



THE R.L. BROWN ADVISORY GROUP

INVESTMENT MANAGEMENT | RETIREMENT PLAN SERVICES | INSURANCE SOLUTIONS

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Firm Brochure — Asset Management & Insurance Planning Services (Part 2A of Form ADV)

As of: December 31, 2023

This Brochure provides information about the qualifications and business practices of The R.L. Brown Advisory Group, LLC. If you have any questions about the contents of this brochure, please contact us via telephone at (925) 425-9610 or via email at bob@rlbrownadvisors.com. 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.

The R.L. Brown Advisory Group, LLC is registered as an investment adviser with the state of California. Registration as an investment adviser with the United States Securities and Exchange Commission or with any state securities authority does not imply any level of skill or training.

Additional information about The R.L. Brown Advisory Group, LLC is available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site provides information about affiliated persons who are registered, or are required to be registered, as our investment adviser representatives.

Throughout this brochure, the terms "we", "us", and "our" refers to The R.L. Brown Advisory Group, LLC.

MATERIAL CHANGES

ANNUAL UPDATE

We will update this brochure on at least an annual basis, within 120 days from the close of our business' fiscal year (December 31). In addition, we will update this brochure at other times during the year whenever any information contained in it becomes materially inaccurate.

Whenever we update this brochure, we will include a list of the specific material changes that have been made and a summary of such changes in this section.

FULL BROCHURE AVAILABLE

At any time, you can request a complete copy of the most recent brochure by contacting us via telephone at (925) 425-9610 or via email at bob@rlbrownadvisors.com.

MATERIAL CHANGES SINCE LAST UPDATE

Updated managed assets and client/account counts.

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ADVISORY BUSINESS

FIRM DESCRIPTION

The R.L. Brown Advisory Group, LLC was founded in June 2007 by Robert (Bob) L. Brown. Bob is a CFA charter holder and has been President and sole advisory practitioner since the firm's inception. The R.L. Brown Advisory Group, LLC is based in Pleasanton, California and is currently registered as an investment adviser with the State of California.

We provide *asset management services*, *retirement plan services* and *insurance planning services* for individuals, families, trusts, estates, businesses, and organizations. All our services are highly customized—meaning we work closely with each client to define specific financial objectives and we tailor our services to help achieve their stated goals.

For asset management clients, we develop a written Investment Policy and manage portfolios on a discretionary basis in accordance with the asset allocation plan, risk profile, and investment preferences, objectives and constraints contained in the Investment Policy. Managing investments on a discretionary basis means that we have the authority to make purchase and sale decisions in our sole discretion, provided such transactions are in clients' best interests and comply with the investment criteria contained in the Investment Policy.

For retirement plan services clients, we provide “end-to-end” services to support cost-efficient implementation and operation of employer-sponsored retirement savings plans. Such services include plan feasibility and design consulting, plan administration, plan recordkeeping, service provider benchmarking/selection, investment alternative selection/monitoring, and merger/spin-off/termination consulting. We also provide investment advice and “retirement readiness reviews” for employees of our retirement plan services clients.

For insurance planning clients, we provide analysis, advice, and recommendations on appropriate solutions to satisfy life, disability, and health insurance needs. In addition, we analyze and recommend certain insurance products, such as annuities, guaranteed investment contracts, etc., in cases where clients seek to achieve specialized investment objectives. Our managing member, Bob Brown, is available to assist California-based clients with the purchase of insurance products in his individual capacity as a licensed life and health agent in that state. Clients are under no obligation, however, to implement insurance recommendations through Mr. Brown.

Our compensation consists solely of fees paid directly by clients. We do not accept or receive any commissions based on a client's purchase of any financial product or service and we do not pay, accept, or receive any fees for client referrals. We receive no benefits from custodians, broker-dealers, or others based on client securities transactions (“soft dollar benefits”). For clients who elect to implement insurance recommendations through Mr. Brown, he will receive the normal and customary commissions on such transactions.

Assets under our direct management are held by independent custodians (primarily Charles Schwab & Co., Inc.) in the client's name. We do not act as a custodian of client assets. However, we do maintain a limited power of attorney to execute trades within client accounts and we typically have the ability to deduct our fees directly from client accounts.

We maintain a network of other professionals (e.g., accountants, attorneys, insurance agents, real estate agents, etc.) that we may recommend to clients at their request. Clients are responsible for determining the appropriateness of any professional recommended by us and for engaging directly with such recommended professional for specific services to be provided.

We fully disclose all conflicts of interest between us and our clients when identified. We seek to manage all such conflicts in our clients' best interest.

PRINCIPAL OWNER

The R.L. Brown Advisory Group, LLC is owned by Robert L. Brown and Karen I. Weir-Brown, trustees of the Brown Family Trust dated December 13, 2006. Robert (Bob) L. Brown is the firm's managing member, principal officer, and sole advisory practitioner.

DESCRIPTION OF SERVICES

The R.L. Brown Advisory Group, LLC offers the following services: **(1) asset management** (i.e., managing client investment portfolios), **(2) retirement plan services**, and **(3) insurance planning**. This brochure contains information only about our asset management and insurance planning services. We have prepared an additional brochure that contains information about our retirement plan services. You can request a copy of that brochure by contacting us via telephone at (925) 425-9610 or via email at bob@rlbrownadvisors.com.

We provide general financial planning, retirement planning and financial analysis/advice for our asset management and insurance planning clients as an integrated part of our service offering. We generally do not provide financial/retirement planning services or financial analysis/advice on a stand-alone basis although we reserve the right to do so in certain situations on a fixed fee or hourly fee basis.

In performing our services, we are not required to verify any information received from clients or from other individuals authorized by clients to act on their behalf. Each client is advised that it remains his/her responsibility to promptly notify us when there is any change in his/her financial situation and/or financial objectives—especially those that could have an impact on insurance recommendations and/or how we manage that client's investment portfolio.

ASSET MANAGEMENT SERVICE

Our asset management service consists of the creation of a written Investment Policy, ongoing management/monitoring of client assets on a discretionary basis in accordance with the policies and provisions outlined in the Investment Policy, and periodic reporting of portfolio performance.

To create an Investment Policy, we have in-depth conversations with each client at the beginning of the asset management relationship to determine the following important investment-related factors:

- Investment objectives (growth, capital preservation, etc.)
- Risk profile (conservative, moderate, aggressive, etc.)
- Investment constraints (unacceptable investment categories, concentration limits, sales restrictions for low-basis positions, etc.)
- Time horizon (short-term, long-term, etc.)
- Tax preferences (tax sensitivity, capital gains vs. income, etc.)
- Liquidity requirements (near-term distribution needs, etc.)
- Any other client-specific investment criteria

Investment Policy documents contain a long-term asset allocation, descriptions of allowable investments, individual benchmarks for each asset class, and an aggregate benchmark appropriate for the client's risk profile. We and the client must mutually agree to the Investment Policy in writing before we begin to manage the client's assets.

We produce and distribute portfolio performance reports to asset management clients on a quarterly basis. We also offer to meet with clients on an annual basis (or at other times as requested) to review portfolio performance. Outside of face-to-face meetings, we provide unlimited telephone and email support.

INSURANCE PLANNING SERVICE

Our insurance planning service consists of an evaluation of a client's overall life, disability or health insurance needs, review of existing policies in force, and recommendation of appropriate types of policies to achieve the client's objectives. We present our conclusions and recommendations in the form of a written insurance plan.

Our managing member, Bob Brown, is available to assist California-based clients with the purchase of insurance products in his individual capacity as a licensed life and health agent in that state. Clients are under no obligation, however, to implement insurance recommendations through Mr. Brown.

TAILORED RELATIONSHIPS

We tailor our financial advisory services to meet the individual needs of each client. Client goals, objectives, investment restrictions and other investment or insurance-related items are clarified in meetings and via correspondence. Such items are used to determine a recommended course of action for each individual client. For asset management clients, we include all investment-related items in the client's written Investment Policy, which must be approved by us and the client before we begin to manage the client's investments.

MANAGED ASSETS

As of December 31, 2022, we manage approximately \$7,545,800 in assets for 19 client households and 33 client accounts. We manage all assets on a discretionary basis.

FEES AND COMPENSATION

DESCRIPTION

Fees for our **asset management service** are based on aggregate assets under management as shown in the following schedule. We generally charge a minimum fee of \$250.00 per quarter, but we can waive or reduce this minimum at our discretion. Fees are payable on a quarterly basis in arrears. We generally deduct our fees directly from a client's managed account(s), but we can invoice clients for fees upon request.

<u>Assets under Management</u>	<u>Annual Fee</u>
\$0 to \$1,000,000	1.00%
1,000,000 to \$5,000,000	\$10,000 + 0.75% of amount over \$1,000,000
\$5,000,000 and over	\$40,000 + 0.55% of amount over \$5,000,000

We do not receive any other compensation for our asset management services. Brokerage commissions charged by a client's custodian are in addition to fees charged by us.

Fees for our services are negotiable. Although we believe our fees are competitive with fees charged by other entities for comparable services, such services may be available for fees lower than ours.

FEE BILLING

Asset management fees are payable at the end of each calendar quarter based on average daily balances in the client's managed investment accounts. For the purpose of calculating fees, we aggregate balances in all of a client's managed investment accounts to determine the total assets under management.

Clients can choose to have us deduct asset management fees directly from one or more of their accounts (subject to the capabilities of the client's custodian) or we can create and deliver an invoice. If a client chooses to be invoiced, such invoice is due and payable on receipt by the client. Clients must consent in advance to allow us to deduct our asset management fees directly from one or more of their managed account(s).

OTHER FEES

Custodians may charge transaction fees on purchases or sales of certain mutual funds, stocks, bonds, options, exchange-traded funds, closed-end funds and other types of securities. These transaction charges are incidental to the purchase or sale of a security. In some cases, custodians also charge monthly, quarterly, or annual custody fees.

Mutual funds, exchange-traded funds, closed-end funds, and other types of pooled investment funds generally charge a management fee for their services as investment managers and/or to cover administrative and operating expenses of the fund. These fees are typically included in the fund's "expense ratio" and are generally deducted directly from the fund's assets. Pooled investment funds may charge other fees as well (such as minimum account fees or purchase/sale transaction fees). All fees charged by a pooled investment fund are generally disclosed in the fund's prospectus or similar disclosure document.

If California-based clients purchase insurance products through Bob Brown in his individual capacity as a licensed life and health agent, he will receive the normal and customary commissions on such transactions. The receipt of commissions by affiliated persons may result in a conflict of interest since we may make recommendations in our insurance plans that increase compensation for such affiliated persons. We mitigate this conflict by adhering to our Code of Ethics and our fiduciary duty to place our client's interests ahead of our own. Also, we do not require that insurance transactions be effected through our affiliated persons. Although Mr. Brown is available to implement insurance recommendations as a convenience, clients may choose to use the services of any insurance agent and are not obligated to use the services of Mr. Brown.

Custody fees, transaction charges, pooled investment fees and any other third-party fees are in addition to the asset management fees payable to us. We do not receive, share in, or accept any fees charged to our clients by third parties.

Please see the section entitled "Brokerage Practices" on page 11 for more information.

PAST DUE ACCOUNTS, TERMINATION OF AGREEMENT AND ASSIGNMENT

We reserve the right to charge a late fee for amounts not paid to us by the due date. We calculate the late fee using an annual rate of 12 percent.

Our asset management services agreement can be terminated by us or by a client at any time without penalty. If the agreement is terminated before the end of a calendar quarter, we will determine our fee based on assets under management from the beginning of the quarter through the termination date and pro-rate the resulting amount based on the number of days in the quarter for which we provided services.

We may not assign our agreements to another entity without our clients' consent.

COMPENSATION FOR SALES OF INVESTMENT PRODUCTS

Our compensation for asset management and insurance planning services consists solely of fees paid directly by clients. We do not accept or receive any commissions based on the purchase of any financial product or service.

If California-based clients purchase insurance products through Bob Brown in his individual capacity as a licensed life and health agent, he will receive the normal and customary commissions on such transactions. The receipt of commissions by affiliated persons may result in a conflict of interest since we may make recommendations in our

insurance plans that increase compensation for such affiliated persons. We mitigate this conflict by adhering to our Code of Ethics and our fiduciary duty to place our client's interests ahead of our own. Also, we do not require that insurance transactions be effected through our affiliated persons. Although Mr. Brown is available to implement insurance recommendations as a convenience, clients may choose to use the services of any insurance agent and are not obligated to use the services of Mr. Brown.

PERFORMANCE-BASED FEES

NO PERFORMANCE-BASED FEE ARRANGEMENTS

We do not use a performance-based fee structure (i.e., fees based on a share of capital gains or capital appreciation) because of the potential for conflicts 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.

We do, however, use an asset-based fee structure which allows us to participate in the growth of a client's aggregate portfolio value. Such structure also means that our fees decline when the value of a client's aggregate portfolio declines.

TYPES OF CLIENTS

DESCRIPTION

We provide asset management and insurance planning services to individuals, families, trusts, estates, small- and medium-sized businesses, non-profit organizations, and governmental entities. We generally require a minimum of \$100,000 in aggregate assets to establish an asset management relationship, although we may waive this minimum at our discretion.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

METHODS OF ANALYSIS

In developing global asset allocations, we use Modern Portfolio Theory concepts to determine allocation weightings across diversified asset classes to achieve a targeted level of risk. We sometimes adjust asset class weightings to incorporate our views for future expected returns.

In selecting individual securities, we generally employ fundamental analysis—evaluation of earnings power and capital strength—to determine if a security is appropriate for purchase or sale. We generally employ fundamental analysis to make tactical allocation decisions as well.

Our main sources of information include filings with the Securities and Exchange Commission, Morningstar, Standard & Poor's, financial newspapers, magazines and websites, research materials prepared by others, conference calls and industry conferences.

INVESTMENT STRATEGIES

We manage client portfolios using mutual funds, exchange-traded funds, real estate investment trusts, exchange-traded limited partnerships, and individual equity and fixed income securities. From time to time and as necessary to achieve specific investment objectives, we may: (a) include options or warrants in our managed portfolios, (b) execute transactions on margin (or purchase leveraged exchange-traded funds), and/or (c) employ short selling strategies (or purchase inverse exchange-traded funds or leveraged inverse exchange-traded funds). See **“Risks Associated with Certain Investment Strategies and Vehicles”** below for specific risks related to these items.

During the initial portfolio implementation period and at other times when large cash balances need to be invested, we may choose to invest these balances over an extended period of time (but generally within 90 days) in order to achieve the benefit of dollar cost averaging.

We build portfolios using both active and passive investment management strategies. We generally employ a passive approach to achieve well-diversified asset class exposure in market segments where we believe efficiency is high. We generally employ an active approach (including selection of individual securities by us) in market segments where we believe efficiency is low or in situations where we believe that specific assets are undervalued.

When selecting individual securities, we generally apply a value style bias in our decision making process. That is, we tend to select securities of companies having lower valuation characteristics (such as price-to-earnings ratios, price-to-book ratios, etc) and higher dividend yields than those of other comparably-sized companies. We generally favor third-party investment managers (e.g., mutual fund managers) who share this value orientation as well.

We believe that focus on the total cost of ownership is an important element of the investment management process. Over time, investment-related fees and expenses can significantly erode the aggregate value of a client’s portfolio. We seek to control overall costs by employing cost-efficient investment strategies (such as selecting mutual funds with lower than-average expense ratios, purchasing exchange-traded funds, buying individual securities, etc) and by minimizing investment turnover (consistent with the client’s investment objectives and overall market conditions).

We develop a client’s specific investment strategy based on the objectives, income needs, tax situation and other investment-related factors for that client. The client may change these objectives at any time and we will adjust our portfolio management strategies accordingly. Each client portfolio is constructed solely for that client. We do not use model portfolios and we do not utilize composites to illustrate results.

RISK OF LOSS

All investment programs have certain risks that are borne by the investor. *Risks can sometimes be mitigated, but they can never be eliminated.* Risks that our clients incur as we implement and carry out their investment strategies include loss of principal risk, interest rate risk, market risk, inflation risk, currency risk, reinvestment risk, business risk, and liquidity risk.

RISKS ASSOCIATED WITH CERTAIN INVESTMENT STRATEGIES AND VEHICLES

The following investment strategies and investment vehicles carry specific risks that are also borne by the investor.

Use of Leverage: Leverage (also known as “margin”) involves borrowing funds (typically from a brokerage firm) to purchase securities. The lender of the funds uses the securities as collateral for their loan. When losses occur, the value of the securities may fall below the level specified by the lender, requiring the investor to allocate additional funds to the account or sell securities to pay back the loan. **Risks associated with leverage include potential loss**

of entire principal amount, increased portfolio volatility and forced selling of securities to reduce the loan balance (often at inopportune times).

Options: Options are contracts that give the investor the right to purchase or sell a specific security for a specific price at a specific time. **Risks associated with options include potential loss of entire principal amount and increased portfolio volatility. In addition, many option contracts have limited liquidity and may be difficult to sell at reasonable prices.**

Short Selling: Short selling involves borrowing securities (usually from a brokerage firm) and selling them with the expectation of repurchasing the same securities in the future at a lower price. If the value of the securities sold short increases, the investor will be required to allocate additional funds to the account or buy a certain amount of the securities back (often at inopportune times). It may be difficult (or impossible) to repurchase shares in the future due to high market volatility or market disruptions. **Short selling involves significant risks because potential losses can exceed the initial principal amount of the investment.**

Leveraged ETFs and Inverse Leveraged ETFs: These investment vehicles generally strive to achieve a targeted daily investment return (e.g., +2x, +3x, -2x, -3x) relative to a specified index (e.g., S&P 500). Because of the impact of daily compounding over time, the aggregate return for leveraged ETFs and inverse leveraged ETFs over holding periods longer than one day will likely differ from the compounded returns of the target. **Use of leveraged ETFs and inverse ETFs involves significant risks because the funds may lose money even if the specified index remains unchanged, increases (for leveraged ETFs) or declines (for inverse leveraged ETFs). Also, these funds will tend to lose more and gain less than the specified target due to the impact of daily compounding over time.**

DISCIPLINARY INFORMATION

LEGAL AND DISCIPLINARY

Neither The R.L. Brown Advisory Group, LLC nor its principal have been involved in any legal or disciplinary events related to past or present activities.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

ACTIVITIES AND AFFILIATIONS

Bob Brown, our managing member, is licensed as a life and health agent by the California Department of Insurance (License #0H72737). In his individual capacity as a licensed insurance agent, Mr. Brown provides various insurance-related services for our clients and well as for non-clients. Mr. Brown currently devotes significantly less than 10% of his time to insurance matters—both inside and outside of the firm.

Mr. Brown also performs CFO services for privately owned companies. He currently devotes approximately 40 hours a week to these activities.

Further information regarding this relationship and its conflicts of interest are included in the section entitled “Fees and Compensation”.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

CODE OF ETHICS

We have adopted a Code of Ethics which establishes standards of conduct for our officers and employees. The Code of Ethics includes the general requirement that our officers and employees comply with their fiduciary obligations to clients and adhere to applicable securities laws. It also includes more specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest, acceptance of gifts, professionalism, and confidentiality of client information.

Officers and employees receive a copy of the Code of Ethics (including any amendments) and must acknowledge in writing having received the materials. In addition, each officer and employee must certify on an annual basis that he or she has complied with the Code of Ethics during that year. Officers and employees are required to report any violations to the Code of Ethics promptly to Bob Brown, our Chief Compliance Officer.

Clients and prospective clients may obtain a copy of our Code of Ethics by contacting Bob Brown via telephone at (925) 425-9610 or via email at bob@rlbrownadvisors.com.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS/PERSONAL TRADING

Under our Code of Ethics, we (for purposes of this section, “we”, “us” and “our” means The R.L. Brown Advisory Group, LLC and all its officers and employees collectively) may, for our own accounts, invest in the same securities that are currently held by our clients or purchased for our clients. To ensure that clients are treated preferentially, the firm has adopted policies and procedures related to our purchases and sales of such securities. These policies and procedures require, among other things, that we do not execute a transaction for our own accounts immediately before we execute a transaction in the same security for the firm’s clients. They also require the firm’s officers and employees to report personal securities transactions and holdings quarterly to Bob Brown, the firm’s Chief Compliance Officer, who is responsible for reviewing those reports and determining that policies and procedures regarding personal trading are being followed.

The firm’s Code of Ethics allows us to buy or sell specific securities for our own accounts based on investment considerations that may make such securities inappropriate for inclusion in a client’s portfolio. Similarly, the firm’s Code of Ethics allows us to make buy or sell decisions on specific securities for our own accounts based on decision-making processes (e.g., technical analysis) or timeframes (e.g., short-term vs. long-term) that may not be appropriate for clients.

BROKERAGE PRACTICES

RECOMMENDING BROKERAGE/CUSTODY FIRMS

All client investment accounts are held in the client’s name at a brokerage/custody firm selected by the client. We do not have discretion over the selection of the brokerage/custody firm to be used and the commission rates to be paid. We execute all transactions for clients through a limited power of attorney on the specific accounts for which we provide asset management services—regardless of where such accounts are maintained.

We may, however, recommend a brokerage/custody firm to clients. In recommending such firm, we consider a number of factors, including, for example, quality and efficiency of trade execution, quality of client service,

reasonableness of commissions, financial strength and stability, error resolution, block trading capabilities, access to computerized trading and client information systems, and ability for us to deduct fees directly from client accounts.

BENEFITS RECEIVED FROM BROKERAGE/CUSTODY FIRMS WE RECOMMEND

We do not receive any fees or commissions from brokerage/custody firms that we recommend. We also do not have any arrangement with any brokerage/custody firm in which we receive referrals of prospective clients in return for recommending such firm.

We do, however, receive certain benefits from brokerage/custody firms that we recommend. For example, we may receive electronic access to such firm's trading platforms and client information systems. We may also receive other advisor-oriented services, such as research, economic and market information, portfolio strategy advice, industry and company comments, technical data, recommendations, continuing education, and practice management advice. We may use the information obtained from such advisor-oriented services to benefit all clients, not just those using that particular brokerage/custody firm.

Our relationships with brokerage/custody firms that provide services to us influences our judgment in recommending such firms and creates a potential conflict of interest. These conflicts of interest are particularly influential to the extent that we receive services from these firms that we would otherwise have to purchase.

For brokerage/custody firms that we recommend, clients may pay brokerage commissions exceeding those that a similarly situated brokerage/custody firm might charge for effecting the same transactions. In recommending a brokerage/custody firm, we determine in good faith that such commission is reasonable in relation to the value of brokerage, research, and other services provided by such brokerage/custody firm to us and to our clients.

DIRECTED BROKERAGE

We do not accept directed brokerage instructions from clients for specific transactions. We effect all client transactions with the brokerage/custody firm maintaining that client's account.

AGGREGATED TRADES

We may aggregate securities sale or purchase orders for a client's account with similar orders being made contemporaneously for other accounts that we manage. In such cases, the average price of all securities purchased or sold in such transactions will be determined and each participating account will be charged (or credited) the average transaction price.

We aggregate securities sale or purchase orders only for accounts where we have access to a brokerage/custody firm's block trading/trade allocation system (currently Charles Schwab & Co., Inc.). Client accounts maintained at other brokerage/custody firms will not participate in aggregate securities transactions. Transactions for such accounts may be executed after an aggregated transaction and may receive execution that is less favorable than execution for the aggregated transaction.

REVIEW OF ACCOUNTS

PERIODIC REVIEWS

Client investment accounts are reviewed on a regular basis by Bob Brown, managing member and president of The R.L. Brown Advisory Group, LLC. Reviews generally consist of an evaluation of the client's current holdings, an

assessment of Investment Policy compliance, and identification of any opportunities for purchase or sale of securities given current market conditions and expected future asset class performance.

REVIEW TRIGGERS

Account reviews may be triggered when market conditions change rapidly, when a client's objectives or financial situation changes, when a client specifically requests a review, when new information emerges that materially affects the valuation of a security in a client's account, when tax laws change, or when other important economic or financial market events occur.

REGULAR REPORTS

We send performance reports to asset management clients on a quarterly basis. Such reports show the client's current allocation vs. the targeted allocation, performance relative to an appropriate benchmark, the amount of any fees that we have charged for our services over the reporting period, and information on current holdings.

CLIENT REFERRALS AND OTHER COMPENSATION

INCOMING REFERRALS

We receive referrals of prospective clients from many sources, including current clients, other professionals, family members, and personal friends. We do not pay or provide any other form of compensation for referrals of prospective clients.

REFERRALS TO OTHER PROFESSIONALS

At our clients' request, we may recommend other professionals for services that we do not provide. We do not accept referral fees or any other form of compensation from professionals to whom we make such referrals.

CUSTODY

ACCOUNT STATEMENTS PROVIDED BY CUSTODIANS

All client assets are held by qualified custodians who provide account statements directly to clients at their address of record on at least a quarterly basis. We encourage clients to carefully review all statements they receive from their qualified custodian.

ACCOUNT STATEMENTS PROVIDED BY US

We periodically provide clients with account and performance statements that we generate from our portfolio accounting systems. These statements may differ from the statements clients receive from the account custodian due to differences in accounting procedures (e.g., trade date vs. settlement date accounting), reporting dates, or valuation methodologies of certain securities. We urge clients to compare all statements they receive from us to those they receive from their qualified custodians.

CALIFORNIA CUSTODY RULE

Advisers registered with the State of California are deemed to have “custody” of client funds if certain conditions are met. One such condition occurs when the adviser has the authority to directly deduct fees from client accounts. Although this technically qualifies as “custody”, the State of California provides an exemption for advisers who are deemed to have custody solely for this reason. To satisfy the exemption requirements, advisers must meet certain disclosure and custodian requirements. We currently satisfy these exemption requirements.

INVESTMENT DISCRETION

DISCRETIONARY AUTHORITY FOR TRADING

We accept discretionary authority to manage investment accounts on behalf of our asset management clients. Such authority allows us to determine, without obtaining specific client consent (but subject to the policies, limitations, and restrictions in the client’s then-existing Investment Policy), the securities to be purchased or sold and the amount of securities to be purchased or sold. Discretionary trading authority allows us to execute transactions in client accounts so that we may promptly implement the investment strategies outlined in the client’s Investment Policy.

In some cases, we select third-party investment managers (e.g., mutual fund managers) to manage a certain portion of client assets. Such investment managers have full discretion over trades and do not consult with us or with the client before executing transactions.

Clients may provide restrictions and guidelines on the types of securities we may purchase or the types of transactions or positions we may enter into. We promptly incorporate all such restrictions and guidelines into the client’s Investment Policy and implement them in our management of the client’s portfolio as soon as administratively possible.

LIMITED POWER OF ATTORNEY

Clients must sign a limited power of attorney to legally delegate to us discretionary authority to enter into securities transactions on their behalf. For our main brokerage/custody firm (Charles Schwab & Co., Inc.), the limited power of attorney is included in the account application. For accounts not held with our main brokerage/custody firm, we generally require clients to sign a separate limited power of attorney document.

VOTING CLIENT SECURITIES

PROXY VOTES

As a matter of firm policy and practice, we generally do not have any authority to vote proxies on behalf of clients and we generally do not vote proxies on behalf of clients. Clients receive proxy materials directly and retain proxy voting authority for all securities held in their accounts.

FINANCIAL INFORMATION

FINANCIAL CONDITION

We do not have any impairment that will preclude us from meeting our contractual and fiduciary commitments to clients, and we have never been the subject of a bankruptcy proceeding. We are not required to provide a balance sheet with this firm brochure because we do not serve as a custodian for client funds or securities (other than as described in the section entitled “Custody”) and we do not require prepayment of any fees.

BUSINESS CONTINUITY PLAN

GENERAL DESCRIPTION

We have a business continuity plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, or services. The business continuity plan covers natural disasters such as earthquakes, fire, and flooding, as well as man-made disasters such as loss of electrical power, nuclear emergencies, chemical or biological events, and communication outages.

INFORMATION SECURITY PROGRAM

GENERAL DESCRIPTION

We maintain an information security program to reduce the risk that personal and confidential information may be breached. Such program requires, among other things, that we maintain a secure office to ensure that information in our possession is not placed at unreasonable risk and that we employ a firewall barrier and authentication procedures in our computer environment.

PRIVACY NOTICE

We obtain non-public personal information about clients from (1) account applications and other account-related forms, (2) meetings and conversations, and (3) client transactions with us and unaffiliated third parties (e.g., brokerage/custody firms). We are committed to maintaining the confidentiality, integrity, and security of the non-public personal information that we obtain.

We do not disclose any non-public personal information about clients or former clients to anyone, except as permitted by law or except as authorized by the client or former client. We require strict confidentiality provisions in our agreements with unaffiliated third parties (e.g., auditors, accountants, consultants, etc) who may require access to non-public personal information that we maintain. Federal and state securities regulators may review our company records and client records as permitted by law.

We maintain personally identifiable information that we obtain for the period that records are required to be maintained by federal and state securities laws. After that time, such information may be destroyed.

We will notify our clients in advance if our privacy policy is expected to change. We are required by law to deliver this privacy notice to our clients annually, in writing.



THE R.L. BROWN ADVISORY GROUP

INVESTMENT MANAGEMENT | RETIREMENT PLAN SERVICES | INSURANCE SOLUTIONS

1807 SANTA RITA ROAD, UNIT H-123
PLEASANTON, CA 94566
(925) 425-9610
WWW.RLBROWNADVISORS.COM

Supervised Persons:

Robert L. Brown, President & Chief Compliance Officer

BROCHURE SUPPLEMENT

(Part 2B of Form ADV)

As of: December 31, 2023

This brochure supplement provides information about Robert L. Brown that supplements The R.L. Brown Advisory Group, LLC firm brochure. You should have received a copy of that brochure. Please contact us via telephone at (925) 425-9610 or via email at bob@rlbrownadvisors.com if you did not receive The R.L. Brown Advisory Group, LLC's brochure or if you have any questions about the contents of this supplement

Additional information about The R.L. Brown Advisory Group, LLC and Robert L. Brown is available via the SEC's web site www.adviserinfo.sec.gov.

Throughout this brochure supplement, the terms "we", "us", and "our" refers to The R.L. Brown Advisory Group, LLC.

EDUCATION AND BUSINESS STANDARDS

We require that any employee whose function includes the development or delivery of advisory services (as described in our firm brochure) to clients must:

1. Have a bachelor's degree from an accredited university
2. Have demonstrated proficiency in financial analysis, portfolio management, performance reporting, asset allocation and security analysis
3. Hold the Series 65 Investment Adviser Representative license or its equivalent
4. Hold or be pursuing one of the following designations: Chartered Financial Analyst (CFA), Certified Financial Planner (CFP), Certified Public Accountant (CPA) or Chartered Financial Consultant (ChFC).
5. Adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct and the Financial Planning Association Code of Ethics
6. Be properly licensed and knowledgeable for all advisory activities in which they are engaged

PROFESSIONAL CERTIFICATIONS

Certifications and credentials earned by our officers and employees are explained in further detail below.

CHARTERED FINANCIAL ANALYST

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

There are currently more than 90,000 CFA charterholders working in 134 countries. To earn the CFA charter, candidates must (1) pass three sequential, six-hour examinations; (2) have at least four years of qualified professional investment experience; (3) join the CFA Institute as members; and (4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

High Ethical Standards

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

Global Recognition

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 22 countries and territories recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

Comprehensive and Current Knowledge

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA charter, visit www.cfainstitute.org.

ROBERT (BOB) L. BROWN, CFA, PRESIDENT AND CHIEF COMPLIANCE OFFICER

Personal and Educational Background:

- Date of Birth: 3/19/1966
- University of California at Davis
Bachelor of Science—Aeronautical Science & Engineering, 1987
- California State University, Long Beach
Master of Business Administration—Concentration in Finance, 1992
- CFA Institute
Chartered Financial Analyst, 1995
- California Department of Insurance
Accident and Health Agent, Life-Only Agent, Variable Contracts Agent
License #0H72737

Business Experience:

Prior to founding The R.L. Brown Advisory Group, LLC in 2007, Bob was a senior executive at Wells Fargo Bank for almost 15 years. During that time, Bob contributed to the company's growth in several capacities, including manager of the bank's small business credit analytics group (1992 – 2000), head of the payroll services division (2000 – 2004) and head of quantitative marketing in the wealth management group (2004 – 2007).

Bob received his CFA charter in 1995 from the CFA Institute and is a current member of the CFA Society of San Francisco.

Disciplinary Information:

None.

Other Professional Activities:

Past-president and former treasurer for the Rotary Club of Pleasanton
Former trustee for the Rotary Club of Pleasanton Foundation

Additional Compensation:

In his individual capacity as a licensed insurance agent, Mr. Brown may receive additional compensation from sales of insurance products.

Supervision:

None. Bob is the sole advisory practitioner for the firm and there are no other employees.