



## **PRIVACY POLICY**

### **Introduction**

As a registered investment adviser, McDonough Capital Management, Inc. (MCM) must comply with SEC Regulation S-P, which requires registered advisers to adopt policies and procedures to protect the "nonpublic personal information" customers and to disclose to such persons policies and procedures for protecting that information. Nonpublic personal information includes nonpublic "personally identifiable financial information" plus any list, description or grouping of customers that is derived from nonpublic personally identifiable financial information. Such information may include personal financial and account information, information relating to services performed for or transactions entered into on behalf of clients, advice provided by MCM to clients, and data or analyses derived from such nonpublic personal information. In addition, the obligation for investment advisors such as McDonough Capital Management, Inc. to maintain the absolute privacy of their clients and their clients information is addressed in the Gramm-Leach-Bliley Act Privacy Safeguards Rule, 16 CFR Part 314. In November 1999, Congress passed landmark legislation repealing Depression-era restrictions on cross-ownership between banks, insurance companies, and broker-dealers. Included in the Gramm-Leach-Bliley Act (the GLBA) was a separate chapter restricting the sharing of consumer information collected by financial institutions with third-party firms or vendors. Nearly all firms involved in the financial services industry are subject to the federal regulations, and many will be subject to future state privacy statutes and regulations. Federal privacy regulations issued pursuant to Title V of the GLBA became effective November 13, 2000, and require financial institutions to create a comprehensive privacy policy and send privacy notices annually to customers.

### **Overview**

This Privacy Policy covers the practices of McDonough Capital Management, Inc. and applies to all nonpublic personally identifiable information of our current and former customers. MCM views protecting its customers' private information as a top priority and, pursuant to the requirements of the federal Gramm- Leach-Bliley Act, MCM has instituted policies and procedures to ensure that customer information is kept private and secure.

MCM and its employees does not disclose any nonpublic personal information about its customers or former customers to any nonaffiliated third parties, except as permitted by law. In the course of servicing a client's account, MCM may share necessary information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, and consultants, and attorneys. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

MCM restricts internal access to nonpublic personal information about the client to those associated persons of MCM who need access to that information in order to provide services to the client. As emphasized above, it has always been and will always be MCM's policy never to sell information about current or former customers or their accounts to anyone. It is also MCM's policy not to share information unless required to process a transaction, at the request of a customer, or as required by law.

## **Safeguarding of Client Records and Information**

McDonough Capital Management, Inc. has implemented internal controls and procedures designed to maintain accurate records concerning customers' personal information. MCM's customers have the right to contact MCM if they believe that Company records contain inaccurate, incomplete, or stale information about them. MCM will respond in a timely manner to requests to correct information. To protect this information, MCM maintains appropriate security measures for its computer and information systems, including the use of passwords and firewalls.

Additionally, MCM will use shredding machines, locks and other appropriate physical security measure to safeguard client information stored in paper format. For example, employees are expected to secure client information in locked cabinets when the office is closed.

MCM protects confidential client information including but not limited to consumer report or any compilation of consumer report information derived from a consumer report by maintaining some information in locked filing cabinets and shredding such information when then information is no longer needed by MCM.

## **Security of Client Information**

MCM maintains physical, electronic, and procedural safeguards to protect the integrity and confidentiality of customer information. Internally, MCM limits access to customers' nonpublic personal information to those employees who need to know such information in order to provide products and services to customers. All employees are trained to understand and comply with these information principles.

## **Privacy Notice**

MCM has developed a Privacy Notice, as required under Regulation S-P, to be delivered to customers initially and on an annual basis. The notice discloses MCM's information collection and sharing practices and other required information and has been formatted and drafted to be clear and conspicuous. The notice will be revised as necessary any time information practices change.

## **Privacy Notice Delivery**

- 1. Initial Privacy Notice** - As regulations require, all new customers receive an initial Privacy Notice at the time when the customer relationship is established, for example on execution of the agreement for services.
  - 2. Annual Privacy Notice** - The GLBA regulations require that disclosure of the Privacy Policy be made on an annual basis. MCM will deliver its annual Privacy Notice in conjunction with the annual offer of its Form ADV Part II.
- B. Revised Privacy Notice**  
Regulation S-P requires that MCM amend its Privacy Policy and distribute a revised disclosure to customers if there is a change in MCM's collection, sharing, or security practices.



## FORM CRS

### CLIENT RELATIONSHIP SUMMARY

(April 2021)

McDonough Capital Management, Inc. (“MCM”, “we”, “our”, “us”) is registered with the Securities and Exchange Commission (“SEC”) as an investment adviser. Investment advisory and brokerage services and fees differ; therefore, it is important for you to understand the differences.

Free and simple tools are available to research firms and financial professionals (also referred to as Investment Adviser Representatives; “IARs”) at the SEC’s investor education website at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about investment advisers, broker-dealers, and investing.

### WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

MCM mainly offers personalized investment advisory services to retail investors. These services include asset management and financial planning. Asset management services are provided on a fee-only basis. Financial planning is provided on an hourly fee basis.

**Monitoring:** Each IAR reviews their client accounts regularly and meets with them at their request. Factors that trigger reviews include changes to our investment recommendations, changes in market conditions, large deposits or withdrawals from an account, or changes to your financial situation and/or investment needs. As a part of our standard services, we monitor client accounts on a continuous basis and encourage clients to schedule quarterly meetings with their IAR to ensure our advisory services are consistent with the client’s investment needs and objectives.

Infrequently, we consult on specific investment and financial planning issues for a one-time fee when ongoing monitoring is not necessary or desired.

**Investment Authority:** We provide asset management services on a discretionary basis. When you sign an advisory agreement with us, we’re allowed to buy and sell investments in your account without asking you in advance. Any limitations will be described in the signed agreement. We retain discretionary authority until the agreement is terminated by you or us. Any restrictions must be documented in writing and accepted by us. If you do not provide us with discretionary authority, you will make the ultimate decision regarding the purchase and sale of investments.

**Investment Offerings:** While we can advise on any investment asset, our investment recommendations are primarily related to equity securities, ETFs, mutual funds, fixed income, and cash investments.

**Account Minimums:** Our stated minimum account size is \$250,000, but we reserve the right to waive this minimum.

For more detailed information about our services, please refer to our [Firm Brochure](#) (with special emphasis on Items 4, 7, and 16), which is available at <https://adviserinfo.sec.gov/firm/summary/143767>.

### CONVERSATION STARTERS (ASK YOUR FINANCIAL PROFESSIONAL):

- *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- *How will you choose investments to recommend to me?*
- *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

### WHAT FEES WILL I PAY?

Our fees are based on the types of services we provide.

**Asset Management Services:** We charge an *annual fee* based on a percentage of your assets. You are billed *quarterly, in advance*, based upon the market value of your assets at the end of the previous quarter. The more assets there are in your advisory account, the more you will pay in fees, and we may, therefore, have an incentive to encourage you to increase the assets in your account.

**Financial Planning Services:** We charge an hourly fee for financial planning. The fee is negotiable depending on the scope and complexity of the plan, your situation, and your financial objectives. An estimate of the total time/cost will be determined at the start of the planning relationship.

Some investments, such as mutual funds and ETFs, impose additional fees that will reduce the value of your investments over time. Those fees may include fund expenses and surrender charges. You may also pay other fees to the custodian of your assets. These include, but are not limited to, ticket charges on transactions, fees for wire transfers, stop payments, duplicate check or statement copies, overnight deliveries, returned checks, and asset transfers.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

For more detailed information about our fees and your investment costs, please refer to our [Firm Brochure](#) (Items 4 and 5), which is available at <https://adviserinfo.sec.gov/firm/summary/143767>.

#### CONVERSATION STARTER (ASK YOUR FINANCIAL PROFESSIONAL):

- *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

#### WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN ACTING AS MY INVESTMENT ADVISER? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

- Some of our IARs are also registered representatives of a broker-dealer or insurance agents licensed with an insurance company. Through the broker-dealer and/or insurance company, our IARs can offer commission-based products for which they receive additional compensation. This additional compensation causes a conflict of interest as they have an incentive to solicit commission-based products.

- We only generate revenues from our asset management and financial planning services as described above.

For more detailed information about our conflicts of interest, please refer to our [Firm Brochure](#), which is available at <https://adviserinfo.sec.gov/firm/summary/143767>.

#### CONVERSATION STARTER (ASK YOUR FINANCIAL PROFESSIONAL):

- *How might your conflicts of interest affect me, and how will you address them?*

#### HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Our IARs are compensated through salaries and/or a portion of revenue we receive for the advisory services we provide. The portion paid to your IAR generally does not vary based on the type of investments that are recommended. However, as described above, several of our IARs are also registered representatives of a broker-dealer and some are also independent insurance agents. When acting in these capacities, they will earn commission.

#### DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

No – Neither MCM nor any of our IARs have a disciplinary history. We invite you to visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our IARs.

#### CONVERSATION STARTER (ASK YOUR FINANCIAL PROFESSIONAL):

- *As a financial professional, do you have any disciplinary history? For what type of conduct?*

We encourage you to seek out additional information about our investment advisory services. Please visit [mcdonoughcapital.com](http://mcdonoughcapital.com) or see our [Firm Brochure](#). You may also contact us or request a copy of this relationship summary through our website.

**If you would like additional, up-to-date information or a copy of this disclosure, please call us at (407) 248.9647.**

#### CONVERSATION STARTERS (ASK YOUR FINANCIAL PROFESSIONAL):

- *Who is my primary contact person?*
- *Is he or she a representative of an investment adviser or a broker-dealer?*
- *Who can I talk to if I have concerns about how this person is treating me?*