%

<b>Fee Schedule for: Allocation Portfolios</b>			
<b>Assets Valuation</b>	<b>Maximum Annual Advisory Fee</b>	<b>Gradient Investments</b>	<b>VGI</b>
Up to \$1,000,000	1.70%	.70%	1.00%
\$1,000,001 - \$2,000,000	1.35%	.60%	.75%
\$2,000,001 - \$3,000,000	1.00%	.50%	.50%
Over \$3,000,000	.80%	.40%	.40%

<b>Fee Schedule for: Client Directed Accounts</b>			
<b>Assets Valuation</b>	<b>Maximum Annual Advisory Fee*</b>	<b>Gradient Investments</b>	<b>VGI</b>
All Values	.60%	.30%	.30%

\*The minimum quarterly fee billed will be \$25

GI will assist in the opening, closing and transferring of accounts. GI will provide institutional and 3rd party reports on securities held in the account and investment analysis via email or via phone when requested. GI will liquidate and purchase securities per the client's request. GI will also provide administrative services per the client's written request such as: ACH, check writing, RMD servicing. GI will provide consolidated household performance reporting on these accounts which are combined with any GI managed accounts.

The above fees are negotiable. Fees are assessed quarterly in arrears based on the amount of the assets managed as of the end of the previous quarter. All management fees are withdrawn from the client's account unless otherwise noted. GI will receive written authorization from the client to deduct advisory fees from their account held by a qualified custodian. GI will pay VGI their share of the fees. VGI does not have access to deduct client fees. Clients may terminate their account within five business days of

signing the investment advisory agreement with no obligation. For terminations after the initial five business days, GI will be entitled to a pro-rata fee for the days service was provided in the final quarter. GI will pay VGI their portion of the final fee.

**INCENTIVE PROGRAM - GI**

In addition to the regular advisory fee, GI has instituted a long-term incentive arrangement by which the independent RIA can share in GI's portion of the management fee. This does not change the cost to the client; it is a sharing arrangement paid from GI's portion of the advisory fee. The incentive arrangement will be paid annually according to the following table:

VGI quarterly AUM with GI	Participation rate in GI's fee
\$10,000,000	3.00%
\$25,000,000	10.00%
\$50,000,000	12.50%
\$75,000,000	15.00%

Once VGI reaches and maintains the thresholds listed above, the participation rate applies to all of the AUM for the quarter.

To receive the incentive award, VGI needs to meet two qualifications. First, the quarter end billable AUM must be above the threshold amounts specified. Second, VGI must be an advisor "in good standing" with GI at the time the annual checks are issued. "In good standing" means the advisor is proactively placing assets with GI.

*ITS Asset Management, L.P. (ITS)*

<b>Fee Schedule for: PAA, AA2 &amp; CTA</b>			
Assets Valuation	Annual Advisory Fee	ITS	VGI
\$300,000 to \$100,000	2.00%	1.00%	1.00%
\$100,000 - \$1,000,000	1.25% - 2.00%	.75% - 1.50%	.50% - 1.25%
Over \$1,000,000	1.00% - 2.00%	.75% - 1.00%	.50% - 1.25%

<b>Fee Schedule for: CIP</b>			
Assets Valuation	Annual Advisory Fee	ITS	VGI
\$30,000 and up	1.00%	.50%	.50%

<b>Fee Schedule for: GEA</b>			
<b>Assets Valuation</b>	<b>Annual Advisory Fee</b>	<b>ITS</b>	<b>VGI</b>
\$100,000 to \$500,000	2.00%	1.00%	1.00%
\$500,000 - \$1,000,000	1.25% - 2.00%	.75% - 1.25%	.50% - 1.25%
Over \$1,000,000	1.00% - 2.00%	.75% - 1.00%	.50% - 1.25%

<b>Fee Schedule for: MPS</b>			
<b>Assets Valuation</b>	<b>Annual Advisory Fee</b>	<b>ITS</b>	<b>VGI</b>
\$10,000 to \$100,000	1.50%	.75%	.75%
\$100,000 and up	1.00% - 1.50%	.50% - 1.00%	.50% - 1.00%

Accounts are billed quarterly in advance based on the market value of the account on the last business day of the calendar quarter and are calculated at a rate of one-quarter of the annual rate shown above for each strategy. Fees are payable (a) for the first quarter upon signing the Agreement with ITS; (b) for additional amounts when deposited (prorated to next quarterly billing date); and (c) for subsequent quarters, fifteen days after each billing date.

Before entering into a Solicitor Agreement with any third party money manager, VGI will review the firm's Form ADV Part 2 for any disclosable events as well as inquire into open issues which may impair a money manager from providing services. Prior to referring any clients to third party advisors, VGI will make sure that they are properly registered or notice filed.

This relationship will be disclosed to the client in each contract between VGI and Third Party Money Manager. VGI does not charge additional management fees for Third Party managed account services. Client's signature is required to confirm consent for services within Third Party Investment Agreement. Client will initial VGI's Investment Advisory Agreement to acknowledge receipt of Third Party fee Schedule and required documents including ADV2 disclosures.

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

### **Code of Ethics Description**

The employees of VGI have committed to a Code of Ethics. The purpose of our Code of Ethics is to ensure that when employees buy or sell securities for their personal account, they do not create actual or potential conflict with our clients. We do not allow any employees to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our clients.

One area in which the Code addresses is when employees buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our clients. We do not allow any employees to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our clients.

VGI's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other employee, officer or director of VGI may recommend any transaction in a security or its derivative to advisory clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

VGI's Code is based on the guiding principle that the interests of the client are our top priority. VGI's officers, directors, advisors, and other employees have a fiduciary duty to our clients and must diligently perform that duty to maintain the complete trust and confidence of our clients. When a conflict arises, it is our obligation to put the client's interests over the interests of either employees or the company.

The Code applies to "access" persons. "Access" persons are employees who have access to non-public information regarding any clients' purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to clients, or who have access to such recommendations that are non-public.

The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

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### **Investment Recommendations Involving a Material Financial Interest and Conflict of Interest**

VGI and its employees do not recommend to clients securities in which we have a material financial interest.

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### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

VGI and its employees may buy or sell securities that it also recommends clients. In order to mitigate conflicts of interest such as heading away of client trades, employees are required to disclose all reportable securities transactions as well as provide VGI with copies of their brokerage statements.

The President of VGI is Timothy Brown. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets and that clients of the firm receive preferential treatment. Since most employee trades are in products such as mutual funds, government securities, bonds or are small in size, they do not impact the securities markets.

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## **Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

VGI does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist.

## **Item 12: Brokerage Practices**

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### **Factors Used to Select Broker-Dealers for Client Transactions**

VGI may recommend the use of a particular broker-dealer or may utilize a broker-dealer of the client's choosing. VGI will select appropriate brokers based on a number of factors including but not limited to their relatively low transaction fees and reporting ability. VGI relies on its broker to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by VGI.

- *Directed Brokerage*

In circumstances where a client directs VGI to use a certain broker-dealer, VGI still has a fiduciary duty to its clients. The following may apply with Directed Brokerage: VGI's inability to negotiate commissions, to obtain volume discounts, there may be a disparity in commission charges among clients, and conflicts of interests arising from brokerage firm referrals.
- *Best Execution*

Investment advisors who manage or supervise client portfolios on a discretionary basis have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is effected, the ability to effect the transaction where a large block is involved, the operational facilities of the broker-dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. The firm does not receive any portion of the trading fees. VGI reviews the execution of trades at each custodian each quarter.
- *Soft Dollar Arrangements*

VGI utilizes the services of custodial broker dealers. Economic benefits are received by VGI which would not be received if VGI did not give investment advice to clients. These benefits include: A dedicated trading desk, a dedicated service group and an account services manager dedicated to VGI's accounts, ability to conduct "block" client trades, electronic download of trades, balances and positions, duplicate and batched client statements, and the ability to have advisory fees directly deducted from client accounts.

A conflict of interest exists when VGI receives soft dollars. This conflict is mitigated by disclosures, procedures, and the firm's Fiduciary obligation to act in the best interest of his clients and the services received are beneficial to all clients.

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### **Aggregating Securities Transactions for Client Accounts**

VGI is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other Clients of VGI. All clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a pro-rated basis.

## **Item 13: Review of Accounts**

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### **Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

Account reviews are performed quarterly by Timothy Brown, President. Account reviews are performed more frequently when market conditions dictate. Financial Plans are considered complete when recommendations are delivered to the client and a review is done only upon request of client.

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### **Review of Client Accounts on Non-Periodic Basis**

Other conditions that may trigger a review of clients accounts are changes in the tax laws, new investment information, and changes in a client's own situation.

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### **Content of Client Provided Reports and Frequency**

Clients receive account statements no less than quarterly for managed accounts. Account statements are issued by the Advisor's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs.

## **Item 14: Client Referrals and Other Compensation**

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### **Economic benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

VGI receives a portion of the annual management fees collected by the Third Party Money Managers to whom VGI refers clients. In addition, financial consultants may be eligible for cash and non-cash compensation including bonuses, recognition trips and other benefits. Some of these programs may be financed in whole or in part by unaffiliated third parties, including third party money managers, which may influence some representatives to favor those managers. See the prior sections entitled "Fees and Compensation" and "Other Financial Industry Activities and Affiliations" for more details regarding compensation and conflicts of interests.

This situation creates a conflict of interest because VGI and/or its Investment Advisor Representative have an incentive to decide what Third Party Money Managers to use because of the higher solicitor fees to be received by VGI. However, when referring clients to a third party money manager, the client's best interest will be the main determining factor of VGI.

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**Advisory Firm Payments for Client Referrals**

VGI does not compensate for client referrals.

**Item 15: Custody**

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**Account Statements**

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly. Clients are urged to compare the account statements received directly from their custodians to the performance report statements prepared by VGI.

VGI is deemed to have indirect custody solely because advisory fees are directly deducted from client's account by the custodian on behalf of VGI.

**Item 16: Investment Discretion**

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**Discretionary Authority for Trading**

VGI accepts discretionary authority to manage securities accounts on behalf of clients. VGI has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. However, VGI consults with the client prior to each trade to obtain concurrence if a blanket trading authorization has not been given.

The client approves the custodian to be used and the commission rates paid to the custodian. VGI does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

**Item 17: Voting Client Securities**

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**Proxy Votes**

VGI does not vote proxies on securities. Clients are expected to vote their own proxies. The client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, VGI will provide recommendations to the client. If a conflict of interest exists, it will be disclosed to the client.

## **Item 18: Financial Information**

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### **Balance Sheet**

A balance sheet is not required to be provided because VGI does not serve as a custodian for client funds or securities and VGI does not require prepayment of fees of more than \$500 per client and six months or more in advance.

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### **Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

VGI has no condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

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### **Bankruptcy Petitions during the Past Ten Years**

Neither VGI nor its management has had any bankruptcy petitions in the last ten years.

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## **Item 19: Requirements for State Registered Advisors**

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**Education and business background, including any outside business activities for all management and supervised persons can be found in the Supplement to this Brochure (Part 2B of Form ADV Part 2).**

### **Material Relationship Maintained by this Advisory Business or Management persons with Issuers of Securities**

None to report.

Item 1 Cover Page  
**SUPERVISED PERSON  
BROCHURE**  
FORM ADV PART 2B

Timothy Lee Brown



**The Viable Group, Inc**

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This brochure supplement provides information about Timothy Brown and supplements The Viable Group, Inc's brochure. You should have received a copy of that brochure. Please contact Timothy Brown if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Timothy Brown (CRD #873782) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**JANUARY 16, 2019**

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## Brochure Supplement (Part 2B of Form ADV)

### Supervised Person Brochure

#### Principal Executive Officers and Management Persons

##### Timothy Lee Brown CRD# 873782



Our firm's Founder and President is Tim L. Brown. Tim has been featured on CBS San Antonio, CBS Great Day San Antonio, NBC San Antonio Living, NBC San Antonio, San Antonio Business Journal and as a national guest on Sirius Radio. *He was named a 2009 Five Star: Best in Client Satisfaction(sm) Wealth Manager* and was featured in the September 2009 issue of Texas Monthly. To learn more about Tim and this honor, see him at Five Star Professional.

Additionally, Tim has trained over 200 investment advisors nationwide on the fundamentals of financial planning and wealth management strategies. Tim also lectures to local investors in the San Antonio area.

Tim is a member of the National Ethics Bureau, [www.ethicscheck.com](http://www.ethicscheck.com), an organization that promotes consumer confidence by providing a source to verify business ethics for financial and insurance advisors. He earned his Bachelor of Arts Degree from Baylor University and lives with his wife, Stephanie, and their two sons in Terrell Hills.

##### ***Educational Background:***

- Year of Birth: 1957
- Baylor University; BA, English

##### ***Business Experience:***

- The Viable Group, Inc.; President/IAR; 12/2007-Present
- Viable Strategies, Inc.; President/Insurance Agent; 01/2005-Present
- Independent Insurance Agent; (license# 1270760); Owner; 02/2003-12/2004
- Viable Alternatives, Inc.; President/IAR 05/2007-12/2007
- Cross River Metals; President; 1989-2007

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##### **Disciplinary Information**

None to report

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**Other Business Activities**

Timothy Brown has a financial industry affiliated business as an insurance agent (license #1270760). From time to time, he offers clients advice or products from those activities.

These practices represent conflicts of interest because it gives him an incentive to recommend products based on the commission and/or fee amount received. This conflict is mitigated by disclosures, procedures, and the firm's Fiduciary obligation to place the best interest of the client first and the clients are not required to purchase any products or services. Clients have the option to purchase these products and services through another insurance agent of their choosing.

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**Performance Based Fee Description**

Mr. Brown receives additional compensation in his capacity as an insurance agent, but he does not receive any performance based fees.

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**Supervision**

Mr. Brown is the sole owner of The Viable Group, Inc.; therefore he is solely responsible for all supervision and formulation and monitoring of investment advice offered to clients. He will adhere to the policies and procedures as described in the firm's Compliance Manual.

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**Requirements for State-Registered Advisors**

Arbitration Claims: None to report

Self-Regulatory Organization or Administrative Proceeding: None to report

Bankruptcy Petition: None to report