Item 1 – Cover Page

Hanover Advisors, Inc.

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NOTICE TO PROSPECTIVE CLIENTS: READ THIS DISCLOSURE BROCHURE IN ITS ENTIRETY

All the material within this brochure must be reviewed by those who are considering becoming a client of our firm. This wrap fee brochure (“Brochure”) provides information about the qualifications and business practices of Hanover Advisors, Inc. (“Hanover Advisors”). If you have any questions about the contents of this Brochure, please contact us at (864) 235-6760 or smolneaux@hanoveradvisorsinc.com. Hanover Advisor’s IARD firm number is 119655.

In accordance with federal and state regulations, this Brochure is on file with the appropriate securities regulatory authorities as required. The information provided within this Brochure is not to be construed as an endorsement or recommendation by state securities authorities in any jurisdiction within the United States, or by the United States Securities and Exchange Commission (“SEC”). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration of a registered investment adviser does not imply any level of skill or training. Additional information about Hanover Advisors also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

At least annually, this Item number will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our Brochure. We will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes, as necessary. We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

This is our initial filing of our Brochure.

Currently, our Brochure may be requested by contacting us at the number listed on the cover page of this Brochure or at smolneaux@hanoveradvisorsinc.com. We welcome visitors to our website at www.hanoveradvisorsinc.com for a comprehensive overview of our firm and the professional services we offer.

Additional information about Hanover Advisors is also available via the SEC's website www.adviserinfo.sec.gov. The SEC's website also provides information about any persons affiliated with Hanover Advisors who are registered, or are required to be registered, as investment adviser representatives of Hanover Advisors. As used in this Brochure, our Associated Persons are our Firm's officers, employees, and all individuals providing investment advice on behalf of our Firm.

Item 3 – Table of Contents

Item 4 – Services, Fees and Compensation

Services

Hanover Advisors, Inc. ("Hanover Advisors," "the Firm," "our," or "we") is a registered investment adviser based in Greenville, SC. We are organized as a corporation under the laws of the State of Georgia. We have been providing investment advisory services since 1989. Stephen F. Molyneaux is the principal owner. Currently, we are registered as an investment adviser with the SEC and have notice filed with the appropriate states in which notice filings are required.

We offer a Wrap Fee Program whereby we pay the transaction charges for all of our clients who participate in the wrap fee program. We do not pass this charge through to the client, nor do we increase their fees in order to compensate for these charges. We absorb the transaction charges as a business expense.

In the Hanover Advisors Wrap Fee Program, we provide fee-only investment advisory services only to individual clients, high-net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

Investment strategies and recommendations are tailored to the individual needs and investment objectives of each client. We will work with you to determine your investment objectives, risk tolerance, and other relevant information (the "suitability information") at the beginning of our advisory relationship. We will use the suitability information we gather to develop a strategy that enables our Firm to provide continuous and focused investment advice and to make investments on your behalf. As part of our services, we will customize an investment portfolio for you in accordance with your risk tolerance and investing objectives. We may also invest your assets using a predefined strategy developed by our Firm. Once we construct an investment portfolio for you, we will monitor your portfolio's performance on an ongoing basis and will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.

Although Hanover Advisors generally exercises limited investment discretion for each account that it advises, the portfolio composition within the same investment objective may, at any given time, differ as to composition. As a result, the performance of an account within a particular investment objective may differ from other accounts within that same investment objective. Clients should not expect that the performance of their portfolios will be identical to that of another client. These differences in portfolio composition are attributable to a variety of factors, including, but not limited to, the type of account, clients' restrictions and guidelines, sizes, and significant account activity (e.g., significant number of contributions and/or withdrawals).

Assets for accounts in Hanover Advisors Wrap Fee Program are held at Pershing LLC ("Pershing") as custodian. Pershing also acts as executing broker/dealer for transactions placed in program accounts and provides other administrative services as described throughout this Brochure.

Fees

The specific manner in which fees are charged by the Firm is established in a client's written agreement and account application between the client and Hanover Advisors and is based on the following fee schedule.

Fee Schedule:

Account Balance	**Annual Advisory Fee%**
On $0 to $1,000,000	1.00%
Over $1,000,000	0.50%

Our fees are payable quarterly, in arrears. Fees are calculated based on the value of your account on the last day of the quarter, as determined by the custodian. We will generate invoices for all investment advisory clients on a quarterly basis. Each invoice reflects the amount to be debited by the custodian and paid to us, per the Account Agreement signed by the client at the inception of the agreement. Our clients authorize the account custodian to debit their client account for the amount of our investment advisory fee. At the inception of the relationship and each quarter thereafter, we will notify your custodian of the amount of the fee due and payable to us through our fee schedule and contract. The custodian does not validate or check our fee, its calculation, or the assets on which the fee is based. The custodian will "deduct" the fee from your account(s) or, if you have more than one account, from the account you have designated to pay our advisory fees.

Fees may be negotiable based on previous relationships and other factors, such as aggregate level of assets with our Firm, anticipated future earnings capacity at our Firm, anticipated future additional assets at our Firm, account composition at our Firm, negotiations with the client, etc. Therefore, clients with similar assets under management and investment objectives may pay higher or lower fees than other clients. No increase in our fee(s) shall be effective without prior written notification to clients of at least thirty (30) days.

Each quarter you will receive a statement directly from your custodian showing all transactions, positions, and credits/debits into or from your account; the statements after the quarter-end will reflect these transactions, including the advisory fee paid by you to us.

In some instances, we and the client may agree on a fee schedule different from that set forth above.

Other Types of Fees and Charges

In the Hanover Advisors Wrap program, clients pay a single annual advisory fee for advisory services and execution of transactions. Clients do not pay brokerage commissions, markups, or transaction charges for execution of transactions in addition to the advisory fee. All fees paid to Hanover Advisors for investment advisory services are separate and distinct from fees charged by the custodian and additional fees such as margin costs, charges imposed directly by a mutual fund or ETF, deferred sales charges, bonds, options, odd-lot differentials, distribution fees, transfer taxes, wire transfer, electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. These fees and expenses are described in each fund's prospectus. Mutual funds and ETFs charge internal management fees, which are disclosed in a fund's prospectus. Such charges are exclusive of and in addition to Hanover Advisors' fee, and we do not receive any portion of these fees and costs.

Further information regarding fees assessed by a mutual fund, or other third-party is available in the appropriate prospectus, which is available upon request from us or from the product sponsor directly.

Other Important Considerations

- The advisory fee is an ongoing wrap fee for investment advisory services, the execution of transactions, and other administrative and custodial services. In some wrap fee programs, factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include the type and size of the account, historical and/or expected size or number of trades for the account, and number and range of supplementary advisory and client-related services provided to the client. In Hanover Advisors Wrap Fee Program, the fee is only based on assets under management according to the fee schedule above. Type, size, historical or expected size or number of trades, and number and range of supplementary advisory and client-related services provided to the client are not factors in the ongoing wrap fee.

- The Hanover Advisors Wrap Fee Program may cost the client more or less than purchasing such services separately. There are several factors that bear upon the relative cost of the Hanover Advisors Wrap Fee Program including the cost of the services if provided separately and the trading activity in the client's account.

- The investment products available to be purchased in the program can be purchased by clients outside of a program account, through broker-dealers or other investment firms not affiliated with us.

Item 5 – Account Requirements and Types of Clients

In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your account if it falls below a minimum size which, in our sole opinion, is too small to effectively manage.

We provide investment advice only to individuals, high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

As of December 31, 2021, Hanover Advisors managed $315,817,475 on a discretionary basis.

Item 6 – Portfolio Manager Selection and Evaluation

In the Hanover Advisors Wrap program, we do not select, review, or recommend other investment advisors or portfolio managers. We are responsible for the investment advice and management offered to clients.

Advisory Business

We provide continuous and regular account supervision in the Hanover Advisors Wrap program. As part of our asset management service, we generally create a portfolio, consisting primarily of stocks, bonds, ETFs, mutual funds, closed-end funds, and option securities. We may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

The client's individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based upon the client's individual needs, stated goals and objectives. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

There are no differences between how the Hanover Advisors Wrap Fee Program is managed and how other Hanover accounts are managed. Hanover has clients who do not participate in the Hanover Advisors Wrap Fee Program and therefore the client pays the transaction charges directly from their account, as disclosed in our Brochure ADV Part 2A and in our Wrap Fee Brochure ADV Part 2A, Appendix 1.

Performance-Based Fees and Side-By-Side Management

We do not accept performance-based fees, fees based on a share of capital gains on or capital appreciation of the assets of a client such as a hedge fund or other pooled investment vehicle. Neither our Firm nor any supervised persons manage side-by-side accounts that are charged a performance-based fee.

Methods of Analysis, Investment Strategies and Risk of Loss

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- Fundamental Analysis - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.
- Modern Portfolio Theory (MPT) is a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.
- Long Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- Short Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.
- Short Sales - a securities transaction in which an investor sells securities he or she borrowed in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future. A short seller will profit if the stock goes down in price.
- Margin Transactions - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.
- Covered Call Options - selling a call option in order to generate additional income from a portfolio.
- Long Put Options - buying a put option in order to hedge potential losses in the value of an asset.

- Option Transactions - an option is a financial instrument that establishes a contract between two parties concerning the buying or selling of an asset at a reference price during a specified time frame. During this time frame, the buyer of the option gains the right, but not the obligation, to engage in some specific transaction on the asset, while the seller incurs the obligation to fulfill the transaction if so requested by the buyer. The price of an option derives from the value of an underlying asset (commonly a stock, a bond, a currency, or a futures contract) plus a premium based on the time remaining until the expiration of the option. Other types of options exist, and options can in principle be created for any type of valuable asset. In return for granting the option, called writing the option, the originator of the option collects a payment, the premium, from the buyer. The writer of an option must make good on delivering (or receiving) the underlying asset or its cash equivalent, if the option is exercised.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

Some of the risks inherent in using our methods of analysis and investment strategies are as follows:

Fundamental Analysis: The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

We may use short-term trading (in general, selling securities within 30 days of purchasing the same securities) as an investment strategy when managing your account(s). Short-term trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk.

Short Sales: Short selling (also known as shorting or going short) is the practice of selling assets, usually securities, that have been borrowed from a third-party (usually a broker) with the intention of buying identical assets back at a later date to return to the lender. It is a form of reverse trading. Mathematically, it is equivalent to buying a "negative" amount of the assets. The short seller hopes to profit from a decline in the price of the assets between the sale and the repurchase, as the seller will pay less to buy the assets than the seller received on selling them. Conversely, the short seller will incur a loss if the price of the assets rises. Other costs of shorting may include a fee for borrowing the assets and payment of any dividends paid on the borrowed assets. "Shorting" and "going short" also refer to entering into any derivative or other contract under which the investor profits from a fall in the value of an asset.

Margin: Buying on margin means borrowing money from a broker to purchase stock. Margin trading allows you to buy more stock than you would be able to normally. An initial investment of at least $2,000 is required for a margin account, though some brokerages require more. This deposit is known as the minimum margin. Once the account is opened and operational, you can borrow up to 50% of the purchase price of a stock. This portion of the purchase price that you deposit is known as the initial margin. Some brokerages require you to deposit more than 50% of the purchase price. Not all stocks qualify to be bought on margin. When you sell the stock in a margin account, the proceeds go to your broker against the repayment of the loan until it is fully paid. There is also a restriction called the maintenance margin, which is the minimum account balance you must maintain before your broker will force you to deposit more funds or sell stock to pay down your loan. When this happens, it is known as a margin call. If for any reason you do not meet a margin call, the brokerage has the right to sell your securities to increase your account equity until you are above the maintenance margin. Additionally, your broker may not be required to consult you before selling. Under most margin agreements, a firm can sell your securities without waiting for you to meet the margin call and you cannot control which stock is sold to cover the margin call. You also have to pay the interest on your loan. The interest charges are applied to your account unless you decide to make payments. Over time, your debt level increases as interest charges accrue against you. As debt increases, the interest charges increase, and so on. Therefore, buying on margin is mainly used for short-term investments. The longer you hold an investment, the greater the return that is needed to break even. In volatile markets, prices can fall very quickly. You can lose more money than you have invested.

Tax Considerations
Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Risk of Loss
Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Recommendation of Particular Types of Securities
As disclosed under the "Advisory Business" section in this brochure, we primarily recommend the following types of securities: stocks, bonds, ETFs, mutual funds, closed-end funds, and option securities. You should be advised of the following risks when investing in these types of securities:

Mutual funds and ETFs are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into or sell out of the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely which can dilute other investors' interests. We generally use “no load” mutual funds in investing for our clients.

Options are complex securities that involve risks and are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss. It is generally recommended that you only invest in options with risk capital. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a certain date (the "expiration date"). The two types of options are calls and puts: A call gives the holder the right to buy an asset at a certain price within a specific period of time. Calls are similar to having a long position on a stock. Buyers of calls hope that the stock will increase substantially before the option expires. A put gives the holder the right to sell an asset at a certain price within a specific period of time. Puts are very similar to having a short position on a stock. Buyers of puts hope that the price of the stock will fall before the option expires. Selling options is more complicated and can be even riskier.

The option trading risks pertaining to options buyers are:

- Risk of losing your entire investment in a relatively short period of time.
- The risk of losing your entire investment increases if, as expiration nears, the stock is below the strike price of the call (for a call option) or if the stock is higher than the strike price of the put (for a put option).
- European style options which do not have secondary markets on which to sell the options prior to expiration can only realize its value upon expiration.
- Specific exercise provisions of a specific option contract may create risks.
- Regulatory agencies may impose exercise restrictions, which stops you from realizing value.

The option trading risks pertaining to options sellers are:

- Options sold may be exercised at any time before expiration.
- Covered Call traders forego the right to profit when the underlying stock rises above the strike price of the call options sold and continues to risk a loss due to a decline in the underlying stock.
- Writers of Naked Calls risk unlimited losses if the underlying stock rises.
- Writers of Naked Puts risk unlimited losses if the underlying stock drops.
- Writers of naked positions run margin risks if the position goes into significant losses. Such risks may include liquidation by the broker.
- Writers of call options can lose more money than a short seller of that stock on the same rise on that underlying stock. This is an example of how the leverage in options can work against the option trader.
- Writers of Naked Calls are obligated to deliver shares of the underlying stock if those call options are exercised.
- Call options can be exercised outside of market hours such that effective remedy actions cannot be performed by the writer of those options.
- Writers of stock options are obligated under the options that they sold even if a trading market is not available or that they are unable to perform a closing transaction.

- The value of the underlying stock may surge or ditch unexpectedly, leading to automatic exercises.

Other option trading risks are:

- The complexity of some option strategies is a significant risk on its own.

General Risks

Legal and Regulatory Matters Risks: Legal developments which may adversely impact investing and investment-related activities can occur at any time. “Legal Developments” means changes and other developments concerning foreign, as well as US federal, state and local laws and regulations, including adoption of new laws and regulations, amendment or repeal of existing laws and regulations, and changes in enforcement or interpretation of existing laws and regulations by governmental regulatory authorities and self-regulatory organizations (such as the SEC, the US Commodity Futures Trading Commission, the Internal Revenue Service, the US Federal Reserve and the Financial Industry Regulatory Authority). Our management of accounts may be adversely affected by the legal and/or regulatory consequences of transactions effected for the accounts. Accounts may also be adversely affected by changes in the enforcement or interpretation of existing statutes and rules by governmental regulatory authorities or self-regulatory organizations.

System Failures and Reliance on Technology Risks: Our investment strategies, operations, research, communications, risk management, and back-office systems rely on technology, including hardware, software, telecommunications, internet-based platforms, and other electronic systems. Additionally, parts of the technology used are provided by third parties and are, therefore, beyond our direct control. We seek to ensure adequate backups of hardware, software, telecommunications, internet-based platforms, and other electronic systems, when possible, but there is no guarantee that our efforts will be successful. In addition, natural disasters, power interruptions and other events may cause system failures, which will require the use of backup systems (both on- and off-site). Backup systems may not operate as well as the systems that they back-up and may fail to properly operate, especially when used for an extended period. To reduce the impact a system failure may have, we continually evaluate our backup and disaster recovery systems and perform periodic checks on the backup systems’ conditions and operations. Despite our monitoring, hardware, telecommunications, or other electronic systems malfunctions may be unavoidable, and result in consequences such as the inability to trade for or monitor client accounts and portfolios. If such circumstances arise, the Investment Committee will consider appropriate measures for clients.

Cybersecurity Risk: A portfolio is susceptible to operational and information security risks due to the increased use of the internet. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyberattacks include, but are not limited to, infection by computer viruses or other malicious software code, gaining unauthorized access to systems, networks, or devices through “hacking” or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cybersecurity failures or breaches by third-party service providers may cause disruptions and impact the service providers’ and our business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement, or other compensation costs, and/or additional compliance costs. While we have established business continuity plans and risk management systems designed prevent or reduce the impact of such cyberattacks, there are inherent limitations in such plans and systems due in part to the everchanging nature of technology and cyberattack tactics.

Pandemic Risks: The outbreak of the novel coronavirus rapidly became a pandemic and resulted in disruptions to the economies of many nations, individual companies, and the markets in general, the impact of which cannot necessarily be foreseen at the time. This created closed borders, quarantines, supply chain disruptions and general anxiety, negatively impacting global markets in an unforeseeable manner. The impact of the novel coronavirus and other such future infectious diseases in certain regions or countries may be greater or less due to the nature or level of their public health response or due to other factors. Health crises caused by the coronavirus outbreak and future infectious diseases may exacerbate other pre-existing political, social, and economic risks in certain countries. The impact of such health crises may be quick, severe and of unknowable duration. These pandemic and other epidemics and pandemics that may arise in the future, could result in continued volatility in the financial markets and could have a negative impact on investment performance.

Clients will receive an individual quarterly performance report, which provides performance information on a time weighted basis. The performance reports are intended to inform clients as to how their investments have performed for a period, both on an absolute basis and compared to leading investment indices.

Voting Client Securities
We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our Firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

Item 7 – Client Information Provided to Portfolio Managers

In the Hanover Advisors Wrap program, we are responsible for account management; there is no separate portfolio manager involved. We obtain the necessary financial data from the client and assists the client in setting an appropriate investment objective for the account. We obtain this information by having the client complete an advisory agreement and other documentation. Clients are encouraged to contact us if there have been any changes in the client's financial situation or investment objectives or if they wish to impose any reasonable restrictions on the management of the account or reasonably modify existing restrictions. Clients should be aware that the investment objective selected for the program is an overall objective for the entire account and may be inconsistent with a particular holding and the account's performance at any time. Clients should further be aware that achievement of the stated investment objective is a long-term goal for the account.

Item 8 – Client Contact with Portfolio Managers

Client should contact us at any time with questions regarding the program account.

Item 9 – Additional Information

Disciplinary Information
Hanover Advisors has been registered and providing investment advisory services since 1988. Neither our Firm nor any of our Associated Persons has any reportable disciplinary information.

Other Financial Industry Activities and Affiliations
We have entered into arrangements for insurance consulting and financial planning related insurance services with Frank Johnson who is licensed to provide health insurance and life insurance, and Larry Burnette who is licensed to provide health insurance and life insurance (collectively "Consulting Associates"). In exchange for the compensation, we provide to the Consulting Associates for their services, they assist us in providing broader insurance planning services to our clients.

The Consulting Associates may also receive separate and direct compensation through their services on our behalf in the form of insurance commissions or similar remuneration resulting from our clients entering into separate transactions with one or all of the Consulting Associates in their capacities as insurance agents. We do not share in this compensation.

This can be considered a conflict of interest with our clients in that the Consulting Associates may have a financial incentive to recommend certain investment products based on the compensation received rather than on the needs of our client.

Our clients have the option of obtaining these consulting and financial planning services from sources other than those described above.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading
Description of Our Code of Ethics
We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons which includes the Consulting Associates described in the *Other Financial Activities and Affiliations* section above. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our Firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions
Neither our Firm nor any of our Associated Persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Personal Trading Practices
Our Firm or persons associated with our Firm may buy or sell securities for you at the same time we or persons associated with our Firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). Please refer to the *Brokerage Practices* section in this brochure for information on our block trading practices.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither we nor our Associated Persons shall have priority over your account in the purchase or sale of securities.

Review of Accounts
Stephen F. Molyneaux, President, and Chief Compliance Officer, of Hanover Advisors, Inc., will monitor your accounts on a daily basis and will conduct account reviews at least monthly to ensure the advisory services provided and the portfolio mix are consistent with your stated investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to, contributions and withdrawals, year-end tax planning, market moving events, security specific events, and/or, changes in your risk/return objectives. We will provide you with additional or regular written reports in conjunction with account reviews. The quarterly report provides performance analysis, asset allocation, portfolio valuation and individual security performance. The quarterly report is prepared on our behalf by an independent third-party. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

Client Referrals and Other Compensation
We directly compensate non-employee (outside) consultants, individuals, and/or entities (Solicitors) for client referrals. In order to receive a cash referral fee from our Firm, Solicitors must comply with the requirements of the jurisdictions in which they operate. If you were referred to our Firm by a Solicitor, you should have received a copy of this brochure along with the Solicitor's disclosure statement at the time of the referral. If you become a client, the Solicitor that referred you to our Firm will receive a percentage of the advisory fee you pay to our Firm for as long as you are a client with our Firm, or until such time as our agreement with the Solicitor expires. You will not pay additional fees because of this referral arrangement. Referral fees paid to a Solicitor are contingent upon your entering into an advisory agreement with our Firm. Therefore, a Solicitor has a financial incentive to recommend our Firm to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain our Firm for advisory services. Comparable services and/or lower fees may be available through other firms.

The Consulting Associates described in the *Other Financial Activities and Affiliations* section above receive a separate referral fee for referring prospective clients to us. This referral fee is in addition to the fee for consulting and financial planning services they provide us on behalf of our clients.

Solicitors that refer business to more than one investment adviser may have a financial incentive to recommend advisers with more favorable compensation arrangements. We request that our Solicitors disclose to you whether multiple referral relationships exist and that comparable services may be available from other advisers for lower fees and/or where the Solicitor's compensation is less favorable.

Financial Information
We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than $1,200 in fees six or more months in advance, or
- take custody of client funds or securities, or

- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

In addition, we have not been the subject of a bankruptcy petition at any time during the past ten years.

Item 10 – Requirements for State Registered Advisers

We are an SEC registered investment adviser; this section does not apply to us.