

DISCLOSURE BROCHURE

Artifex Advisory Group, Inc.

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This brochure provides information about the qualifications and business practices of Artifex Advisory Group, Inc. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 800-276-1377. 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.

Additional information about Artifex Advisory Group, Inc. (CRD #281588) is available on the SEC's website at www.adviserinfo.sec.gov

FEBRUARY 17, 2016

Item 2: Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

Material Changes since the Last Update

This update is in accordance with the required annual update for Registered Investment Advisors. Since the last update on January 12, 2016, the following changes have occurred:

- The firm is now registered to do business in Texas and Louisiana in addition to North Carolina and California.
-

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at 800-276-1377 or by email at josh@artifexadvisory.com.

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Item 4: Advisory Business

Firm Description

Artifex Advisory Group, Inc. "Artifex", was founded in July 2013 and began offering advisory services in 2015. David Joshua Elliott "Josh" is 100% owner.

Artifex is a fee based investment management and financial planning firm. Artifex does not act as a custodian of client assets. The client always maintains asset control. Artifex also sells annuities and insurance products for separate yet typical commission or fees and provides financial planning services such as tax planning, legacy planning, educational planning and financial budgeting for a fee to clients.

An evaluation of each client's initial situation is provided to the client, often in the form of a net worth statement, risk analysis or similar document. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Under CCR Section 260.238(k), Artifex, its representatives or any of its employees will disclose to the clients all material conflicts of interest.

Types of Advisory Services

ASSET MANAGEMENT

Artifex offers discretionary direct asset management services to advisory clients. Artifex will offer clients ongoing portfolio management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program will be based on the above factors. The client will authorize Artifex discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

ERISA PLAN SERVICES

Artifex provides service to qualified and non-qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit sharing plans, cash balance plans, and deferred compensation plans.

Artifex acts as a 3(38) advisor Investment Manager in which they have discretionary management and control of a given retirement plan's assets. Artifex would then become solely responsible and liable for the selection, monitoring and replacement of the plan's investment options.

1. Fiduciary Services are:

- Artifex has discretionary authority and will make the final decision regarding the initial selection, retention, removal and addition of investment options in accordance with the Plan's investment policies and objectives.

- Assist the Client with the selection of a broad range of investment options consistent with ERISA Section 404(c) and the regulations thereunder.
 - Assist the Client in the development of an investment policy statement “IPS”. The IPS establishes the investment policies and objectives for the Plan.
 - Provide discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5).
2. Non-fiduciary Services are:
- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands Artifex’s assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor’s definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, Artifex is not providing fiduciary advice as defined by ERISA to the Plan participants. Artifex will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
 - Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.
 - Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
 - Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

Artifex may provide these services or, alternatively, may arrange for the Plan’s other providers to offer these services, as agreed upon between Artifex and Client.

3. Artifex has no responsibility to provide services related to the following types of assets “Excluded Assets”:
- a. Employer securities;
 - b. Real estate (except for real estate funds or publicly traded REITs);
 - c. Stock brokerage accounts or mutual fund windows;
 - d. Participant loans;
 - e. Non-publicly traded partnership interests;
 - f. Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
 - g. Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of fees paid to the Artifex under this Agreement.

FINANCIAL PLANNING AND CONSULTING

If financial planning services are applicable, the client will compensate Artifex on an hourly or fixed fee basis described in detail under “Fees and Compensation” section of this brochure. Services include but are not limited to a thorough review of all applicable topics including Wills, Estate Plan/Trusts, Investments, Taxes, and Insurance. Under North Carolina Investment Advisors Act and its corresponding rules contained in the North Carolina Administrative Code, it requires that the conflict of interest, which exists between the interests of the investment advisor and the interests of the client when offering financial planning services, be disclosed. The client is under no obligation to act upon the investment advisor’s recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through Artifex. Financial plans will be completed and delivered inside of sixty (60) days assuming Client provides all required documentation. Client may cancel within five (5) business days of signing Agreement without any obligation.

SEMINARS AND WORKSHOPS

Artifex holds seminars and workshops to educate the public on different types of investments and the different services they offer. The seminars are educational in nature and no specific investment or tax advice is given. Artifex does not charge a fee for attendance to these seminars.

Client Tailored Services and Client Imposed Restrictions

The goals and objectives for each client are documented in our client files. Investment strategies are created that reflect the stated goals and objective. Agreements may not be assigned without written client consent.

Wrap Fee Programs

Artifex does not participate in wrap fee programs.

Client Assets under Management

As of December 31, 2015, Artifex had no client assets under management.

Item 5: Fees and Compensation

Method of Compensation and Fee Schedule

ASSET MANAGEMENT

Artifex offers discretionary direct asset management services to advisory clients. Artifex will offer clients ongoing portfolio management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program will be based on the above factors.

Fees for these services will be based on a percentage of Assets Under Management as follows:

Portfolio value		Fee Schedule*	
From	To	Maximum annual fee	Maximum quarterly fee
\$ 0	\$ 500,000	1.25%	.3125%
\$ 500,001	\$ 1,000,000	1.00%	.2500%
\$ 1,000,001	\$ 3,000,000	0.90%	.2250%
\$ 3,000,001	\$ 5,000,000	0.80%	.2000%
\$ 5,000,001	Over	0.70%	.1750%

*The fee schedule is a blended schedule whereas when the portfolio value reaches the next threshold, the assets above the threshold are charged the lower percentage.

The annual fee may be negotiable. Accounts within the same household may be combined for a reduced fee. Fees are billed quarterly in advance based on the amount of assets managed as of the last business day of the quarter. The investment advisory fee will be billed directly to the Custodian, with an informational copy of the invoice to client disclosing the amount of the fee, the value of the client's assets upon which the fee is based, and the specific manner in which the fee is calculated. Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement for a full refund. Clients may terminate advisory services with thirty (30) days written notice. The client will be entitled to a pro rata fee for the days service was not provided in the final quarter. Client shall be given thirty (30) days prior written notice of any increase in fees, and clients will acknowledge, in writing, any agreement of increase in said fees.

ERISA PLAN SERVICES

The annual fees are billed quarterly in advance based on the market value of the Included Assets. The initial fee will be based on the market value of the Plan assets as calculated by the custodian or record keeper of the Included Assets on the last business day of the initial fee period. Fees will be based on a maximum annual fee of .5% of the plan assets. For fees based on the percentage of plan assets, if the services provided start any time other than the first day of a quarter, the fee will be prorated based on the number of days remaining in the initial fee period. Thereafter, the fee will be based on the market value of the Plan assets on the last business day of the fee period (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets) and will be due the following business day. If this Agreement is terminated prior to the end of the fee period, Client shall be entitled to a prorated refund based on the number of days during the fee period services were not provided. Any unearned fees shall be refunded to the Plan or Plan Sponsor.

The compensation of Artifex for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees, however the Plan Sponsor may elect to pay the fees. Fees will either be billed direct to the client or deducted from plan assets. Artifex does not reasonably expect to receive any additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, Artifex will disclose this compensation, the services rendered, and the payer of

compensation. Artifex will offset the compensation against the fees agreed upon under this Agreement.

FINANCIAL PLANNING and CONSULTING

Artifex charges either an hourly fee or fixed fee for financial planning. Prior to the planning process the client will be provided an estimated plan fee. The services include, but are not limited to, a thorough review of all applicable topics including Wills, Estate Plan/Trusts, Investments, Taxes, and Insurance. The payments are received in two installments; the first half at the commencement of the plan, with the balance due upon completion. Services are completed and delivered inside of sixty (60) days. Client may cancel any time during the planning process without any obligation.

HOURLY FEES

Financial Planning Services are offered based on an hourly fee of \$200 per hour.

FIXED FEES

Financial Planning Services are offered based on flat fees between \$1,000 and \$5,000.

Client Payment of Fees

Investment management fees are billed quarterly in advance, meaning we bill you at the beginning of the quarter. If an account is opened after the start of the calendar quarter, a prorated fee will be billed. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

Financial Planning Fees are due half upfront and half upon delivery of the completed plan.

Additional Client Fees Charged

Custodians may charge transaction fees on purchases or sales of certain mutual funds, equities, and exchange-traded funds. These charges may include Mutual Fund transactions fees, postage and handling and miscellaneous fees (fee levied to recover costs associated with fees assessed by self-regulatory organizations). These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

Artifex, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

For more details on the brokerage practices, see Item 12 of this brochure.

Prepayment of Client Fees

Investment management fees are billed quarterly in advance. If the client cancels after five (5) days, any unearned fees will be refunded to the client.

Financial Plans are billed 50% in advance. Client may cancel at any time for a full refund.

External Compensation for the Sale of Securities to Clients

Artifex does not receive any external compensation for the sale of securities to clients, nor do any of the investment advisor representatives of Artifex.

Item 6: Performance-Based Fees and Side-by-Side Management

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Artifex does not use a performance-based fee structure because of the conflict of interest. Performance based compensation may create an incentive for the advisor to recommend an investment that may carry a higher degree of risk to the client.

Item 7: Types of Clients

Description

Artifex generally provides investment advice to individuals, small businesses and pension and profit sharing plans. Client relationships vary in scope and length of service.

Account Minimums

Artifex requires a minimum of \$500,000 to open an account, but the firm does have the discretion to accept accounts with less assets. Accounts with fewer assets are accepted as an accommodation to clients with multiple accounts, and/or for those making regular additions to their account(s).

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

Methods of Analysis

Security analysis methods may include fundamental analysis and technical analysis. Investing in securities involves risk of loss that clients should be prepared to bear. Past performance is not a guarantee of future returns.

Fundamental analysis involves evaluating a stock using real data such as company revenues, earnings, return on equity, and profits margins to determine underlying value and potential growth. Technical analysis involves evaluating securities based on past prices and volume.

In developing a financial plan for a client, Artifex's analysis may include cash flow analysis, investment planning, risk management, tax planning and estate planning. Based on the information gathered, a detailed strategy is tailored to the client's specific situation.

Fundamental analysis may involve interest rate risk, market risk, business risk, and financial risk. Risks involved in technical analysis are inflation risk, reinvestment risk, and market risk.

The main sources of information include financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

Investment Strategy

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement or Risk Tolerance that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, trading, and option writing (including covered options, uncovered options or spreading strategies).

Security Specific Material Risks

Investing in securities involves risk of loss that clients should be prepared to bear. Risk refers to the possibility that you will lose money (both principal and any earnings) or fail to make money on an investment. Artifex cannot guarantee that it will achieve a client's investment objective. Investors face the following investment risks and should discuss these risks with Artifex:

- **Market Risk**: The prices of securities held by mutual funds in which clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by a fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value.
- **Interest-rate Risk**: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Inflation Risk**: When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk**: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk**: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Liquidity Risk**: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Management Risk**: The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific

asset class or fund are not realized in the expected time frame, the overall performance of the client's portfolio may suffer.

- **Equity Risk:** Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. This volatility affects the value of the client's overall portfolio. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies.
- **Fixed Income Risk:** The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return. As nominal interest rates rise, the value of fixed income securities held by a fund is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.
- **Investment Companies Risk:** When a client invests in open end mutual funds or ETFs, the client indirectly bears their proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value or (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. Artifex has no control over the risks taken by the underlying funds in which client invests.

Item 9: Disciplinary Information

Criminal or Civil Actions

The firm and its management have not been involved in any criminal or civil action required to be reported.

Administrative Enforcement Proceedings

The firm and its management have not been involved in administrative enforcement proceedings required to be reported.

Self-Regulatory Organization Enforcement Proceedings

Mr. Elliott was involved in a customer dispute in January of 2013. The client alleged damages of between \$50,000 and \$100,000 for unsuitable recommendations. The

complaint was settled for \$7,500 by Mr. Elliott's member firm. Mr. Elliott was not required to pay a portion of this settlement.

Item 10: Other Financial Industry Activities and Affiliations

Broker-Dealer or Representative Registration

Artifex is not registered as a broker-dealer and no affiliates are registered representatives of a broker-dealer.

Futures or Commodity Registration

Neither Artifex nor its employees are registered or has an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

Material Relationships Maintained by this Advisory Business and Conflicts of Interest

Through Artifex, Mr. Elliott also sells annuities and insurance products for separate yet typical commission or fees. He spends approximately 10% of his time on his insurance practice.

These practices represent conflicts of interest because it gives Mr. Elliott an incentive to recommend products based on the commission amount received. This conflict is mitigated by the fact that Mr. Elliott has a fiduciary responsibility to place the best interest of the clients first and clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent of their choosing.

Recommendations or Selections of Other Investment Advisors and Conflicts of Interest

Advisor does not utilize the services of Third Party Money Managers to manage client accounts.

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

Code of Ethics Description

The employees of Artifex have committed to a Code of Ethics "Code". The purpose of our Code is to set forth standards of conduct expected of Artifex employees and addresses conflicts that may arise. The Code defines acceptable behavior for employees of Artifex. The Code reflects Artifex and its supervised persons' responsibility to act in the best interest of their client.

One area the Code addresses is when employees buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our clients. We do not allow any employees to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our clients.

Artifex's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other employee, officer or director of Artifex may recommend any transaction in a security or its derivative to advisory clients or

engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

Artifex's Code is based on the guiding principle that the interests of the client are our top priority. Artifex's officers, directors, advisors, and other employees have a fiduciary duty to our clients and must diligently perform that duty to maintain the complete trust and confidence of our clients. When a conflict arises, it is our obligation to put the client's interests over the interests of either employees or the company.

The Code applies to "access" persons. "Access" persons are employees who have access to non-public information regarding any clients' purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to clients, or who have access to such recommendations that are non-public.

The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

Investment Recommendations Involving a Material Financial Interest and Conflict of Interest

Artifex and its employees do not recommend to clients securities in which we have a material financial interest.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Artifex and its employees may buy or sell securities that are also held by clients. In order to mitigate conflicts of interest such as front running, employees are required to disclose all reportable securities transactions as well as provide Artifex with copies of their brokerage statements.

The Chief Compliance Officer of Artifex is Josh Elliott. He reviews all employee trades each quarter. The personal trading reviews helps mitigate that the personal trading of employees does not affect the markets and that clients of the firm have received preferential treatment over employee trades.

Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

Artifex does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist. However, employees may buy or sell securities at the same time they buy or sell securities for clients. In order to mitigate conflicts of interest such as front running, employees are required to disclose all reportable securities transactions as well as provide Artifex with copies of their brokerage statements.

The Chief Compliance Officer of Artifex is Josh Elliott. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets and that clients of the firm receive preferential treatment over employee transactions.

Item 12: Brokerage Practices

Factors Used to Select Broker-Dealers for Client Transactions

Artifex may recommend the use of a particular broker-dealer such as TD Ameritrade Institutional, a Division of TD Ameritrade, Inc., member FINRA/SIPC or may utilize a broker-dealer of the client's choosing. Artifex will select appropriate brokers based on a number of factors including but not limited to their relatively low transaction fees and reporting ability. Artifex relies on its broker to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by Artifex.

Artifex participates in the Institutional advisor program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC (TD Ameritrade) an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services that include custody of securities, trade execution, clearance and settlement of transactions. Artifex receives some benefits from TD Ameritrade through its participation in the Program. (Please see the disclosure under Item 14)

- *Directed Brokerage*

In circumstances where a client directs Artifex to use a certain broker-dealer, Artifex still has a fiduciary duty to its clients. The following may apply with Directed Brokerage: Artifex's inability to negotiate commissions, to obtain volume discounts, there may be a disparity in commission charges among clients, and conflicts of interest arising from brokerage firm referrals.

- *Best Execution*

Investment advisors who manage or supervise client portfolios on a discretionary basis have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is effected, the ability to effect the transaction where a large block is involved, the operational facilities of the broker-dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. The firm does not receive any portion of the trading fees.

- *Soft Dollar Arrangements*

The Securities and Exchange Commission defines soft dollar practices as arrangement under which products or services other than execution services are obtained by Artifex from or through a broker-dealer in exchange for directing client transactions to the broker-dealer. As permitted by Section 28(e) of the Securities Exchange Act of 1934, Artifex receives economic benefits as a result of commissions generated from securities transactions by the broker-dealer from the accounts of Artifex. These benefits include both proprietary research from the broker and other research written by third parties.

A conflict of interest exists when Artifex receives soft dollars. This conflict is mitigated by the fact that Artifex has a fiduciary responsibility to act in the best interest of its clients and the services received are beneficial to all clients.

Aggregating Securities Transactions for Client Accounts

Artifex may aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other Clients of Artifex. All clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a pro-rated basis.

Item 13: Review of Accounts

Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

Account reviews are performed quarterly by Josh Elliott, Chief Compliance Officer. Account reviews are performed more frequently when market conditions dictate. Financial Plans are considered complete when recommendations are delivered to the client and a review is done only upon request of client.

Review of Client Accounts on Non-Periodic Basis

Other conditions that may trigger a review of clients' accounts are changes in the tax laws, new investment information, and changes in a client's own situation.

Content of Client Provided Reports and Frequency

Clients have available account statements no less than quarterly for managed accounts. Account statements are issued by the Artifex's custodian. Client receives confirmations of each transaction in Account from Custodian and an additional statement during any quarter in which a transaction occurs. Clients may elect to receive access to statements and transaction notification electronically. Physical performance reports are provided annually to clients.

Item 14: Client Referrals and Other Compensation

Economic benefits provided to the Advisory Firm from External Sources and Conflicts of Interest

As disclosed under Item 12 above, Artifex participates in TD Ameritrade's Institutional advisor program and Artifex may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Artifex's participation in the program and the investment advice it gives to its Clients, although Artifex receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Artifex participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Artifex by third party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by Artifex's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Artifex but may not benefit its Client accounts. These products or services may assist Artifex in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Artifex manage and further develop its business enterprise. The benefits received by Artifex or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Artifex endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Artifex or its related persons in and of itself creates a conflict of interest and may indirectly influence the Artifex's choice of TD Ameritrade for custody and brokerage services.

Artifex may receive succession planning, practice valuation, and equity management services from third-party vendors through Artifex's participation in the TD Ameritrade Institutional Equity Management Program. In addition to meeting the minimum eligibility criteria for participation in the TD Ameritrade Institutional Equity Management Program, Artifex may have been selected to participate in the TD Ameritrade Institutional Equity Management Program based on the amount and potential profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with Artifex and there is no employee or agency relationship between TD Ameritrade and Artifex. TD Ameritrade has established the TD Ameritrade Institutional Equity Management Program as a means of assisting independent unaffiliated Advisors to grow and maintain their respective investment advisory business. TD Ameritrade does not supervise Artifex and has no responsibility for Artifex's management of client portfolios or Artifex's other advice or services to clients.

Artifex's participation in the TD Ameritrade Institutional Equity Management Program raises potential conflicts of interest. Artifex may encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to participate in the TD Ameritrade Institutional Equity Management Program, Artifex may have an incentive to recommend to clients that the assets under management by Artifex be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. Artifex's participation in the TD Ameritrade Institutional Equity Management Program does not relieve Artifex of the duty to seek best execution of trades for client accounts.

Advisory Firm Payments for Client Referrals

Artifex does not compensate for client referrals.

Item 15: Custody

Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record or make available electronically at

least quarterly. Clients are urged to compare the account statements received directly from their custodians to the performance report information made available to clients by Artifex.

Artifex is deemed to have constructive custody solely because advisory fees are directly deducted from client's account by the custodian on behalf of Artifex. Artifex will adhere to the following safeguards:

- Provide the client an invoice electronically (or physically if requested) stating the amount of the fee prior to being deducted;
- obtain written authorization signed by the client allowing such fees to be deducted; and
- the client will receive or be made available electronically quarterly statements directly from the custodian which disclose the fees deducted.

Item 16: Investment Discretion

Discretionary Authority for Trading

Artifex accepts discretionary authority to manage securities accounts on behalf of clients. Artifex has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. The client approves the custodian to be used and the commission rates paid to the custodian. Artifex does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

Item 17: Voting Client Securities

Proxy Votes

Artifex does not vote proxies on securities. Clients are expected to vote their own proxies. The client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, Artifex will provide recommendations to the client. If a conflict of interest exists, it will be disclosed to the client.

Item 18: Financial Information

Balance Sheet

A balance sheet is not required to be provided because Artifex does not serve as a custodian for client funds or securities and Artifex does not require prepayment of fees of more than \$500 per client and six months or more in advance.

Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

Artifex has no condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

Bankruptcy Petitions during the Past Ten Years

No bankruptcy petitions to report.

Item 19: Requirements for State Registered Advisors

Principal Executive Officers and Management Persons

The education and business background for all management and supervised persons can be found in the Part 2B of this Brochure.

Outside Business Activities

The outside business activities for all management and supervised persons can be found in the Part 2B of this Brochure.

Performance Based Fee Description

Artifex does not receive any performance based fees.

Disclosure of Material Facts Related to Arbitration or Disciplinary Actions Involving Management Persons

No management persons of Artifex have any disclosures to report.

Material Relationship Maintained by this Advisory Business or Management persons with Issuers of Securities

There are no material relationships with issuers of securities to disclose.

Material Conflicts of Interest Assurance

All material conflicts of interest regarding the Artifex, its representatives or any of its employees which could be reasonably expected to impair the rendering of unbiased and objective advice are disclosed as required under CCR Section 260.238(k).

SUPERVISED PERSON BROCHURE
FORM ADV PART 2B

David Joshua Elliott “Josh”

Artifex Advisory Group, Inc.

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Website:
ArtifexAdvisory.com

This brochure supplement provides information about Josh Elliott and supplements the Artifex Advisory Group, Inc. 's brochure. You should have received a copy of that brochure. Please contact Josh Elliott if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about David Joshua Elliott (CRD #4747289) is available on the SEC's website at www.adviserinfo.sec.gov.

FEBRUARY 17, 2016

Brochure Supplement (Part 2B of Form ADV) Supervised Person Brochure

Principal Executive Officer

David Joshua Elliott "Josh"

- Year of birth: 1975
-

Item 2 Educational Background and Business Experience

Educational Background:

12/1996 University of Southern California
Bachelor of Science, Cum Laude
Urban Planning & Real Estate Development

Business Experience:

09/2015 to Present Artifex Advisory Group, Inc.
President/Investment Advisor Representative

09/2013 to Present Artifex Advisory Group, Inc.
Insurance Agent

08/2013 to 09/2015 Girard Securities, Inc.
Registered Representative/Investment Advisor Representative

06/2007 to 08/2013 Cambridge Investment Research, Inc.
Registered Representative

06/2007 to 08/2013 Cambridge Investment Research Advisors, Inc.
Investment Advisor Representative

11/2003 to 12/2010 Annuity Experts, Inc.
Owner/Broker

05/2007 to 06/2007 ON Investment Management CO
Investment Advisor Representative

09/2005 to 06/2007 The O.N. Equity Sales Company
Registered Representative

05/2004 to 06/2007 Ohio National Financial Services
Insurance Agent

Item 3 Disciplinary Information

Mr. Elliott was involved in a customer dispute in January of 2013. The client alleged damages of between \$50,000 and \$100,000 for unsuitable recommendations. The complaint was settled for \$7,500 by Mr. Elliott's member firm. Mr. Elliott was not required to pay a portion of this settlement.

Item 4 Other Business Activities

Through Artifex, Mr. Elliott also sells annuities and insurance products for separate yet typical commission or fees. He spends approximately 10% of his time on his insurance practice.

These practices represent conflicts of interest because it gives Mr. Elliott an incentive to recommend products based on the commission amount received. This conflict is mitigated by the fact that Mr. Elliott has a fiduciary responsibility to place the best interest of the clients first and clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent of their choosing.

Item 5 Performance Based Fee Description

Mr. Elliott is compensated and receives commission from the sale of insurance products, but he does not receive performance based fees.

Item 6 Supervision

Since Mr. Elliott is the sole owner of Artifex Advisory Group, Inc. He is solely responsible for all supervision and formulation and monitoring of investment advice offered to clients. He will adhere to the policies and procedures as described in the firm's Compliance Manual.

Item 7 Requirements for State-Registered Advisors

Arbitration Claims: See Item 3 above.

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None