



## Disclosure Brochure (Form ADV 2A)

This ADV Part 2A Brochure provides information about the qualifications, services and business practices of Provident Capital Group, L.P. If you have any questions about the contents of this Brochure, please contact our office via the contact information listed on this page.

The information in this Brochure has not been approved or verified by the State of Georgia's Secretary of State or the United States Securities and Exchange Commission ("SEC"). Registration does not imply a certain level of skill or training. Information about Provident Capital Group, L.P. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Provident Capital Group's CRD number is: 311334.

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## ITEM 2: MATERIAL CHANGES

### Material Changes

This version of our Brochure dated February 9, 2024, is a part of our annual amendment. The following material changes to our business practices since our last Brochure filing March 30, 2023:

- Effective December 2023, we have added Pontera to our list of third-party asset managers to assist with Management of 401(k) and 403(b) accounts.
- The firm mailing address has been updated to 3343 Peachtree Rd NW, STE 145-1905, Atlanta, GA, 30326-1085

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*ADV 2B Brochure(s) follow the Form ADV 2A.*

## ITEM 4: ADVISORY BUSINESS

### A. DESCRIPTION OF THE ADVISORY FIRM.

Provident Capital Group, L.P., (“*Provident Capital Group*” or “*Adviser*”) is a *fee-based* Registered Investment Adviser. The Adviser is headquartered in Mableton, Georgia.

Provident Capital Group is independently owned and operated by its sole owners: John E. Miller and George C. Miller, equal partners. John Miller is also Provident Capital Group’s Chief Compliance Officer.

Provident Capital Group was formed in October 2020 and applied for initial investment adviser registration in January 2021. Provident Capital Group is regulated by the State of Georgia’s Secretary of State.

### B. TYPES OF ADVISORY SERVICES

#### **Provident Capital Group provides professional Investment Management Services and Financial Planning Services.**

Provident Capital Group is available to provide customized services to individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. Provident Capital Group only accepts compensation for advisory services through a percentage of assets under management and hourly or project-based fees depending upon the nature and scope of the Adviser’s engagement.

“*Investment Adviser Representatives*” are those persons who are authorized by Provident Capital Group and are appropriately registered to provide financial or investment advice on behalf of the Adviser.

Provident Capital Group is not a broker/dealer. The term “*fee-based*” means the Investment Adviser Representatives of Provident Capital Group are *not* Registered Representatives of any broker/dealer firm and do not accept commissions in connection with securities recommendations or implementation and do not engage in insurance or other product sales. Transactions in securities can be executed by a brokerage-custodial firm of clients’ choosing.

Provident Capital Group is not an insurance agency, but John Miller is otherwise engaged as an independently licensed insurance agent as disclosed at Item 10.C in this Brochure. Mr. Miller accepts normal commissions paid by insurance companies if clients purchase insurance through him. The receipt of commissions is a conflict of interest. Please refer to Item 10.C of this Brochure for additional information.

The Adviser offers a complimentary general consultation to discuss services available, to give a prospective client time to review services desired, and to determine the possibility of a potential Client-Adviser relationship. Services begin only after the client and Adviser formalize the relationship with a properly executed Client Agreement.

After the formal engagement and depending upon the scope of the engagement, the Adviser and client will share in a data gathering and discovery process in an effort to determine the client's needs, goals, intentions, time horizons, risk tolerance and investment objectives, based upon information provided by the client and the nature of services requested. The client and Adviser may complete a risk assessment, investment policy statement or similar document, depending upon the nature of services to be provided.

**1. Investment Management with complimentary financial planning services** involve ongoing and continuous portfolio management and financial planning services, thus, services are ongoing until terminated by either party.

Provident Capital Group focuses on providing individualized services that are tailored to meet the stated needs and objectives of the client. The Adviser can provide clients with portfolio assessment, detailed recommendations, asset allocation, implementation, ongoing monitoring, a review of the client's existing portfolio, and financial planning services.

Once engaged, Provident Capital Group reviews the client's stated individual needs, goals, objectives, time horizons, risk tolerance and suitability via a data-gathering and discussion process. Generally, clients will be strongly encouraged to complete an investment policy statement or similar document, provide copies of account statements, and any other information that may be needed (such as trust agreements, etc.) for analysis and recordkeeping purposes. Provident Capital Group may also request additional information such as investment history, family background information or other such data that may be pertinent to the client's overall investment expectations. The client's active participation is important to our process. The goal is to develop a mutual understanding of the client's stated needs and objectives as needed for Provident Capital Group to formulate advice and recommendations.

Provident Capital Group's financial planning services may involve a review of an existing written plan (if a plan is currently in place); a plan update (if applicable); preparation of a new plan (if requested); and/or consultations on financial planning topics such as retirement planning, goal setting, general estate planning, education funding, discussions pertaining to large purchases, issues of concern to business owners, etc. Financial planning services and any ongoing or annual review services will be initiated by the client.

Provident Capital Group will prepare an evaluation of pre-existing portfolio investments that will be transferred for management (if applicable). Based upon information provided by the client, the Adviser can prepare recommendations for investments and advice which may include planning for long-range goals (*i.e.*, retirement planning), short-term investment plans, or as the client may direct. In each case, Provident Capital Group seeks to provide individualized services. The Adviser can tailor services to focus only on certain portfolio components, depending upon the client's wishes and/or the nature of the engagement. However, where the services requested are limited in scope or where information is withheld, clients must understand that comprehensive investment needs and or objectives may not be fully considered due to the client's option not to receive limited services, the lack of information and/or client disclosure received. Where clients seek to engage in self-directed investing, the

Adviser will not manage these particular investments unless specifically agreed in writing.

While Provident Capital Group will typically recommend investments in mutual funds, index funds, exchange-traded funds (ETFs), individual equities, U.S. government securities, municipal bonds, and other fixed-income securities, as well as other potential investments of interest to the client. Provident Capital Group will generally seek to allocate the client's assets among various investments, taking into consideration the overall management style and portfolio framework selected by the client. The Adviser attempts to construct a diversified portfolio of investment recommendations that are within its realm of expertise.

When providing advice to individuals in connection with retirement plan investments, the advice and recommendations are limited to plan offerings and plan service providers.

Once the portfolio has been implemented or transferred for services, Provident Capital Group can provide continuous monitoring, recommendations and investment advice as outlined in the engagement for services. The Adviser's asset allocation services and rebalancing services are provided to clients invested in stocks, mutual funds, exchange-traded funds, and other assets, as outlined in the designed investment strategies.

The ongoing Investment Management Services provided are individualized and therefore based upon the client's stated unique individual needs. Provident Capital Group will manage investor funds in accordance with an investment policy / plan as selected by the client and the Adviser. Provident Capital Group will remain available for ongoing advice and recommendations and continues to provide ongoing monitoring of the portfolio in accordance with the directives provided. Services do not include consultation services on issues outside of the portfolio management and financial planning engagement.

Frequent communications with the Adviser are encouraged. During the course of the engagement, clients may call the office at any time during business hours to discuss their investment plan, their portfolio or to ask questions, but the Adviser recommends that clients initiate a meeting with the Adviser (either telephonically or in person) no less than annually. *However, clients are obligated to inform the Adviser immediately of any changes in their financial situation to provide the Adviser with the opportunity to review the portfolio to ensure it is still structured to help meet the client's stated needs and objectives.*

The underlying portfolio assets will be reviewed internally on a frequent basis (no less than quarterly). Reviews may occur more frequently, depending upon the types of investments, market conditions, where the client reports changes in their financial situation, at the time of significant deposits or withdrawals, at the discretion of the Adviser, or at the specific request of the client.

We utilize various marketing channels, including social media platforms, to promote our advisory services.

### Third Party Investment Management Services

As financial advisors, we may recommend that a client place all or a portion of their assets under the management of a third-party investment manager. In doing so, we conduct a comprehensive analysis and selection process of advisory platforms provided by other investment advisors with managed strategies that are aligned with the client's financial needs and objectives.

These investment advisors are third-party investment platforms and institutional advisors that offer managed portfolios through specific platforms, typically with a focus on particular investment models, styles, and strategies. As part of our role, we continuously monitor the strategies offered through these third-party investment management platforms to ensure they align with our client's investment objectives and risk tolerance levels.

Upon obtaining authorization through the service agreement, the third-party investment management platforms are granted discretionary authority to manage the assets. As the client's financial advisor, we are responsible for the ongoing rebalancing and continuous monitoring of the assets managed by these platforms.

It's essential to note that our third-party investment management services are offered exclusively through carefully selected platforms that have been thoroughly evaluated by our team. By leveraging our expertise, clients can benefit from tailored investment strategies to help achieve their financial goals and objectives. We currently offer third-party investment management and support services through the following platforms:

- *First Ascent Asset Management.* First Ascent offers multiple strategies at different risk levels. All their portfolios are globally diversified and built for long term investors.
- *Pontera.* We utilize Pontera, a third-party platform, to efficiently manage held away assets, such as participant accounts in defined contribution plans, with discretion. With this platform, we are not deemed to have custody of Client funds, as we will not have direct access to Client login credentials for executing trades. Our relationship with the platform is non-affiliated, and we do not receive any compensation for utilizing their services. Clients are provided with a link to connect their account(s) to the platform. Upon connecting Client account(s) to the platform, the Adviser conducts a thorough review of the current account allocations. When deemed appropriate, the Adviser performs rebalancing, taking into consideration the client's investment goals, risk tolerance, and the prevailing economic and market trends. The primary objective is to enhance account performance over time, mitigate losses during challenging market conditions, and effectively manage internal fees that could impact account performance adversely. Client account(s) undergo a minimum quarterly review, and allocation adjustments are made as necessary to align with the client's financial objectives and prevailing market conditions.

**2. Financial Planning Services** (not including investment management). Services may be comprehensive in nature (the development of or review of an existing financial plan) or focus on the client's stated area of interest (such as certain components of financial planning such as retirement planning, college funding, cash flow, planning for large purchases, etc.), as requested by the client and as documented in the client agreement. These advisory engagements conclude upon the delivery of services unless



otherwise specified in the client agreement. Provident Capital Group is available to provide financial planning services via an hourly or project fee basis. The Adviser can tailor services as desired by the client.

Where these only focus on certain areas of client interests, needs, or are otherwise limited, clients must understand that a client's overall financial and investment needs and objectives may not be considered as a result of time and/or service restraints placed on the Adviser's services and/or the limited disclosure of information from the client. When providing advice to individuals in connection with retirement plan investments, the advice and recommendations are limited to plan offerings and plan service providers.

Investment Adviser Representatives may suggest the client work closely with the client's attorney, accountant, insurance agent, and the client's custodian. Clients requiring assistance on issues relating to matters outside of investment advisory topics should consult their personal tax adviser, legal counsel, or other professionals for expert opinions.

Clients are welcome, but are never under any obligation, to utilize the products or service providers that may be recommended. Implementation of any advice or recommendations pertaining to securities and/or non-securities matters (such as insurance), in whole or in part, is entirely at the client's discretion via the service provider(s) of the client's choice. Please refer to the disclosure at Item 4.A or 10.C of this Brochure regarding John Miller's status as a licensed insurance agent.

Provident Capital Group's may include recommendations for follow-up services, updates, and reviews. These aforementioned services can be obtained under a new or amended agreement at the client's discretion.

### **C. CLIENT TAILORED SERVICES AND CLIENT IMPOSED RESTRICTIONS**

The Adviser focuses on providing individualized services and can tailor services to focus only on certain portfolio components and/or advice, depending upon the client's wishes and/or the nature of the engagement. Provident Capital Group takes the position that each client presents a unique set of needs, goals, and experiences. As previously noted, where client services or information are limited, clients must understand that comprehensive financial and/or investment needs and objectives may not be fully considered due to the client's option to receive limited services, the lack of information received, and/or client disclosure.

The client and Adviser may complete a risk assessment, investment policy statement or similar document, depending upon the nature of services to be provided. Clients may not impose restrictions on investing in certain securities or types of securities in accordance with their values or beliefs, unless otherwise agreed by the Adviser in writing. Clients are welcome to set parameters on the Adviser's limited discretionary authority in writing as to types of investments and amounts purchased or sold.

Where clients retain authority to implement recommendations, they are welcome to do so, in whole or in part via the financial services provider(s) of their choice.

## **D. WRAP FEE PROGRAMS**

Provident Capital Group does not recommend wrap fee programs and is not engaged as a wrap fee program manager or sponsor.

## **E. AMOUNTS OF ASSETS UNDER MANAGEMENT**

As of February 9, 2023, Provident Capital Group manages approximately \$1,259,604 in assets on a discretionary basis for approximately 19 households.

# **ITEM 5: FEES AND COMPENSATION**

## **A. FEE SCHEDULES**

Provident Capital Group is only compensated for advisory services in the following manner: 1) A percentage of assets under management or 2) hourly fees for its stand-alone financial planning services. In the case of hourly services, the Adviser may determine a project-based fee, which will be dependent upon the nature and scope of the engagement and the number of anticipated project hours, using the Adviser's hourly rate as a guide.

**1. Advisory fees for Investment Management Services** are agreed upon at the time of engagement. The advisory fees for Investment Management Services are based upon a percentage of the assets under management with a maximum annual fee of 1.20%. The included financial planning services are complimentary.

The advisory fee is negotiable and agreed to at the time of engagement. Provident Capital Group's annual fee is based upon the nature, complexity and scope of the services required, time and effort, amount, and nature of assets to be managed, pre-existing relationships and other factors at the discretion of the Adviser. Provident Capital Group's fee may be higher or lower than may otherwise be available through other types of advisory firms for similar services.

The quarterly investment management fees are invoiced in advance based upon the portfolio's market value on the last trading day of the end of the quarterly billing period. The portfolio's market value is determined by the client's selected custodial firm. The quarterly fee is calculated by multiplying the portfolio balance (on the last trading day of the billing period) by  $\frac{1}{4}$  of the Adviser's annual fee. A pro-rata fee is calculated for services initiated at any time other than at the beginning of a calendar quarter.

The advisory fee may be revised during the engagement, particularly if different needs / complexities arise or the scope of services should change. In such cases, Provident Capital Group will notify the client of the Adviser's intention to modify the fee with at least 30 days written notice. Should the client decide not to accept the amended fee terms, the client is welcomed to terminate services at any time without penalty.

**2. The fees for stand-alone Financial Planning Services** are determined at the time of engagement and based upon the time and effort required and/or the nature and complexity of services. The Adviser's fee is 125 per hour. For larger projects, the Adviser may propose a project-based fee, which will be calculated by multiplying the Adviser's hourly fee by the proposed number of hours required to complete the project taking into

consideration the effort, scope of engagement and complexity of services. Project-based fees are agreed to at the time of engagement.

Should a client's condition change during the course of services such that new advice, re-evaluations, recommendations, or research are required, or the Adviser must re-work the advice, recommendations or other services, additional fees will apply. The Adviser will not engage in additional services that result in fees without the client's written authorization. Where services deviate dramatically, a new or amended Client Agreement will be requested.

## **B. PAYMENT OF FEES**

**1. Investment Management Services.** Investment Management may be made directly to Provident Capital Group or through a debit directly to the client's custodial account, with the client's authorization. Provident Capital Group complies with the rules under the State of Georgia's Uniform Securities Act, when payment is made via a qualified custodian: (1) The client provides written authorization permitting the Adviser's fees to be paid directly from the client's account held by the independent qualified custodian and the authorization is limited to withdrawing contractually agreed upon Investment Adviser fees; (2) The frequency of fee withdrawal shall be specified in the written agreement; 3) The qualified custodian of the account(s) shall be advised in writing of the limitation on the Adviser's access to the account; (4) The custodian agrees to send an account statement to the client at least quarterly and the statement will indicate all amounts disbursed from the account including the amount of advisory fees paid directly to the Adviser; (5) The client shall be able to terminate the written billing authorization or agreement at any time.

If the designated account(s) do not contain sufficient funds to pay advisory fees, the client can leave standing orders to deduct fees via other accounts. In the absence of alternate instructions, the Adviser will issue an invoice for advisory fees to the client and payment is due on delivery.

While Provident Capital Group makes every effort to ensure its fees are calculated properly, it is important to note that custodial firms do not verify advisory fees. Clients should review their custodial statements carefully. If a client should have any questions or concerns in connection with an advisory fee deduction or other statement data, they should promptly contact Provident Capital Group. *If at any time during the engagement, the client fails to receive the regular account statements produced by the custodian, it is important for the client to promptly notify Provident Capital Group and the custodial firm.* Clients must promptly report address changes to their custodian and Provident Capital Group to help ensure that important account and service information is received.

**2. Stand-Alone Financial Planning Services** are invoiced directly. Fees are payable at the conclusion of services.

## **C. CLIENTS AND THIRD PARTY FEES ASSOCIATED WITH INVESTING**

Clients are responsible for the payment of all third-party fees associated with investing. Clients may pay transaction and brokerage commission to their broker/dealer or other service providers ("*Financial Institution[s]*") as well as any fees associated with clients' particular accounts (e.g., account opening, maintenance, transfer, termination, wire

transfer, retirement plan, trust fees, and all such applicable third-party fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. All fees paid to the Adviser for advisory services are separate from the fees and expenses charged to shareholders of ETF's or mutual fund shares offered by mutual fund companies.

If a mutual fund previously purchased by or selected by a client should impose a sales charge, a client may pay an initial or deferred sales charge. Provident Capital Group does *not* receive any portion of these investment-related fees. Such charges, fees and commissions are exclusive of and in addition to the Adviser's fees. A complete explanation of the expenses charged by a mutual fund or ETF is contained in the respective mutual fund prospectus. Clients are encouraged to read each prospectus and securities offering document.

#### **D. PREPAYMENT OF FEES**

Any of the Adviser's services may be immediately terminated within 5 days of engagement if the client did not receive the Adviser's ADV Part 2 Brochures at least 48 hours prior to the client's execution of the Client Agreement. In such cases, no fees are due or Provident Capital Group will return a prompt refund of a pre-paid but unearned fee. Alternatively:

Provident Capital Group's fees for **Investment Management Services** are invoiced quarterly and in advance. Investment Management Services are ongoing until either party receives notice of termination. Either party may immediately terminate services with written notice to the other. Where services are terminated prior to the end of a calendar quarter, the Adviser will calculate and promptly issue a pro-rated refund of the quarterly fee, using the effective date of termination. A statement showing how the refund was calculated will accompany the client's refund.

**Financial Planning Services** can be immediately terminated prior to the conclusion of services upon written notice from either party and the client will only be invoiced for time incurred by the Adviser up until the effective date of termination.

#### **E. OTHER COMPENSATION FOR THE SALE OF SECURITIES OR OTHER INVESTMENT PRODUCTS TO CLIENTS**

Provident Capital Group is a *fee-based* Registered Investment Adviser. The Adviser is compensated solely in the form of advisory fees paid by clients. Neither the Adviser nor its Investment Adviser Representatives accept commissions for the recommendation of securities or other products.

Provident Capital Group is not an insurance agency. However, John E. Miller is an independently licensed insurance agent and accepts normal commissions paid by insurance companies if clients purchase insurance through him. The receipt of commissions represents a conflict of interest between the Adviser and its clients. Provident Capital Group addresses this conflict of interest by requiring that its Investment Adviser Representatives act as fiduciaries, placing the best interest of their clients first and foremost and by ensuring all insurance commissions are fully disclosed.

Clients are welcome but are never obligated to purchase insurance and are free to utilize

their own insurance service provider when needs arise.

## **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Provident Capital Group's advisory fees are *not* "performance based" (based upon a share of capital gains or capital appreciation for any portion of funds under an advisory contract). Provident Capital Group Adviser does *not* engage in side-by-side management, which is a term used when non-performance-based accounts are managed with performance accounts (which can present a conflict of interest). Provident Capital Group has never participated in these types of services.

## **ITEM 7: TYPES OF CLIENTS**

Provident Capital Group's services are primarily available to individuals, high net worth individuals, trusts and estates and small businesses.

Provident Capital Group does not require a minimum portfolio size or fee for clients seeking advisory services. However, Provident Capital Group reserves the right to decline to offer services to any person or firm at its sole discretion.

If an account is subject to the Employee Retirement Income Security Act of 1974, as amended, ("*ERISA*"), the Adviser acknowledges that Adviser is a fiduciary within the meaning of the Act and the ERISA Client is a named fiduciary with respect to the control or management of the assets in the Account. In each instance, the Client will agree to obtain and maintain a bond satisfying the requirements of Section 412 of ERISA and to include the Adviser and the Adviser's principals, agents, and employees under those insured under that bond and will deliver to the Adviser a copy of the governing plan documents.

## **ITEM 8: METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **A. METHODS OF ANALYSIS AND INVESTMENT STRATEGIES**

Provident Capital Group believes each client presents a unique set of goals, values, interests, objectives, time horizons and challenges. Provident Capital Group provides individualized attention to each type of investor who engages the Adviser for services.

Provident Capital Group attempts to measure an investor's risk tolerance, time horizon, goals, and objectives through an interview process, based upon information provided by the client, in an effort to determine an investment plan or portfolio to best fit the investor's profile. Client participation and the client's delivery of accurate and complete information is critical to the Adviser's process. In performing its services, the Adviser shall not be required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information.

Investment strategies are generally long-term in nature, depending upon the stated individual needs of the client. The Adviser's general investment approach may be both conservative and long range or follow a strategy that is guided by the client's wishes. Certain clients may express a desire a less conservative investment program. The Adviser's investment strategies may be based upon a number of concepts and determined by the type of investor.

Provident Capital Group may recommend the services of itself, its Investment Adviser Representatives in their individual capacities as financial planners, investment managers, insurance agents (for those licensed as such), as well as other (unaffiliated) professionals to implement its recommendations (such as brokerage and custodial service providers). Any professional referrals (*i.e.*, accounting professionals, legal professionals, etc.) are offered *solely* as a courtesy. Provident Capital Group does not accept any form of direct or indirect compensation as a result of courtesy referrals.

Clients are welcome but are never under any obligation to act upon any of the Adviser's advice or recommendations or to engage the services of any such recommended service firm or professional, including the Adviser itself.

The Adviser may utilize aspects of Fundamental, Technical and Cyclical Analysis methods. Below is an overview of the Adviser's methodologies:

**1. Fundamental Analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages. Fundamental analysis primarily uses real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security. For example, an investor can perform fundamental analysis on a bond's value by looking at economic factors, such as interest rates and the overall state of the economy, and information about the bond issuer, such as potential changes in credit ratings. For assessing stocks, this method uses revenues, earnings, future growth, return on equity, profit margins and other data to determine a company's underlying value and potential for future growth. In terms of stocks, fundamental analysis focuses on the financial statements of the company being evaluated.

Very broadly described, this type of analysis involves a method of evaluating a security that entails attempting to measure its intrinsic value by examining related economic, financial, and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and company-specific factors (like financial condition and management). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price, with the aim of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short).

This method of security analysis is considered to be the opposite of technical analysis. Fundamental analysis is performed on historical and present data, but with the goal of making financial forecasts. There are several possible objectives:

- to conduct a company stock valuation and predict its probable price evolution,
- to make a projection on its business performance,
- to evaluate its management and make internal business decisions,

- to calculate its credit risk.

Fundamental analysis is not without its drawbacks. This method can be tedious and time consuming. Once a trend in the fundamentals of the company is established, normally, the future growth will be extrapolated using that trend. The extrapolation is a subjective exercise and should be cautiously assessed. There is also a time delay when doing fundamental analysis as the financial data that the analyst is reviewing is always from the previous year or previous quarter. Additionally, the analyst has to rely on data that is in part prepared by the company itself, and there is always a risk that it is inaccurate. Additionally, even if a fundamentally strong company at the right price is identified, it does not mean that the company shares are going to move anytime soon. Therefore, some holdings may need to be held for quite some time. The share market can also be driven by investor sentiment, and it can sometimes swing in extremes. There is always danger that an analyst will miss the opportune buy/sell times. Provident Capital Group uses fundamental analysis as an information source but does not attempt to time the market.

**2. Technical Analysis** is a method of evaluating securities by analyzing the statistics generated by market activity, such as past prices and volume. There are multiple technical analysis methods that can be employed. Generally speaking, technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. The field of technical analysis is based on three assumptions:

1. The market discounts everything.
2. Price moves in trends.
3. History tends to repeat itself.

This type of analysis can be broadly described as a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. It is a discipline for forecasting the direction of prices through the study of past market data, primarily price and volume. Technical analysts lean towards the belief that the historical performance of stocks and markets are likely indications of future performance.

Simply put, technical analysis deals with reading stock charts and this process is broadly described as a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. It is a discipline for forecasting the direction of prices through the study of past market data, primarily price and volume. Technical analysts lean towards the belief that the historical performance of stocks and markets are likely indications of future performance.

Technical Analysis can be difficult, as analysts need to learn various indicators and patterns and understand how they relate to investor sentiment and behavior. Analysts also have to devise methods of how these issues may impact stock price. Like other analysis methods, technical analysis is not 100% percent accurate or reliable. Relative success depends on the analyst, the analysis tools and the stock or market itself. Often there can be contradicting results which may result in a situation where no trade can be

made. An example of this exists when the overall market is heading in one direction and the particular share price is pointing to the opposite direction.

The interpretation of technical indicators is subjective. The same indicator could be interpreted as bullish by one side of the camp and as bearish by the other side of the technical camp. The subjective aspect of technical analysis gives way to another drawback of technical analysis which is the validation of a biased view. The analyst may have already formed a view based on the state the economy is currently or the situation of the market and sector the company is operating in. An example of this is investors who are entrenched in the idea that gold may perform in a certain way. This is obviously not a wise use of technical analysis but human nature as it is, it can happen.

**3. Cyclical Analysis** is a method that generally looks at cycles that can impact that market, depending upon the type of securities. This analysis method takes into consideration that there are cyclical and noncyclical securities.

Cyclical stocks are stocks that follow the general economic environment and are fairly easy to identify. The automotive industry is a prime example of a cyclical sector. Cyclical stocks do well in times of economic prosperity and generally suffer greater during times of economic recession or hardship. Conversely, health care stocks are an excellent example of non-cyclical stocks as there will always be a need for health care, regardless of the economic situation. These stocks typically have consistent profits, rather than spikes.

Historically, the difference between cyclical and noncyclical stocks has been cash flow. The cash flow of cyclical stocks is affected by the movement of the economy in general. A major category of cyclical stocks is retail consumer products. When the market swings up, cyclical stocks make big upward swings and when it swings down, they move way down. Their movement is widely followed as indicators of the overall health of the economy. However, some cyclical companies attempt to alleviate the impact of cyclical changes by diversifying their product line, expanding to overseas markets, and segmenting a cyclical division out to its own stock symbol. Additionally, technology has minimized the impact of cyclical organizations.

Noncyclical stocks are less affected by a downturn in the economy. Referred to as "defensive industries," they are the types of goods that are purchased regardless of the economy. These may include food, insurance, and drugs. Analysts attempt to use their knowledge about the cyclical nature of certain industries to predict revenues, interpret earnings reports and make judgments about the overall financial health of a company.

Generally speaking, the stock prices of cyclical companies tend to increase when analysts predict positive news about the future of the economy. If investors feel the market is moving up, cyclical stocks may offer growth opportunities. If they feel the market is moving down, noncyclical stocks may provide stability.

Given the up-and-down nature of the economy and, consequently, that of cyclical stocks, successful cyclical investing requires careful timing. Investors can also lose substantial amounts if they buy at the wrong point in the cycle. Cyclicals tend to respond more violently than growth stocks to economic changes. They can suffer mammoth losses during severe recessions and can have a hard time surviving until the next boom. Predicting an upswing can be difficult, especially since many cyclical stocks start doing well many months before the economy comes out of a recession. When things do start



to change for the better, dramatic swings from losses to profits can often bring profits but there is never any guarantee. Provident Capital Group invests for the long-term and does not necessarily attempt to time the market.

**4. Other.** Provident Capital Group utilizes many sources of public information to include financial news and research materials. Investment strategies may include long-term and short-term purchases depending upon the individual needs of the client. The Adviser seeks to take an independent, balanced approach to the management of client investment portfolios. After working with the client to identify both short-term and long-term financial goals, a strategic investment framework can be tailored to address these objectives.

The Adviser can provide advisory services for portfolios ranging from conservative to aggressive each designed to meet the varying needs of and within the direction set forth by the client. The Adviser selects the investments and strategies that appear to be best suited to individual needs after the client has defined his/her/its objectives, risk tolerance and time horizons. Portfolio style and strategies are developed with and approved by the client.

Prospective investments are always considered in relation to the structure of the overall portfolio and purchased only when the Adviser feels such purchase improves the portfolio's overall risk-adjusted expected return potential.

Investment concepts are based upon a variety of sources including internal research, screening software, and publicly available materials. Third-party research is also utilized by the Adviser. Funds are researched and monitored internally by the Adviser with a process that emphasizes investment philosophy, management quality, and overall expense ratios.

Provident Capital Group does not utilize market-timing strategies. Generally speaking, the concept of asset allocation, or spreading investments among a number of asset classes (domestic stocks vs. foreign stocks; large cap stocks vs. small cap stocks; corporate bonds vs. government securities) is generally in the forefront of our strategies.

At its heart, asset allocation seeks to achieve the most efficient diversification of assets, to help lessen risk while not sacrificing the effectiveness of the portfolio in an effort to help yield the client's objectives. Since risk reduction is a key element to long-term investment success, asset allocation principles are a key part of the Adviser's overall approach in preparing advice for clients. This process generally assumes that it is possible to select investments whose individual performance is independent of other investments in the portfolio. However, no allocation process can be relied upon to provide desired returns. Market historians have shown that there are no such investment instruments; in times of market stress, seemingly independent investments often do, in fact, act as though they are related.

The Adviser normally sells investments when conditions warrant based on the Adviser's analysis rather than in accordance with a preset timetable. Changing conditions in the client's financial life or significant changes in market conditions may warrant a collaborative effort with the client to modify their strategic investment framework, which consequently may also trigger changes to investment holdings within the portfolio.

Clients should be aware that sales of investments result in taxable gain(s) or loss(es) to the client. Also, the sale of investments to maintain the client asset allocation policy may cause taxable gain(s) or loss(es) to the client. While the Adviser makes every effort to take these matters into consideration in the delivery of its services, the client must understand that Provident Capital Group does not render tax advice and is not responsible for the tax consequences to the client as a result of account transactions. Clients are encouraged to consult their tax adviser about tax consequences as a result of transactions or any particular investment held in their account.

Portfolio additions may be in cash or securities provided that the Adviser reserves the right to liquidate any transferred securities, or decline to accept particular securities into the client's account. The Adviser may consult with its clients about the options and ramifications of transferring previously purchased securities when provided pre-notification of the client's intentions. In such cases, clients are hereby advised that when transferred and liquidated, these types of securities may be subject to transaction fees, fees assessed at the mutual fund level (i.e., contingent deferred sales charge) and/or tax ramifications.

Clients may withdraw account assets on notice to the Adviser, subject to the usual and customary securities settlement procedures. The Adviser generally designs its client portfolios as long-term investments and assets withdrawals may impair the achievement of a client's investment objectives.

Clients may choose to make self-directed securities transactions, which are investments that are not reviewed and/or not recommended by the Adviser. In such cases, the Adviser has not passed on the suitability of said investments and while the Adviser may assist with *executing* client-directed implementation as a *value-added* service at the client's request, the Adviser will not manage these types of investments unless agreed in writing.

*It is important to understand that investing in securities involves a risk of loss that a client should be prepared to bear.* Investors should have a good idea as to the proportion of their investment funds that they could lose. Risk is fundamental to the investment process, and it is important that investors understand that there is no single process that helps to alleviate loss completely. Past performance of any security, industry, sector, market, or financial product does not guarantee future results or returns.

## **B. MATERIAL RISKS INVOLVED**

Please review the aforementioned section (A) which discusses the strategies utilized and their drawbacks and limitations. Provident Capital Group takes the general position that investors with diverse portfolios may have a better chance of making a profit because it is difficult to accurately predict all variables that affect marketable securities. However, it is important to understand that *no single strategy can be relied upon for investment success or to outperform the market.*

Provident Capital Group generally seeks to utilize investment strategies that are designed to help capture equity, fixed income, and cash, depending upon the stated needs and objectives of the client. Frequent trading, (not part of the Adviser's usual recommendations), can affect investment performance, particularly through increased

brokerage and other transaction costs and taxes. *It is important to understand that investing in securities involves a risk of loss that a client should be prepared to bear.*

### **C. RISKS OF SPECIFIC SECURITIES UTILIZED**

Provident Capital Group generally seeks investment strategies that do not involve significant risk or unusual risk beyond that of the general domestic and / or international equity markets. However, investments bear a risk of investment loss. Clients who invest should also be prepared to bear a loss of investment proceeds.

Investments in individual stocks and even mutual funds can be risky. Some risks can be controlled, and some risks can be guarded against, but no investment strategy can carry guarantees from loss. Certain market risks cannot be controlled, such as market or economic conditions. Certain strategies may be employed to adjust portfolios, or the Adviser and client may agree to hold the portfolio's course. Thoughtful investment selections that meet a client's stated goals and risk profile may help keep individual stock and bond risks at an acceptable level.

Fixed income investments generally may be utilized as a portfolio diversification element as well as for income deriving investments outside of equity exposure.

There are certain risks involved in investing in all types of bonds: Government, Municipal, and Corporate. The following is an overview of the types of risks that one should consider in terms of bond investments:

Interest rate risk; reinvestment risk; inflation risk; mark risk, selection risk, timing risk, and price risk. Additional risks for some government agency, corporate and municipal bonds may include Legislative risk (a change in the tax code could affect the value of taxable or tax-exempt interest income); Call risk (some corporate, municipal and agency bonds have a "call provision" entitling their issuers to redeem them at a specified price on a date prior to maturity. Declining interest rates may accelerate the redemption of a callable bond, causing an investor's principal to be returned sooner than expected. In that scenario, investors have to reinvest the principal at the lower interest rates. Additional risks for corporate and municipal bonds may include Credit risk; default risk; event risk and duration risk.

*Past performance is not a guarantee of future returns. Investing in securities involves A risk of loss that all clients should be prepared to bear.*

## **ITEM 9: DISCIPLINARY INFORMATION**

Provident Capital Group has not been involved in any legal, criminal actions, civil actions, or self-regulatory organization proceedings.

## **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **A. REGISTRATION AS A BROKER/DEALER OR BROKER/DEALER REPRESENTATIVE**

Provident Capital Group is not registered as a broker/dealer and no such registration is pending. Provident Capital Group's Adviser Representatives are not dually registered as representatives (brokers) of a broker/dealer and no such registrations are pending.

### **B. REGISTRATION AS A FUTURES COMMISSION MERCHANT, COMMODITY POOL OPERATOR OR A COMMODITY TRADING ADVISER**

Neither Provident Capital Group nor its representatives are registered as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Adviser and no such registrations are pending.

### **C. REGISTRATION RELATIONSHIPS MATERIAL TO THIS ADVISORY BUSINESS AND CONFLICTS OF INTEREST**

The Adviser is a fee-based Registered Investment Adviser. Provident Capital Group does not operate and does not have a material relationship with a hedge fund or other type of private pooled investment vehicle and no such relationships are pending.

Provident Capital Group does *not* maintain registration relationships with any of the following:

- broker-dealer, municipal securities dealer, or government securities dealer or broker
- investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
- other investment Adviser or financial planner
- futures commission merchant, commodity pool operator, or commodity trading adviser
- banking or thrift institution
- lawyer or law firm
- insurance agency or company\*
- Accounting firm or accountant
- pension consultant
- sponsor or syndicator of limited partnerships

Provident Capital Group is not an insurance agency nor is it affiliated with one. John E. Miller is separately engaged as independently licensed insurance agent. The time spent on this activity may vary throughout the year but generally accounts for up to 5-10% of his time. The recommendation of insurance products presents a conflict of interest between Provident Capital Group and its clients since licensed personnel receive normal insurance commissions paid by insurance companies when clients purchase products through Mr. Miller. However, Provident Capital Group is fiduciary and as such is required to place client interests ahead of its own and its Investment Adviser Representatives. In each case, the Adviser will ensure that insurance commission data is disclosed to our advisory clients when insurance products are recommended. Clients are welcome but

are never obligated to purchase insurance through Mr. Miller and they are free to utilize any service provider of their choice to secure insurance products.

#### **D. SELECTION OF OTHER ADVISORS OF MANAGERS AND HOW THIS ADVISER IS COMPENSATED FOR THOSE SELECTIONS**

Provident Capital Group does not recommend the services of Independent Managers, Separate Account Managers or Wrap Fee Programs to clients.

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

#### **A. CODE OF ETHICS**

Provident Capital Group takes the issue of regulatory compliance seriously and is committed to maintain compliance with state and applicable federal securities laws. As a fiduciary to each of its clients, Provident Capital Group has a position of public trust and it is our goal to maintain that trust; provide excellent service, good investment performance; and advice that is suitable.

Provident Capital Group places great value on ethical conduct. Therefore, the ultimate goal of our internal policies is to challenge our staff to live up not only to the letter of the law, but also to the ideals set forth by the Adviser. Clients may be familiar with the roles fiduciaries play in various legal situations and in certain industries. As a Registered Investment Adviser, Provident Capital Group is a fiduciary to each and every client. Fiduciaries owe clients several specific duties. According to the SEC, to which state regulators defer on this subject, an Investment Adviser's fiduciary duties include:

- ❖ Providing advice that is suitable
- ❖ Providing full disclosure of material facts and potential conflicts of interest (such that the client has complete and honest disclosure in order to make an informed decision about the services of the Adviser and investment recommendations)
- ❖ The utmost and exclusive loyalty and good faith
- ❖ Best execution of transactions under the available circumstances
- ❖ The Adviser's reasonable care to avoid ever misleading clients
- ❖ Only acting in the best interests of clients.

It is Provident Capital Group's policy to protect the interests of each of the Adviser's clients and to place the clients' interests first and foremost in each and every situation. The Adviser will abide by honest and ethical business practices to include, but is not limited to:

- ❖ The Adviser will not induce trading in a client's account that is excessive in size or frequency in view of the financial resources and character of the account.
- ❖ The Adviser will make investment decisions with reasonable grounds to believe that the decisions are suitable for the client on the basis of information furnished by the customer, and we will document suitability.
- ❖ The Adviser and its Representatives will not borrow money from clients.
- ❖ Provident Capital Group will not recommend the purchase of a security without the reasonable belief that the security is registered, or the security or transaction is exempt from registration in states where we provide investment advice and based upon information the Adviser receives.
- ❖ The Adviser will not recommend that clients place orders to purchase or sell a security or engage in services through a broker/dealer or agent that is not licensed, based upon information available to the Adviser.
- ❖ The Adviser's staff shall report all required personal securities transactions to John E. Miller, Chief Compliance Officer. Reportable trades for this Adviser include *all but the following exceptions*:
  - Transactions effected pursuant to an automatic investment plan
  - Securities held in accounts over which the access person has no direct or indirect influence or control
  - Transactions and holdings in direct obligations of the Government of the United States
  - Money market instruments — bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high-quality short-term debt instruments
  - Shares of money market funds
  - Transactions and holdings in shares of open-end mutual funds are not reportable, since the Adviser does not have a material relationship with an investment company which would otherwise require reporting
  - Transactions in units of a unit investment trust (if the unit investment trust is invested exclusively in unaffiliated mutual funds)

All applicable securities rules and regulations will be strictly enforced. Provident Capital Group will not permit and has instituted controls against insider trading.

Investment Adviser Representatives and administrative personnel who do not follow the Adviser's Code of Ethics or who in any way violate securities rules and regulations, or who fail to report known or suspected violations will be disciplined or terminated, depending upon severity. Such persons could also face action by the SEC and/or state securities regulators.

Provident Capital Group emphasizes the unrestricted right of clients to decline to implement any advice rendered, in whole or part. Where the Adviser is granted discretionary authority of the client's accounts, clients are welcome to set investment parameters and/or limitations in writing and such direction are followed until such time the client's instructions

are amended in writing. Clients are welcome to request a copy of the Adviser's code of ethics by directing the request to John E. Miller whose contact information is found on the cover page of this Brochure.

#### **B. RECOMMENDATIONS INVOLVING MATERIAL FINANCIAL INTERESTS**

Provident Capital Group does not recommend that clients buy or sell any security in which any of Provident Capital Group's related persons have a material financial interest.

#### **C. INVESTING PERSONAL MONIES IN THE SAME SECURITIES AS CLIENTS**

The Adviser has established written policies and procedures for staff persons who may invest personal monies. Provident Capital Group and/or individuals associated with the Adviser may have similar investment goals and objectives and as a result may buy or sell securities for their personal accounts that may be identical to or different from those recommended to clients. Thus, at times the interests of the Adviser's or staff members' accounts may coincide with the interests of clients' accounts. However, at no time will the Adviser or any related person receive an added benefit or advantage over clients with respect to these transactions nor will the Adviser nor its associated persons will not place itself in a position to have added benefit as a result of advice given to clients.

#### **D. TRADING SECURITIES AT/AROUND THE SAME TIME AS CLIENTS**

Provident Capital Group its Investment Adviser Representatives acknowledge the Adviser's fiduciary responsibility to place the investment needs of clients ahead of the Adviser and its staff. The interests of our clients are held in the highest regard. At no time will the Adviser or any related person receive an added benefit or advantage over clients with respect to these transactions. The Adviser and its personnel will not place themselves in a position to have added benefit as a result of advice given to clients.

Provident Capital Group shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. The Adviser has established trading policies for its access persons. John E. Miller, the Chief Compliance Officer of Provident Capital Group is responsible for the monitoring of personal trading conducted by staff and instituting controls relating to such activities.

## ITEM 12: BROKERAGE PRACTICES

### A. FACTORS USED TO SELECT CUSTODIANS AND/OR BROKER/DEALERS

Provident Capital Group is independently owned and operated and has no affiliation with the recommended brokerage/custodial firm. The Investment Adviser Representatives of Provident Capital Group are not registered representatives of any broker/dealer firm.

Financial Planning clients are welcome to use any brokerage firm of their choice to implement any desired transactions, in whole or in part, at their discretion.

Provident Capital Group does not execute securities transactions or hold client accounts. Clients' managed assets must be maintained in an account at a "qualified custodian" and the Adviser recommends Charles Schwab & Co., Inc. ("Charles Schwab & Co."), Member SIPC. Provident Capital Group also participates in Charles Schwab & Co.'s institutional program via their adviser service divisions, which offer trading, administration and various back-office services to independent registered investment advisers.

Charles Schwab & Co. will hold client assets in a brokerage account and will buy and sell securities when we direct them to (via the Adviser's limited discretionary authority if granted by the client). Provident Capital Group will not open a custodial account for clients; clients enter into an account agreement directly with their selected custodian.

Provident Capital Group does not take custody of securities and does not take custody of funds other than its limited access to funds as needed to deduct contractually agreed upon investment management fees via custodial accounts and only when the client has provided proper authorization.

Provident Capital Group recognizes its duty to provide best execution for all its clients under the circumstances available. The Adviser believes that excellent customer service and trade execution is superior to most non-service oriented, discount and Internet-based brokers that may otherwise be available to the public. Charles Schwab & Co. features broad lines of products and services that are available to most every type of investor. The firm provides excellent brokerage and custodial support services to a large population of independent investment advisers and their clients.

Provident Capital Group has determined that Charles Schwab & Co. currently offers the best overall value to Provident Capital Group and its clients for the brokerage and technology they provide. In its evaluation of a custodial firm, the Adviser considers the following:

- ❖ Quality of overall execution services and operational capabilities
- ❖ Promptness of execution
- ❖ Creditworthiness, financial condition, and business reputation
- ❖ Promptness and accuracy of reports on execution
- ❖ Ability and willingness to promptly correct errors
- ❖ Promptness and accuracy of confirmation statements
- ❖ Ability to access various market centers



- ❖ The broker-dealer's facilities and technology
- ❖ Any expertise in executing trades for the particular type of security
- ❖ Commission and fees charged
- ❖ Reliability of the broker-dealer
- ❖ Ability to use ECNs to gain liquidity, price improvement, lower commission rates and anonymity
- ❖ General research provided (if any)

Provident Capital Group periodically reviews other alternatives that are available to the Adviser market. However, Provident Capital Group believes that Charles Schwab & Co.'s excellent customer service and trade execution is superior to most brokerage firms that may otherwise be available to the public. While it is possible that clients may pay higher commissions or transaction fees through its preferred service provider, the Adviser has determined it currently offers the best overall value to the Adviser and clients for the brokerage, service, and technology provided.

The SEC requires brokerage firms to make publicly available their order routing practices via quarterly reports. The report is to provide information on routing non-directed orders (any order that the customer or Adviser has not specifically instructed to be routed to a particular venue for execution). For non-directed orders, the service providers will select the venue. Note: Brokerage firms are required to disclose any material arrangements with the venues utilized, including but not limited to any intermediation or payments for order flow arrangements. Clients are welcome to obtain copies of these reports if desired as they are publicly available.

On rare occasions, trade errors may occur. The Adviser's process is to correct trade errors via its trade error accounts established with its preferred custodial firms. The custodial firm's policy on trade errors is to reimburse clients for any loss if the amount is \$100 or less. If the loss is greater than \$100 the Adviser will reimburse the client for a loss. Conversely, if there is any gain from the trade error, the custodial firm will retain the funds and donate them in accordance with its then-current internal policy.

## **1. RESEARCH AND OTHER SOFT DOLLAR BENEFITS**

Provident Capital Group may receive business incentives, research, products (such as software), and discounts on products or services other than execution from Charles Schwab & Co. in connection with client securities transactions. However, Provident Capital Group has not entered into any "soft dollars" arrangements.

Provident Capital Group participates in Charles Schwab & Co.'s institutional program for independent Registered Investment Advisers. While there is no direct linkage between the investment advice given and the participation in a custodial firm's institutional program, economic benefits are received by the Adviser that it would not be otherwise if the Adviser did not give advice to clients. However, the benefits received are nominal, customary, and do not impair the Adviser's independence.

In fulfilling its duties to its clients, Provident Capital Group endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the Adviser's receipt of economic benefits from a broker-dealer/custodian creates a conflict of interest since these benefits may influence the Adviser's choice of broker-dealer over another broker-dealer that does not furnish similar fee benefits, software access/discounts, systems support, back office administrative support or other services.

**Services received that benefit clients** include access to a broad range of investment products, execution of securities transactions and custody of client assets. The investment products available through Charles Schwab & Co. include some which we might not otherwise have access or that would require a significantly higher minimum investment by our clients. The service offerings described in this paragraph generally benefit you and your account.

**Services that may not directly benefit clients** are those products and services that Charles Schwab & Co. may make available to Provident Capital Group but may not directly benefit our clients or their accounts. These products and services assist the Adviser in managing and administering our clients' accounts and include access to general investment research (the broker/dealer's and that of third parties). We may use this research to service all or some substantial number of our clients' accounts, including those maintained away from the broker/dealer providing the research. In addition, Charles Schwab & Co. makes software and other technology available that provides access to client account data (such as duplicate trade confirmations and account statements); facilitates trade execution and allocation of orders for multiple accounts; provides pricing and other market data, facilitates payment of advisory fees from client accounts and assists with back-office functions, recordkeeping and client reporting.

**Services that generally benefit only the Adviser** are those other benefits intended to help the Adviser manage and further develop its business enterprise. These services include access to educational conferences and events as well as technology. Additionally, our custodial firm may provide additional services relating to general compliance news and information, general legal data and business consulting, as well as publications and conferences on practice management and business succession. The firm may also offer access to employee benefits providers, human capital consultants and business insurance providers. Charles Schwab & Co. may provide these services themselves and in other cases, they will arrange for third-party vendors to provide services to the Adviser. Charles Schwab & Co. may also discount or waive fees for some services or pay all or a portion of a third-party's fees. Rarely, the custodian may also provide Provident Capital Group with other benefits such as occasional business entertainment of our personnel such as may occur during trade conferences.

The Chief Compliance Officer monitors all gifts and other considerations. Provident Capital Group does not permit the acceptance of any entertainment related events including, but not limited to, sporting events, concerts, or shows without written pre-approval from the Chief Compliance Officer.

Charles Schwab & Co. will normally not charge Adviser clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the service provider or that settle into the service provider's accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions).

## **2. BROKERAGE FOR CLIENT REFERRALS**

Provident Capital Group receives no referrals from a broker/dealer or third party in exchange for using that broker/dealer or third party.

### **3. CLIENTS DIRECTING WHICH BROKER/DEALER/CUSTODIAN TO USE**

Clients receiving stand-alone financial planning services are welcome to utilize any service provider they may choose and are welcome to implement any advice or recommendations in whole or in part.

For clients receiving investment management services, Provident Capital Group does not engage in client-directed brokerage arrangements. The Adviser utilizes and recommends the services of Charles Schwab & Co., Inc.

### **B. AGGREGATION (BLOCK) TRADING FOR MULTIPLE CLIENT ACCOUNTS**

Transactions for each client generally will be effected independently, unless the Adviser decides to purchase or sell the same securities for several clients at approximately the same time. The Adviser may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among the Adviser’s clients, differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Due to the individualized nature of services, however, large orders of securities are not always consistent with the nature of the Adviser’s services. Aggregation is undertaken in firms processing large orders of securities in order to realize more effective trade execution and the cost efficiencies that come from executing larger order sizes. In each case, the Adviser strives to allocate investment opportunities or trades among its clients in a manner that is fair and equitable and based upon the client investment objectives.

Normally, under this procedure, transactions will generally be averaged as to price and allocated according to the Adviser’s standard allocation procedure. This procedure considers the circumstances of each trade and always strives for fairness and cost-effectiveness to the client. In most cases when the Adviser executes only a partial fill of a targeted buy order, allocations will prioritize complete fills for clients with the most available cash as a percentage of portfolio assets. Likewise, when the Adviser executes only a partial fill of a targeted sell order, allocations will prioritize complete fills for clients with the least available cash as a percent of portfolio assets. To the extent that the Adviser determines to aggregate client orders for the purchase or sale of securities, including securities in which the Provident Capital Group’s Investment Adviser Representatives may invest, the Adviser shall normally do so in accordance with applicable rules promulgated under the SEC’s Investment Advisers Act and no-action guidance provided by the staff of the SEC. An allocation statement will be prepared, and any special circumstances or conditions will be outlined in connection with each event. The Adviser shall not receive any additional compensation or remuneration as a result of the aggregation.

Certain issues may impact the Adviser’s allocation under the particular circumstances and in such cases, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be

purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis. The Adviser receives no additional benefit as a result of the proposed aggregation.

The Adviser's custodial firm may effect clients' over-the-counter securities transactions on an agency basis. Charles Schwab & Co. may execute transactions based upon a number of factors. These include: Size of order, trading characteristics of the security, favorable execution prices, access to reliable data, availability of efficient transaction processing and possible price reductions. In filling the over-the-counter orders, the custodian may transact with a market-making broker-dealer ("market maker") on the other side of the trade. A market maker may mark-up/down the price of securities for which it makes a market, which is a cost that will be incurred by the client in addition to any agency commissions assessed by our service providers. Normally, best price and execution is obtained for over-the-counter securities transactions by executing directly with the market maker on a principal basis. Clients may incur transaction costs, in addition to any commissions charged by broker/dealers, when trades in over-the-counter securities are effected on their behalf through that broker on an agency basis. Therefore, the Adviser's choice to utilize preferred service providers may limit or eliminate Provident Capital Group's ability to obtain best price and execution in each case.

## ITEM 13: REVIEW OF ACCOUNTS

### A. FREQUENCY AND NATURE OF PERIODIC REVIEWS AND WHO CONDUCTS THE REVIEWS

**Investment Management Services** involve continuous and ongoing services to include frequent monitoring and internal review of portfolio assets on a quarterly, monthly, or perhaps a more frequent basis. The frequency of and processes for the internal portfolio reviews are dependent upon the nature and complexity of the portfolio and at the discretion of the Adviser. Reviews may also occur at the time of significant deposits or withdrawals or as a result of changing market conditions. Reviews generally entail analyzing securities, sensitivity to various markets, investment results and other factors. The Adviser may also review a portfolio if the client's asset allocation deviates over the target acceptable limits, at which time portfolio action is considered.

Individual reviews (with clients) are conducted as requested by the client, at the Adviser's discretion, or according to the interval agreed upon in the Client Agreement the timing of reviews conducted with clients are guided by the client's stated objectives or at the Adviser's discretion, however, the Adviser prefers clients initiate meetings at least annually. Investment Management clients who receive financial planning services will initiate any desired reviews with the Adviser throughout the engagement. *Clients are obligated to contact the Adviser when there exists a real or potential change in the clients' financial condition. This prompt notification gives the Adviser the opportunity to review the clients' new information and as a result the Adviser and client can help ensure the investment strategies continue to be appropriate based on client's data and stated objectives.*

The Adviser's **stand-alone financial planning services** terminate upon the delivery of services and no reviews are included. If desired, clients are welcome to secure additional services via a new client agreement, when they determine the need.

## **B. REVIEWERS**

Reviews are conducted by John E. Miller, Partner, and Chief Compliance Officer.

## **C. FACTORS THAT MAY TRIGGER NON-PERIODIC REVIEWS**

The timing of Internal portfolio reviews may also be guided by the underlying assets of the portfolio, individual circumstances as reasonably known by the Adviser, market conditions and the request of the client. Reviews may also be triggered by material market, economic or political events. Additionally, reviews may occur as a result of significant deposits or withdrawals, significant changes in the market and in response to reported changes in the client's financial situation (which may include but are not limited to: Termination of employment, physical relocation, inheritance, or retirement).

## **D. CONTENT AND FREQUENCY OF REGULAR REPORTS TO CLIENTS**

Clients can expect to receive confirmation statements from all transactions and a monthly/quarterly statement, directly from their custodian. The custodian's quarterly reports detail account value, net change, portfolio holdings, and all account activity. The Adviser may produce personalized portfolio statements for clients receiving investment management services as requested or at its discretion.

Provident Capital Group may produce written reports for clients who have engaged financial planning services. These documents may include but are not limited to financial plans, plan amendments, and post-meeting communications as agreed at engagement or at the Adviser's discretion.

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

## **A. ECONOMIC BENEFITS PROVIDED TO THE ADVISER BY THIRD PARTIES FOR ADVICE RENDERED TO CLIENTS**

Provident Capital Group does not receive any economic benefit, directly or indirectly from any third party in connection with advice rendered to the Adviser's clients other than the general business-related benefits from custodial firms as outlined in Item 12 of this Brochure.

## **B. COMPENSATION TO NON-ADVISORY PERSONNEL FOR CLIENT REFERRALS**

Provident Capital Group does not directly or indirectly compensate any person who is not part of Provident Capital Group's advisory personnel for client referrals.

## **ITEM 15: CUSTODY**

Provident Capital Group does not directly hold (“custody”) client accounts (funds or securities). Client accounts are held at the clients’ selected custodial firms. In all cases, clients have a direct and beneficial interest in their securities (individual ownership), rather than an undivided interest in a pool of securities.

Execution of transactions and custody of client funds and securities are services provided by the client’s selected brokerage/custodial services provider(s). Clients can expect to receive regular and customary account statements from their custodian and clients are hereby urged to carefully review those statements.

The Adviser will only have access to custodial accounts in order to: 1) implement securities trades if the Adviser has been granted limited discretion to do so; and 2) to deduct contractually agreed upon investment advisory fees and with appropriate client authorization. It is important that clients receive custodial statements directly. If clients find that statements are not being received directly or if there is a change of address, they must promptly contact Provident Capital Group and their custodial firm.

## **ITEM 16: INVESTMENT DISCRETION**

Investment Management clients have the ability to leave standing instructions with the Adviser to refrain from investing in particular industries, invest in limited amounts of securities and to re-balance portfolios (also termed as “limited discretion”). With the client’s authorization as provided in the custodial account forms and the Adviser’s Client Agreement, Provident Capital Group will maintain limited discretionary trading authority to execute securities transactions in the investor’s portfolio within investor’s designated investment objectives, to include the securities to be bought and sold, and the amount of securities to be bought and sold. Provident Capital Group does not accept full power of attorney.

## **ITEM 17: VOTING CLIENT SECURITIES (PROXIES)**

Clients retain the authority to vote proxies. Provident Capital Group requests that investors ensure that proxy ballots are mailed directly to each investor or an authorized third party. Provident Capital Group will not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies.

In the event the Adviser’s proxy advice is solicited, Provident Capital Group shall only furnish consultations to existing clients. The Adviser will not solicit proxies from non-clients. When providing proxy advice to clients, the Adviser will disclose any significant relationship with the issuer, its affiliates, or a security holder proponent of the matter on which proxy voting advice is given, as well as any material interest of the Adviser in the matter. The Adviser will not accept any special fee or remuneration for furnishing the voting advice from any person other than the security holder recipient thereof. The Adviser’s voting advice will not be provided on behalf of any person soliciting proxies, or on behalf of a participant in an election contest subject to SEC Rule 14a-11. The Adviser will never communicate with the press concerning a

particular proxy. Provident Capital Group does not solicit proxies and the Adviser acknowledges that any deviations from these stated policies may require the Adviser to comply with SEC Proxy Registration Rules.

## **ITEM 18: FINANCIAL INFORMATION**

### **A. BALANCE SHEET**

Provident Capital Group does not require nor solicit prepayment of more than \$500 in fees per client and six months or more in advance of services and therefore is not required to include a balance sheet with this brochure.

### **B. FINANCIAL CONDITIONS REASONABLY LIKELY TO IMPAIR THE ADVISER'S ABILITY TO MEET CONTRACTUAL COMMITMENTS TO CLIENTS**

Neither Provident Capital Group nor its partners have any financial conditions that are likely to reasonably impair the Adviser's ability to meet contractual commitments to clients.

### **C. BANKRUPTCY PETITIONS IN PREVIOUS TEN YEARS**

Provident Capital Group and its partners have never been a party to a bankruptcy petition.

## **ITEM 19: REQUIREMENTS FOR STATE REGULATED ADVISERS**

### **A. Formal Education and Business Background Information**

### **B. Outside Business Activities**

The disclosure information relating to Items A & B above are located in the attached Form ADV Part 2B Brochure.

### **C. Performance-Based Fees.**

As outlined in Item 6 of this Brochure, Provident Capital Group's fees are not "performance based".

### **D. Disciplinary / Disclosure Information**

**Provident Capital Group, its Officers, and Investment Adviser Representatives have not been involved in any of the following matters:**

Been *found* liable in an arbitration claim alleging damages in excess of \$2,500, *involving* any of the following:

- (a) an investment or an *investment-related* business or activity
- (b) fraud, false statement(s), or omissions
- (c) theft, embezzlement, or other wrongful taking of property
- (d) bribery, forgery, counterfeiting, or extortion; or

(e) dishonest, unfair, or unethical practices.

2. An award or otherwise being *found* liable in a civil, *self-regulatory organization*, or administrative *proceeding involving* any of the following:

- (a) an investment or an *investment-related* business or activity
- (b) fraud, false statement(s), or omissions
- (c) theft, embezzlement, or other wrongful taking of property
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

#### **E. Relationships or Arrangements with Issuers of Securities.**

Provident Capital Group and its Investment Adviser Representatives do not have any relationships or arrangements with issuers of securities.

## **PRIVACY POLICY**

As a Registered Investment Adviser, Provident Capital Group is covered under the definition of a “financial institution” in the Federal Gramm-Leach-Bliley Act (the “Act”). The Adviser is therefore subject to Act as well as the rules of privacy imposed on Investment Advisers and other financial services firms. The Adviser is also subject to the Privacy Rules established by the State of Georgia.

Privacy of nonpublic personal information is an issue that the staff of Provident Capital Group takes seriously. To maintain compliance with Privacy Rules, every broker, dealer, investment company and investment adviser is required to adopt policies and procedures reasonably designed to safeguard customer and consumer records and information. Provident Capital Group has adopted the following Privacy Policy to protect clients and consumers:

In its role as Investment Adviser, Provident Capital Group routinely collects nonpublic personal information from clients and prospective clients. This information generally will include but is not limited to:

- Information provided from applications, forms and other information provided to us either verbally or in writing, and include but are not limited to your name, address, phone number, account information, social security number, assets, employment, income and debt
- Information about your transactions, accounts, trading activity and parties to transactions; health and beneficiary information (such as may pertain to financial and investment planning matters)
- Information from other outside sources



- Any other data that is deemed to be nonpublic personal information as defined by the Act and state privacy rules.

Provident Capital Group values its clients' trust and confidence. We will never sell the nonpublic personal information we obtain from consumers or clients.

All information provided by clients or prospective clients to Provident Capital Group, (including the Adviser's personnel), and information and advice furnished by the Adviser to clients, shall be treated as confidential and shall not be disclosed to unaffiliated third parties, except as directed by clients with written authorization, by application to facilitate the investment advisory services offered by the Adviser via an affiliated or unaffiliated financial services provider (such as the client's custodial firm or broker/dealer), or as required by any rule, regulation or law to which the Adviser or its staff may be subject.

Provident Capital Group maintains clients records in a controlled environment and records (electronic and otherwise) are only available to authorized persons of the Adviser who have a need to access client information in order to deliver advisory services, provide administrative support, or to respond to client requests. Provident Capital Group has made reasonable efforts and conducts periodic tests to ensure that its electronic network is hack-proof and has established a policy to help prevent, detect, and respond to identify theft events that may involve Provident Capital Group clients.

Provident Capital Group's position on protecting non-public personal information extends beyond the life of the Adviser's client agreement. Client information is retained in a protected manner for the time-period required by regulators (five years from the data of last use) and thereafter is safely destroyed via in-house shredding or records are securely destroyed electronically.

Consumers (who are not clients) who provide information during an initial consultation or for other purposes but do not go on to become clients of the Adviser also receive privacy protection. Original information will be promptly returned in person or via the mail if the Adviser's services are not engaged. Alternatively, if nonpublic personal information is contained in copies of documents, notes or some other media, this information will be securely filed for a period of up to one year (depending upon likelihood of engagement) before being shredded in-house or via our secure shredding service.

Clients are encouraged to discuss any questions regarding Provident Capital Group's privacy policies and procedures with John E. Miller, Managing Partner, and Chief Compliance Officer.



## **PROVIDENT CAPITAL GROUP, L.P.**

### **FORM ADV PART 2B INDIVIDUAL DISCLOSURE BROCHURE**

*for*

**JOHN E. MILLER  
PARTNER  
CHIEF COMPLIANCE OFFICER**

*This ADV Part 2B Brochure provides information about John E. Miller and supplements the Provident Capital Group's Form ADV Part 2A Brochure. Please contact our office via the contact information listed below if you did not receive our firm's Form ADV Part 2A Brochure or if you have any questions about the contents of this Brochure. Information about Provident Capital Group and John E. Miller is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

John E. Miller's CRD number is: 4291212

**5418 Highland Preserve Dr.  
Mableton, GA 30126  
(678) 842-8776  
[Jmiller@providentcapitalgroup.com](mailto:Jmiller@providentcapitalgroup.com)  
[www.providentcapitalgroup.com](http://www.providentcapitalgroup.com)**

February 9, 2024

## ITEM 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

**JOHN E. MILLER**  
**MANAGING PARTNER**  
**CHIEF COMPLIANCE OFFICER**  
Year of Birth: 1980

***Designations, Licensing and Examinations:***

FINRA: Series 7 and 66 (*inactive, not registered with a broker/dealer*)  
State of Georgia: Insurance license - Life, accident & sickness - 2018

***Education:***

Clark Atlanta University of 2008, Atlanta, GA  
MBA Finance, 08/2008

Morehouse College of 2002, Atlanta, GA  
BA Business Management, 06/2002

***Business (10 years):***

Provident Capital Group, L.P., Mableton, GA  
Managing Partner and Chief Compliance Officer  
Registered Investment Adviser January 2009 – Present  
Formation date 10/2019

Merrill Lynch, Pierce, Fenner & Smith Incorporated  
Financial Adviser  
Broker/Dealer 05/2018 – 10/2019.

Resonant Brands, Atlanta, GA  
Principal Relationships Manager  
Marketing and Advertising Firm 05/2015 – 05/2018

Scottrade. St. Louis, MO (headquarters)  
*Now known as:* TD Ameritrade  
Branch Manager  
Broker/Dealer 12/2002 – 06/2015

### ITEM 3: DISCIPLINARY INFORMATION

Provident Capital Group and John E. Miller have **not** been involved in any of the following:

A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the *supervised person*

1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any *felony*; (b) a *misdemeanor* that *involved* investments or an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses
2. is the named subject of a pending criminal *proceeding* that involves an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses
3. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation (*other than the item noted above*); or
4. was the subject of any *order*, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the *supervised person* from engaging in any *investment-related* activity, or from violating any *investment-related* statute, rule, or *order*.

B. An administrative *proceeding* before the SEC, any other federal regulatory agency, any state regulatory agency, or any *foreign financial regulatory authority* in which the *supervised person*

1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or
2. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation and was the subject of an *order* by the agency or authority
  - (a) denying, suspending, or revoking the authorization of the *supervised person* to act in an *investment-related* business
  - (b) barring or suspending the *supervised person's association with an investment-related business*
  - (c) *otherwise significantly limiting the supervised person's investment-related activities*; or
  - (d) *imposing a civil money penalty of more than \$2,500 on the supervised person*.

C. A self-regulatory organization (SRO) *proceeding* in which the *supervised person*

1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or
2. was *found* to have been *involved* in a violation of the SRO's rules and was: (i) *barred or suspended from membership or from association with other members or was expelled from membership*, (ii) *otherwise significantly limited from investment-related activities*; or (iii) *fined more than \$2,500*.

D. Any other hearing or formal adjudication in which a professional attainment, designation, or license of the *supervised person* was revoked or suspended because of a violation of rules relating to professional conduct. If the *supervised person* resigned (or otherwise relinquished the attainment, designation, or license) in anticipation of such a hearing or formal adjudication (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event.

### ITEM 4: OTHER BUSINESS ACTIVITIES

John E. Miller maintains a Georgia Insurance License. While the time spent on this activity may vary throughout the year, it will only account for a minimal amount of Mr. Miller's time. Mr. Miller earns normal insurance commissions paid by insurance companies when he assists clients in purchasing insurance products as discussed at Item 10.C of Provident Capital Group's Form ADV 2A Brochure for more information.

### ITEM 5: ADDITIONAL COMPENSATION

Other than salary, John E. Miller does not receive any economic benefit from any person, company, or organization, either directly or indirectly, in exchange for providing clients with advisory services through Provident Capital Group.

## ITEM 6: SUPERVISION

As a Partner and the Chief Compliance Officer of Provident Capital Group, John E. Miller maintains a vested interest in the firm's internal compliance and risk management program. Mr. Miller is in charge of supervising the day-to-day activities of the Adviser and its personnel. The Adviser's supervisory system establishes clear lines of authority, accountability, and responsibility. The Adviser takes the issue of compliance and risk management seriously. Mr. Miller is responsible for the monitoring of the Adviser's business. Clients are welcome to contact Mr. Miller with questions or concerns in connection with the Adviser's services, staff monitoring or the Adviser's internal compliance program. Mr. Miller's contact information is listed on the cover page of ADV Part 2A and ADV 2B.

## ITEM 7: ADDITIONAL DISCLOSURE DATA

Mr. Miller has not been involved in any of the following matters:

A. In addition to the events listed in Item 3 of Part 2B, note if the *supervised person* has been *involved* in one of the events listed below, disclose all material facts regarding the event.

1. An award or otherwise being *found* liable in an arbitration claim alleging damages in excess of \$2,500, *involving* any of the following:

- (a) an investment or an *investment-related* business or activity
- (b) fraud, false statement(s), or omissions
- (c) theft, embezzlement, or other wrongful taking of property
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being *found* liable in a civil, *self-regulatory organization*, or administrative *proceeding involving* any of the following:

- (a) an investment or an *investment-related* business or activity
- (b) fraud, false statement(s), or omissions
- (c) theft, embezzlement, or other wrongful taking of property
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

B. The subject of a bankruptcy petition.