



HARVEST
Financial Corporation
Investments/Securities

Established 1981
Member FINRA/SIPC

ADV Part 2A – Firm Brochure

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Dated: July 24, 2020

This ADV Part 2A brochure provides information about the qualifications and business practices of Harvest Financial Corporation. If you have any questions about the contents of this brochure, please contact us at (412) 391-1466. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC), or by any state securities authority. Additional information about Harvest Financial Corporation is also available on the SEC's website at www.adviserinfo.sec.gov. You can search the SEC site by a firm's unique identification number, known as a CRD number. Our Firm's CRD # is 8733.

Harvest Financial Corporation is a registered investment adviser in the Commonwealth of Pennsylvania and the states of Ohio and California. This registration does not imply any level of skill or training.

Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually and/or when material changes occur since the previous release of the Firm Brochure. A summary of changes is necessary to inform clients of any substantive changes to the Firm's policies or conflicts of interests so that they can determine whether to review the brochure in its entirety or to contact the Firm with questions about the changes.

In accordance with the C.A.R.E.S Act, Harvest Financial Corporation received a loan in the amount of \$117,000 on May 6, 2020, 2020, guaranteed by the U.S. Small Business Administration (SBA) under the Paycheck Protection Program (PPP). The firm used the PPP loan proceeds in accordance with the terms of the loan program and the firm did not suffer any interruption of service.

If you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at (412) 391-1466 or by email at mbfeduska@harvest-financial.com.

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Item 4 Advisory Business

Harvest Financial Corporation (Harvest or ‘the Firm’) is a dually-registered broker/dealer and registered investment advisor located in Pennsylvania and registered with the Commonwealth of Pennsylvania and the states of Ohio and California. Harvest is owned by Frank D. Ruscetti, Richard H. DiBiase and Marshall Henry Company LLC.

Harvest Financial has been incorporated since 1981 and has served clients as a registered broker/dealer since that time. In March, 2016, Harvest Financial Corporation (Harvest) was approved as a Pennsylvania-registered investment advisor and became dually registered as an RIA and broker/dealer. Prior to that, our complementary Pennsylvania-registered investment advisor was DiBiase and Ruscetti Associates, Inc. (D&R). The ownership of Harvest is comprised exclusively of Frank D. Ruscetti and Richard H. DiBiase and an entity, Marshall Henry & Co., LLC (of whom Mr. Ruscetti is the sole managing member). Messrs. Ruscetti and DiBiase were equal owners of D&R. As of July 1, 2016, the ownership structure changed whereby shares in Harvest were exchanged for shares of D&R. The assets of D&R, including clients, are now assets of Harvest. In addition, Harvest has assumed all of the outstanding liabilities and legal duties of D&R and D&R has ceased operations. Harvest is now the registered investment advisor for all of D&R’s former clients. F. David Ruscetti II became President of the firm and Investment Advisory Managing Director in 2018.

In September, 2018, the firm was approved as a registered investment advisor in the state of California. In California only, Harvest Financial Corporation will conduct investment advisory business as Harvest Advisors.

The Firm consults on investment portfolios on both a discretionary and non-discretionary basis for individuals, qualified retirement plans, trusts, corporations and small businesses. The Firm may also provide financial planning, portfolio management, pension consulting and research and advice on the selection of third party managers. Clients can sign account documents that grant Harvest Financial Corporation discretion over their accounts. Discretion allows Harvest to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is exercised in a manner consistent with the Investment Policy Statement for the particular client account. When selecting securities and determining amounts, Harvest observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to Harvest Financial Corporation in writing.

Harvest and its investment advisor representatives work with a client to determine the client's investment objectives and investor risk profile to design a written investment policy statement. Our staff will help define an appropriate asset mix that is most likely to achieve our client's

objectives by selecting shares of both load (purchased at NAV) and non-load mutual funds, individual common stock, preferred stock, individual bonds, unit investment trusts, closed end funds, etc. The Firm uses investment and portfolio allocation software to evaluate different portfolio designs. Harvest and its representatives evaluate the client's existing investments with respect to the client's investment policy statement. If applicable, Harvest works with new clients to develop a plan to transition from the client's existing portfolio to the recommended portfolio allocation.

In some instances, Harvest utilizes a strategy designed to participate in rising markets while having some capital preservation potential in falling markets, the "Cash Flow Value Strategy." This strategy utilizes independent research institutions' model portfolios, which we further refine to identify lower risk issues, as measured by the stock price to the cash flow of each company. Ideally, this portfolio will contain between 30-50 companies whose stock price to cash flow are approximately ten times or less. Our sell discipline is based on changes in independent research firms' recommendations, appreciation of the company or a decline in the cash flow of the company.

Harvest monitors the client's portfolio holdings and the overall asset allocation strategy, provides quarterly performance reports, and holds review meetings with the client regarding the account as necessary.

Harvest participates in a Wrap Fee Program, which means that Harvest will bundle third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, et.) for wrap fee portfolio management accounts. Harvest will charge clients one management fee and pay all transactions fees using the fee collected from the client. Accounts participating in the wrap fee program are not charged higher advisory fees based on trading activity, but clients should be aware that Harvest may have an incentive to limit trading activities for those accounts since the firm absorbs those transactions costs. Harvest is not a sponsor of the wrap fee program. Investment advisory clients are not charged commissions for any securities transactions.

Investment management clients of Harvest may open accounts with either Schwab Advisor Services or RBC Correspondent Services, a division of RBC Capital Markets, LLC (RBC), and the fully-disclosed clearing firm for the brokerage accounts of Harvest (collectively "Custodians"). The clients have the final decision as to where their assets will be held in custody. Harvest does not have discretionary authority as to which custodian the client utilizes for custody. The wealth management division of RBC utilizes various fee-based programs, including Advisor, Resource II (which offers clients access to private account management from institutional money managers across the country), and Total Strategy which allows clients to bring their investments together into one account, including money managers, mutual funds and exchange traded funds. Further information can be provided to interested clients, which fully explains the features of these types of investment accounts. Clients who wish to open an account within the RBC Wealth management group will also execute a separate RBC Investment

Management Agreement, which fully explains the additional costs that may be associated with these programs. These additional costs may include the underlying management and operating expenses commonly associated with mutual fund ownership, management fees charged by individual investment managers, administrative costs charged by the program sponsor and custodian, and the fee charged by Harvest.

Harvest Financial Corporation Client Assets Under Management as of: July 1, 2020:		
	AUM	# of clients
Harvest Discretionary	\$ 72,076,948	76
Harvest Non-discretionary	\$ 4,359,401	5
RBC Managed Platform	<u>\$ 7,281,877</u>	<u>17</u>
Total	\$ 83,718,226	98

Other Services

Financial Planning: Along with investment consulting, Harvest Financial Corporation can provide financial planning services to its clients. This can be provided for a flat fee or it can be included as part of the overall asset based fee (See Item 5 for an outline of our fees). Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation for clients based on the client’s financial goals and objectives. This planning or consulting may encompass one or more of the following areas: investment planning, retirement planning, education planning, estate planning, budgeting, charitable giving, mortgage and debt analysis, insurance analysis, and personal tax planning. Our written financial plans or consultations provided for clients generally include recommendations for a course of actions to be taken by the clients, such as: create or revise wills or trusts, obtain or revise insurance coverage, begin or alter savings for retirement or education, and establish charitable or educational giving programs. For written financial planning engagements, we would provide our clients with a written summary of their financial situation, observations and recommendations. Implementation of the recommendations would be at the discretion of the client.

Third Party Advisor Introduction: In some instances, we may evaluate independent managers for clients. Such independent managers charge their own investment management fee and such fees would be in addition to any fees charged by us. The terms and conditions under which the independent managers would generally be set forth in separate written agreements between the

client and our firm and the client and the designated independent managers. Total fees would not exceed the fees outlined in Item 5's Quarterly Asset fees.

Our evaluation of an independent manager may include, but is not limited to: longevity and documentation of services provided; qualifications of the manager's leadership, analytical team and support staff; evaluation of the manager's analytical tools, analysis and data; how the asset manager is benchmarking current performance against market performance; if their reporting systems are timely, accurate and user friendly; do they execute well and consistently on the stated strategies; do they have strong risk management capabilities; and their commitment to customer service and problem resolution for both advisors and clients.

Prior to introducing Pennsylvania clients to another investment advisor ("IA"), Harvest Financial will be responsible for determining the following:

1. Whether the IA is registered with the Commonwealth of Pennsylvania Department of Banking and Securities under Section 301 of the Pennsylvania Securities Act of 1972 ("1972 Act");
2. Whether the IA is relying on an exclusion from the definition of investment advisor under Section 102(j) of the 1972 Act;
3. Whether the IA is relying on an exemption from registration under Section 302(d) of the 1972 Act; or
4. When the IA is registered with the Securities and Exchange Commission, whether it has filed a Notification Filing with the Commonwealth of Pennsylvania Department of Banking and Securities under Department Regulation 303.015(a).

Prior to selecting or recommending other third-party investment advisers to clients, we will ensure that they are properly licensed or reported.

Pension Consulting: This service entails investment advice regarding the structure, management, implementation and supervision of company-sponsored retirement plans. The plan itself and or its trustee(s) that are the client in this advisory relationship and the consulting agreement will be signed with those parties rather than any individual plan participants. Advice to pension plans and their trustees would include: identification of investment objectives and restrictions; allocation of plan assets to various objectives; selecting money managers to manage plan assets in ways designed to achieve those objectives; selecting mutual funds that plan participants can choose as their funding vehicles; monitoring performance money managers and mutual funds and making recommendations for changes; evaluating and selecting other service providers, such as custodians and administrators; and evaluating fees for all providers. Fees for this consultation service are negotiable prior to engagement. (See Item 5)

Harvest provides a Privacy Notice to each client at the time of engaging Harvest’s services, and annually thereafter. The Privacy Notice discloses the type of information Harvest collects regarding a client, any third party service partner Harvest may share information with and safeguards over client privacy. Harvest does not sell or distribute client information in any way.

If there is a conflict of interest between the interests of the investment advisor and those interests of the client, the client is 1) under no obligation to act upon the recommendations of the investment advisor and 2) if the client does choose to act upon the recommendations of the investment advisor, the client is under no obligation to execute the recommendations or transactions through said investment advisor.

Item 5 Fees and Compensation

Harvest Financial Corporation is a fee based investment advisor. Our fees are charged quarterly in advance as a percentage of assets. The quarterly fee is based on the market value of assets supervised for the Client by Harvest at the date of acceptance of the Registered Investment Advisor Agreement on a pro-rata basis for the initial quarter and, thereafter, at the end of each calendar quarter. For clients who use our Custodians for execution of securities transactions, Harvest Financial Corporation does not pass charges (commission, custodial, account, etc.) on to clients; all such charges are paid by Harvest Financial.

Clients may decide that they would prefer to pay fees on a different basis than our quarterly charge (i.e. on a monthly basis) or pay custodial charges as described above directly to the Custodian. These client preferences can be accommodated and the terms of the fee payments would be written into the investment advisory agreement and approved in writing by the client(s) and a principal of Harvest.

We may charge on an hourly basis or charge a flat fee for financial planning or consulting services, including selection of a third party advisor. The hourly or flat fees are based on the time, scope and complexity of our engagement with the client. These fees are negotiable as to the amount and timing of payments and may differ from client to client for these services. An estimate of the number of hours to complete the project will be quoted to the client at the time of engagement. If a client wishes to engage Harvest for consulting services an addendum to the standard Advisory Agreement will be added.

Quarterly Asset Based Fees – These fees are calculated using the total account value at the close of trading on the previous quarter’s last day. Quarterly fees are charged in advance, and are refundable retroactively for the remaining days in the quarter in which a client leaves. Fees from previous quarters are not refundable. The chart below shows our Asset Based Fees for all accounts.

The First \$250,000	2.00%
The Next \$250,000	1.50%

The Next \$250,000	1.10%
The Next \$250,000	0.90%
The Next \$1,000,000	0.70%
Above \$2,000,000	0.50%

Harvest Financial Corporation has minimum fees of \$2,000 per year. Fees for managed investment accounts may be negotiated at a lower rate than the published fee schedule above for individual accounts with assets of \$5 million or more, or a group of related accounts totaling \$5 million or more in assets under management. While it is not the practice of Harvest to do so, fees can be negotiated for accounts below \$5 million, and like all negotiated fees, a principal of Harvest must approve the lower fee. Lower fees for comparable services may be available from other sources.

Harvest Financial Corporation will (a) possess written authorization from our client to deduct advisory fees from an account held by a qualified custodian; (b) send the qualified custodian written notice of the amount of the fee to be deducted from the client's account, and (c) send our client a written invoice itemizing the fee, including any formulae used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

Harvest Financial Corporation minimum fee guidelines for consultations are as follows:

- A. Investment Plan - 0.25% of assets/minimum fee is \$2,000
- B. Investment Consultation Meeting - \$250/hour/minimum fee is \$500
- C. Security/Portfolio Evaluation- \$250/hour/minimum fee is \$500
- D. 401k Trustee/Pension Advisory - Negotiable prior to start of service

In addition to Harvest's advisory fees, clients will also incur, relative to mutual fund investments, normal expenses and advisory fees imposed by the mutual funds held in the account. These expense ratios are included in each funds' prospectus. Some mutual funds impose fees if they are sold prior to their short term holding periods. Short-term trading fees are detailed in each mutual fund's prospectus.

The Billing method for quarterly based asset fees involves clients authorizing the account's custodian to pay the management fee by debiting the account quarterly in advance. The amount is based on the market value of the account's assets on the last day of the previous quarter as valued by the account custodian. The management fee for the initial month is calculated based on the contributions made into each account.

A Client may add cash to and withdraw funds from the account(s) at any time. If assets are deposited into or withdrawn from the account(s) after the beginning of the quarter, that quarter's management fee will not be adjusted or prorated. The client or Harvest may terminate the investment advisory agreement in writing at any time on a mutually acceptable period of notice, usually not more than thirty (30) days. Fees paid prior to termination are refunded on a prorated basis.

Many of the advisor representatives of Harvest Financial Corporation are licensed registered representatives of Harvest Financial Corporation, a FINRA Member Broker-Dealer. At our registered broker dealer, representatives receive commissions for the sale of investment products. These commissions are not paid from assets under management with the registered investment advisor.

Some of the advisor representatives are also insurance licensed and may receive compensation for insurance products they sell to clients separate from fee compensation.

From time to time, Harvest may recommend the purchase of mutual funds and/or exchange traded funds to clients. Clients will bear a proportionate share of the operating expenses of the various funds in which they are invested independent of any advisory fee charged by Harvest. The Firm has no financial interest and receives no benefit from these payments. Nevertheless, if Harvest recommends that a client purchase shares of a mutual fund that can pay a sales load to either affiliated firm, the shares will be purchased at NAV (no sales load) if possible. If the commission is mandated by prospectus, thus unavoidable, the client's next quarterly fee will be credited by the amount of the sales load paid to Harvest in both discretionary and non-discretionary accounts. Any consultation services for which Harvest develops an investment plan for a client or fees attributable to an investment consultation meeting will be credited against any discretionary or non-discretionary investment advisory fees paid by the client.

Clients have the option to purchase investment products that Harvest recommends through other brokers or agents that are not affiliated with Harvest.

Item 6 Performance-Based Fees and Side-By-Side Management

In general, Harvest Financial Corporation does not manage accounts using a performance-based fee (fees based on a share of capital gains or on capital appreciation of the assets of a client). In the event that a performance-based fee is agreed upon to be charged, the Firm will only charge performance-based fees in accordance with CCR Section 260.234 and will be outlined in the investment advisory agreement.

None of our investment advisors charge performance-based fees.

Item 7 Types of Clients

Harvest Financial Corporation provides investment advice and financial planning to individuals, high net worth individuals and families, trusts, estates, charitable organizations, and corporations. For fee purposes, all client accounts under management can be aggregated into a single household account. Although we do not have a minimum account size, an account size below \$100,000 would probably not be suitable for clients, given the minimum annual fees of \$2,000.

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

Harvest subscribes to a number of independent research, analysis and information sources that it uses to help guide its investment recommendations to clients. Harvest also uses economic data and opinions of Schwab Advisor Services and RBC Capital Markets, provided to us from our clearing firm, RBC Correspondent Clearing. This information is provided at no additional cost to clients. At times, this third party research and other information will be passed on to clients of the firm at no additional cost.

The Harvest investment process is founded on MPT (Modern Portfolio Theory) and the Efficient Frontier. A more detailed description of Modern Portfolio Theory and the Efficient Frontier methodology is included with Harvest new client portfolios. The overall process incorporates client needs, resources, time horizon, risk tolerance and past experience with the design of an asset allocation that is dynamic in nature rather than static. However, this does not mean that Harvest advocates short-term market timing. Active management of tactical allocations is made from time to time based on compelling market dislocations and/or longer-term economic trends. While Harvest believes that financial markets are efficient most of the time and that it is difficult, if not impossible, to “beat” the market, occasionally the market offers exceptional opportunities. On such occasions, allocations will be adjusted to capture a portion of the potential return from these opportunities.

Harvest Financial Corporation utilizes computer software as an aid in measuring the level of risk and return in the client’s portfolio and provides guidelines to choosing more efficient asset mixes to achieve the individual client’s financial goals. As stated in Item 4, an Investment Policy Statement is prepared in conjunction with each client to achieve the client’s goals and objections.

There are risks associated with all forms of analysis. Our investment analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review investments, and other publicly-available sources of information about investments, are providing accurate and unbiased data. Although we resolve to be alert to indications that data

may be incomplete or incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Prior to entering into an agreement with Harvest, you should carefully consider:

1. That investing in securities involves risk of loss that you should be prepared to bear;
2. That securities markets experience varying degrees of volatility;
3. That over time your assets may fluctuate and at any time be worth more or less than the amount you invested;
4. While the stock and/or bond market may increase and our account(s) could enjoy a gain, it is also possible that the stock and/or bond market may decrease and your account(s) could suffer a loss; and
5. Committing to Harvest's management only those assets that you believe you will not need for current purposes and that can be invested on a long-term basis, usually a minimum of five to seven years.

It is important that you understand the risks associated with investing in the stock and/or bond market, and we encourage you to address with us any questions or concerns you may have.

Item 9 Disciplinary Information

In 2002, Harvest Financial Corporation and Frank D. Ruscetti were disciplined by the SEC for failure to supervise the trading activities and suitability recommendations of one of the firm's registered representatives and for failure to have written procedures or systems in place for such supervision. In 2003, the action was resolved with Harvest paying a monetary fine, employing the services of an independent consultant to conduct a comprehensive review of Harvest's supervisory, compliance and other policies and procedures designed to prevent and detect federal securities laws violations.

In 2005, the State of Illinois initiated an action against the firm for engaging in the offering of securities for sale in the state without any registration with the secretary of state of Illinois. The matter was resolved in 2006, with the firm paying a fine in addition to back and current registration fees

Item 10 Other Financial Industry Activities and Affiliations

As a registered investment advisor, we are required to disclose when we, or any of our principals or management, have any other financial industry affiliations. Neither Harvest Financial nor our affiliated persons have affiliations, arrangements or registrations, pending or otherwise with other companies, regulatory organizations or persons other than listed below. Neither Harvest

nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Clients should be aware that the receipt of additional compensation by Harvest Financial and its employees/agents may create a conflict of interest that may impair the objectivity of our firm and our employees/agents when making recommendations. We do not currently receive compensation from other investment advisors, with the exception of the RBC Wealth Management Group. Clients who wish to open an account within the RBC Wealth management group (Refer to Item 4). Clients execute a separate RBC Investment Management Agreement, which fully explains the additional costs that may be associated with these programs. These additional costs may include the underlying management and operating expenses commonly associated with mutual fund ownership, management fees charged by individual investment managers, administrative costs charged by the program sponsor and custodian, and the fee charged by Harvest. We endeavor at all times to put the interest of our clients first consistent with our fiduciary responsibilities and will take the following steps to address a conflict if it presents itself:

- Disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees/agents to earn compensation from advisory clients in addition to our advisory fees;
- Disclose the capacity in which the Firm or associates are acting in the transaction and whether any compensation is to be earned by the owners or associates;
- Disclose any interest that the Firm or associates have in the transaction that may be adverse to the client interest;
- Clients are not obligated to purchase recommended products from our Firm or related parties;
- Harvest conducts reviews of client accounts and activities to verify that recommendations made to clients are suitable;
- Employees/Agents are required to seek approval from management of outside business activities; and
- We educate our employees regarding the responsibilities of being a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to our clients.
- None of our investment advisors have signatory authority over any of our client accounts.

Insurance Agents

Frank D. Ruscetti, F. David Ruscetti II, John Wojtowicz, Charles Correal, Richard DiBiase, Jason Messick, Stephen Fuhrer (President of Fuhrer's Inc.), and Sean Knapp (Vice President of Fuhrer's Inc.) are licensed insurance agents. They may offer fixed and variable life insurance and/or annuity products and receive normal and customary commissions as a result of these transactions. A conflict of interest may arise as these insurance sales may create an incentive to recommend products based on the compensation they may earn and may not necessarily be in the

best interests of the client. In order to minimize this conflict of interest, they will place their clients' interests ahead of their own interests and adhere to our firm's Code of Ethics as well as clearly explaining this conflict when recommending any such products to our Firm's clients. Clients are not obligated to purchase these products.

Affiliated Broker-Dealer

Harvest Financial is registered as a broker-dealer with the SEC and is a member of FINRA. Harvest is an introducing broker-dealer that clears transactions on a fully-disclosed basis through RBC (Royal Bank of Canada). Certain employees/agents of the Firm are also registered representatives of Harvest. Harvest may receive brokerage commissions or mutual fund service fees. This is a potential conflict of interest and could cause the Firm or its representatives to recommend investments based on the additional compensation they may receive.

Other

Dominick Perry is a Certified Public Accountant and is a partner in Wessel & Company, a certified public accounting firm. Brad Vizi is the Principal of Convoy Capital Management and currently sits on the board of two publicly-traded companies. He serves as the Executive Chairman on the board of one of the publicly-traded companies. Frank Ruscetti and F. David Ruscetti II are partners of HF Management Company, a general partnership which invests capital on behalf of the limited partners.

Harvest Financial Corporation and its registered associates may introduce clients to a third party investment advisor where compensation is received. An example of this would include fee sharing arrangement and/or finder's fees for hedge fund fund-of-funds. Before any recommendation or selection of a third-party investment adviser to clients, we will ensure that they are properly licensed or reported. (Reference to Item 4)

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

Our Code of Ethics is set forth to advance our collective goal to maintain and enhance our fiduciary responsibility to our clients. Harvest's Code includes standards of conduct requiring Harvest employees to comply with the spirit and the letter of federal securities laws and the fiduciary duties which an investment advisor owes to its clients. Harvest distributes the Code, contained in the Policies and Procedures Manual, to each employee upon the commencement of employment, annually at our firm compliance meeting, and during the year if there is any material change. Each employee must also acknowledge that they have received, read, understood and agree to comply with Harvest's Code and Policies and Procedures upon commencement of employment, annually and when it is materially amended. A copy of our Code of Ethics is available upon request.

The Chief Compliance Officer is primarily responsible for supervision. Supervisory activities, as described in this Policies and Procedures Manual, have been designed to detect and prevent

possible violations by Registered Associates. All Registered Associates report to the Chief Compliance Officer.

Our Registered Associates will:

- Maintain focus on our clients' objectives and our fiduciary obligations to those clients, as well as our obligations to maintain the privacy and confidentiality of our clients' personal and financial information.
- Keep abreast of developments in the field and strive to improve professional competence in all areas of investment advisory engaged.
- Offer advice only in areas of competence
- Comply with all federal and state securities laws.
- Report for review all personal securities transactions and holdings.

This report must contain at a minimum the following:

- The title and type of security, and as applicable the exchange ticker symbol or CUSIP number, number of shares, and principal amount of each reportable security in which the associated person has any direct or indirect beneficial ownership.
- The name of any broker, dealer, or bank with which the associated person maintains an account in which any securities are held for the associated person's direct or indirect benefit.
- The date of the report.
- The report of holdings must be submitted no later than 10 days after association with the firm and annually thereafter.

Transaction reports must contain at a minimum the following:

- The date, the title and type of security, and as applicable the exchange ticker symbol or CUSIP number, number of shares, and principal amount of each reportable security involved
- The nature of the transaction (i.e., purchase, sale, or other type of acquisition or disposition)
- The transaction price

- The name of the broker, dealer, or bank with or through which the transaction was effected;
- The date of the report. This report must be filed no later than 30 days after the end of each calendar quarter. The report must cover at a minimum the transactions for the quarter.

Exceptions to reporting are as follows:

- Any report with respect to securities held in accounts over which the associate had no direct or indirect influence or control;
- A transaction report with respect to transactions effected pursuant to an automatic investment plan;
- A transaction report if the report would duplicate information contained in broker trade confirmations or account statements provided that confirmations or statements are received no later than 30 days from the end of the applicable calendar quarter.
 - Associates must have approval of the compliance officer or his designee prior to purchasing beneficial ownership in any security in an initial public offering or in a limited offering.
 - Associates are expected to report any known violation of this Code of Ethics to the Chief Compliance Officer.

The overriding intent of Harvest Financial Corporation is to set out standards for ethical conduct premised on fundamental principles of openness, integrity, honesty, and trust.

At times, employees of Harvest may hold, buy, or sell positions in securities that we may also recommend to clients. However, at no time will Harvest or any employee receive preferential treatment over clients. The Firm monitors personal securities transactions for the possibility of a conflict of interest. If a conflict is identified, the interest of the client will always prevail. It is the policy of the Firm that priority will always be given to the client's orders over the orders of an employee/agent of the Firm. In order to minimize this conflict of interest, our employees/agents will place client interests ahead of their own interest and adhere to our Firm's Code of Ethics as stated above.

Harvest Financial Corporation's policy for personal trading allows associates to maintain personal securities accounts at Harvest Financial Corporation or at any other registered broker-dealer, provided that any personal investing by an associate in any accounts in which the associate has a beneficial interest, including any accounts for any immediate family or household members, is consistent with the Firm's fiduciary duty to its clients and consistent with regulatory

requirements. To address the conflicts of interest that can arise when investing in the same securities we require our registered associates to follow strict guidelines in regards to their accounts. When opening an account at a broker-dealer other than Harvest Financial, the associate is required to receive pre-approval of the account from Harvest. Harvest also requires associates to direct duplicate confirmations and statements of accounts away be sent to the Compliance Officer at Harvest Financial. The Compliance Officer at Harvest Financial will review copies of confirmations and statements of all associates' accounts, whether domiciled at Harvest or elsewhere, for propriety and compliance with firm and regulatory requirements.

Item 12 Brokerage Practices

Clients select the broker-dealer for their accounts. Harvest does not have discretion to select broker-dealers for clients. Clients may use Harvest as the broker-dealer for their advisory accounts (with our fully introduced clearing firm, RBC, as their custodian). Clients may also use Charles Schwab as their broker-dealer and custodian of assets. As an investment advisory firm, Harvest has a fiduciary duty to seek the most favorable execution and best prices for client transactions. We seek to select a custodian/broker that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors, including, but not limited to: excellence and promptness of service and execution; reliability; minimal frequency of errors; research reports and data provided; cost of custody; cost of trading commissions; general assistance, reputation, financial strength, security and stability; and helpfulness in solving client problems or intelligence in avoiding trading errors or problems. Generally, the recommended custodians enable us to obtain many mutual funds, ETF's and individual securities without

Harvest does not maintain custody of our clients' assets that we manage; although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (refer to Item 15 – Custody, below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We recommend that our clients use either Charles Schwab & Co., Inc. (Schwab) or our broker-dealer services and fully-disclosed clearing broker-dealer, RBC, to effect transactions for their accounts and maintain custody of clients' assets. Both Schwab and RBC are members of SIPC. Harvest is independently owned and operated and is not affiliated with Charles Schwab or RBC. Clients have the final decision and discretion as to where to custody their account assets.

Custodians provide Harvest with access to their institutional trading and custody services, which are typically not available to retail investors. Custodian brokerage services include the execution of securities transactions, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. Custodians also provide Harvest with proprietary and third-party research and other products and services (i.e. receipt of duplicate trade confirmation and account statements, trading desk access, pricing information and other

market data, the ability to aggregate clients' securities transactions, the ability to directly debit advisor fees from clients' accounts and receipt of compliance publications.

A client may choose to use a brokerage firm (other than Schwab or RBC) for transactions and custody. If so, they may be subject to commissions and other account charges that they would not otherwise incur if their account were custodied at Schwab or RBC. Clients whose accounts are custodied at Schwab or RBC do not pay commissions or other account charges as those charges are incurred by Harvest. We would require that duplicate statements and confirmations be sent to Harvest so that we may monitor account activity for our clients.

Affiliated Broker-Dealer

As described in Item 10 of this brochure, Harvest is a registered broker-dealer. The firm and its employees, in their separate capacity as registered representatives, may affect securities transactions for which they may receive additional compensation.

Trade Allocation and Aggregation of Orders

Transactions for each client, in general, will be effected independently, unless Harvest decides to purchase or sell the same securities for several clients at approximately the same time. Harvest may (but is not obligated to) combine or "block" such orders. Under this procedure, each participating client typically receives a price that represents the average of the prices at which all of the transactions in a given block were executed. Block trading may allow better execution for the clients. Executions of a block trade do not affect transaction costs, which are based on the terms set by the custodian of the accounts. If the order is not completely filled, the securities purchased or sold are distributed among participating clients on a pro rata basis or in another equitable manner.

Item 13 Review of Accounts

The managing principal of Harvest, presently F. David Ruscetti II, or his supervisory designee, along with the client's Account Executive, will review clients' written quarterly account reviews to determine whether the portfolio is achieving the specific objectives of firm clients prior to the review being sent to the client. All reviewers of client accounts are registered investment adviser representatives of the Firm.

The written quarterly review of the account will include previous quarter end investment positions and account values as well as performance information for the account as a whole. In discretionary accounts, Harvest will provide relevant index performance for comparison against portfolio performance.

Harvest's frequency of review of the account with the client varies from advisor representative to advisor representative. The general guideline for reviews is, accounts over \$1,000,000 will be

reviewed quarterly; accounts between \$500,000 and \$1,000,000 will be reviewed semi-annually, and accounts under \$500,000 will be reviewed annually. Other triggers for account review include, but are not limited to, major market events and client life changes such as a new job, new child, and retirement. Based upon the results of the periodic review, investment changes will be made to carry out the client's objective in discretionary accounts, and recommended changes will be communicated to clients in non-discretionary accounts. Harvest Financial Corporation, if so directed by our client, may execute investment changes in non-discretionary accounts. In cases where assets are held elsewhere, changes can be made directly by the client.

Item 14 Client Referrals and Other Compensation

Harvest Financial Corporation does not currently have any solicitation agreements regarding compensation for client referrals from any person who is not an employee/agent of the Firm. If the Firm were to have such an arrangement, the agreement for a referral fee would be in accordance with federal and corresponding state securities law requirements. Any such fee would be paid solely from the Firm and would not result in any additional charge to the client. If a client were to be introduced to Harvest by an unaffiliated solicitor in a state where licensures of solicitors are required, we will ensure that no solicitation fees are paid unless the solicitor is registered as an investment advisor representative of and follows the requirements of that state.

We may pay employees of Harvest compensation that is specifically related to obtaining clients for the Firm in addition to their regular salary. Those employees will be properly registered as an investment advisor and acting in accordance with the applicable laws and requirements of the solicited client's state. To date, we have paid no such compensation to any employee of Harvest.

Other Economic and Non-Economic Benefits

As noted in Item 4, Harvest requires its wrap fee clients to establish accounts with its Custodians, either Schwab Advisor Services or RBC CS, to maintain custody of clients' assets and to effect trades for their accounts. Harvest's clients have the final decision as to where to custody their assets and establish accounts. Harvest is independently owned and operated and not affiliated with either Custodian. Harvest does maintain RBC CS as the clearing firm for its brokerage accounts. Both Custodians provide Harvest with access to their institutional trading and custody services, which are typically not available to retail investors at the Custodians. Services at the custodians include, but are not limited to: securities transactions executions, custody, research (advice, analysis and reports), and access to mutual funds and other investments that would generally require a higher minimum initial investor or are available only to institutional investors.

The Custodians may also make available to Harvest other services and products that benefit Harvest but may not directly benefit its clients' accounts. These benefits may include national,

regional or Harvest specific educational events organized and/or sponsored by Schwab Advisor Services or RBC CS. Other potential benefits may include occasional business entertainment of Harvest personnel by Schwab or RBC, including meals, sporting events invitations (including golf tournaments) and other forms of entertainment, some of which may accompany educational opportunities.

Other products and services provided by Schwab or RBC may assist Harvest in managing and administering its client accounts, including software and technology (including related training) that provide access to client account data, such as trade confirmations and account statements, access to a trading desk, facilitation of trade order entry and executions (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Harvest advisor fees from its clients' accounts, and assist in back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of client accounts.

Schwab and RBC may also make available to Harvest additional services which are intended to assist Harvest manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, business succession, information technology, employee benefits providers, human capital consultants, insurance, marketing and regulatory compliance.

Harvest has or will receive without cost from Schwab the following additional benefits:

- Credits to be used toward technology costs based on the assets that have been transferred to Schwab;
- Reimbursement by Schwab to clients of account transfer fees.

Although Harvest, as a fiduciary, endeavors at all times to act in its clients' best interests, Harvest's recommendation/requirement that clients maintain their assets in accounts at Schwab or RBC may be based in part on the benefit to Harvest of the availability of some of the products, services and other arrangements, and not solely on the nature, cost, or quality of custody and brokerage services provided by the Custodians, which may create a potential conflict of interest.

Item 15 Custody

Under government regulations, we are deemed to have limited custody of your assets if you authorize us to instruct our custodians (Schwab and RBC) to deduct our advisory fees directly from your account. Harvest will: (a) possess written authorization from our client to deduct advisory fees from an account held by a qualified custodian; (b) send the qualified custodian written notice of the amount of the fee to be deducted from the client's account, and (c) send our client a written invoice itemizing the fee, including any formulae used to calculate the fee, the

time period covered by the fee and the amount of assets under management on which the fee was based.

We do not have physical custody of any of your funds and/or securities. Our account custodians, RBC and Charles Schwab, maintain actual custody of your assets. You will receive account statement(s) directly from your selected custodian at least quarterly. They will be sent to the postal mailing address you provided on your account opening form. You should carefully review those statements promptly when you receive them. We also urge you to compare your custodian's account statements with the periodic account information, including portfolio reports you receive from us. Your portfolio review may vary from custodial statements based on accounting procedures, reporting dates, valuation methodologies or certain non-mutual fund securities. If you have a question regarding your invoice, or if you did not receive a statement from your custodian, contact us immediately at the telephone number on the cover page of this brochure.

The Securities and Exchange Commission ("SEC") issued a no-action letter in February, 2017 to clarify that standing authority (also known as a standing letter of authorization or "SLOA"), to move money from a client's account to a third party account is considered "custody" within the meaning of the Investment Advisers Act Rule 206(4)-4 (the "Custody Rule").

If a client were to request a third party LOA money movement from their account, Harvest would require:

1. Written authorization from the client to the qualified custodian, that includes the client's signature, the third party's name and either the third party's address or the third party's account number at a custodian to which the transfer should be directed;
2. Written authorization from the client permitting the investment advisor to direct transfer to the third party either on a specified schedule or from time to time. The authorization may be on the qualified custodian's own form or a separately written letter;
3. The custodian for the client's account performs verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer;
4. The client has the ability to terminate or change the instruction to the client's qualified custodian;
5. The investment adviser has no authority or ability to designate or change the identity of the third party, the address or any other information about the third party contained in the client's instruction;
6. The investment adviser maintains records showing that the third party is not a related party of the investment adviser nor is located at the same address of the investment adviser; and
7. The client's qualified custodian send the client, in writing, an initial notice confirming the instruction and an annual notice to the client reconfirming the instruction.

Item 16 Investment Discretion

Harvest does take investment discretionary authority over some client accounts when the advisor representative is acting as the investment manager. Clients are permitted to place limitations on the types of securities that can be purchased. These limitations need to be outlined in the written investment policy statement. Clients will indicate on the form that discretion is granted to Harvest on the investment advisory accounts. For non-discretionary accounts, we will obtain permission from the client prior to executing securities transactions on behalf of the client. When your personalized strategy uses RBC Resource II and Total Strategy Account clients grant discretion to the third party manager(s).

Item 17 Voting Client Securities

Generally, as a matter of firm policy and practice, Harvest does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. 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. Clients who utilize RBC Resource II and Total Strategy may direct RBC Wealth Management (the investment manager) to vote proxies on their behalf; however, the investment manager must agree to accept the voting responsibility. One advisory client, who is considered a 'qualified investor,' has granted voting proxies ability to the Advisor. The terms of this permission are detailed in this client's investment advisory agreement, approved in writing by the client and a principal of Harvest.

Item 18 Financial Information

In the Commonwealth of Pennsylvania, registered RIAs who require the pre-payment of fees of more than \$1,200.00 per client, six months or more in advance, are to disclose certain financial information (balance sheet). For other states, this threshold is \$500.00. Since Harvest is registered (or is registering) with more than one state securities authority, the dollar amount would be \$500.

A balance sheet is not required to be provided as Harvest 1) does not solicit fees more than six months in advance; 2) does not have a financial condition that is likely to impair its ability to meet contractual commitments to our clients; and 3) has not been subject to any bankruptcy proceeding during the past ten years (or ever).

Item 19 Requirements for State-Registered Advisors

Our principal executive officers are Frank D. Ruscetti and F. David Ruscetti II.

Frank D. Ruscetti is Executive Chairman, owner of Harvest Financial, and is a registered investment advisor representative. Mr. Ruscetti is a graduate of the University of Pittsburgh. He previously was President of Harvest Financial Corporation.

F. David Ruscetti II is President and a registered investment advisor representative, managing director. He is a graduate of the University of Pittsburgh. He previously served as Executive Vice President of Harvest Financial Corporation.

Richard DiBiase is an Executive Vice President, owner of Harvest Financial and a registered investment advisor representative. He is a graduate of West Virginia University.

Mr. DiBiase and Mr. Frank D. Ruscetti are direct owners of Harvest Financial Corporation.

Mary Beth Feduska is the Chief Compliance Officer and a registered investment advisor representative but has no clients. She is a graduate of the University of Notre Dame.

Additional information regarding the education and business the education and business backgrounds for the above are provided in the respective Part2B Supplemental Information.

Disclosure Requirements of Certain States

California

It is our belief and opinion, all material conflicts of interest regarding Harvest Financial Corporation, our representatives or any of our employees, which could reasonably be expected to impair our rendering of unbiased and objective advice to an advisory client under Section 260.238(k) of the California Code of Regulations have been disclosed.