

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of Retirement Design & Management, Inc. (hereinafter “RDM” or “firm” or “we”). If you have any questions about the contents of this brochure, please contact us at (203) 255-0222 or at jbodossian@rdmfinancial.com. 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 RDM is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for RDM is 106067.

Item 2. Summary of Material Changes

On July 21, 2010, the U. S. Securities and Exchange Commission (the "SEC") unanimously adopted changes to Form ADV, Part II. All fifty states have also adopted the new format, with some additional state-specific disclosures mandated. The new Part 2, also known as the "Brochure" has 18 separate items that our firm must address (19 for state-registered advisers), each of which requires disclosure on a distinct topic, and answers must be presented in the order of the items in the form, using the headings in the form. Our goal is to provide you with easy-to-understand "plain-English disclosure," using an easy-to-read format and definite, concrete, everyday words.

Our current (updated) Form ADV, Part 2 will be available to our existing and prospective clients 24 hours a day through the Investment Adviser Public Disclosure website. Additionally, we will annually and within 120 days of the end of our fiscal year, provide you either: (i) a copy of our Form ADV, Part 2 that includes or is accompanied by a summary of material changes; or (ii) a summary of material changes that includes an offer to provide a copy of the current Form ADV, Part 2. We urge you to carefully review all subsequent summaries of material changes, as they will contain important information about any significant changes to our advisory services, fee structure, business practices, conflicts of interest, and disciplinary history.

Item 3. Table of Contents

Item	Section	Page Number
1.	Cover Page	1
2.	Material Changes	2
3.	Table of Contents	3
4.	Advisory Business	4
5.	Fees and Compensation	8
6.	Performance-Based Fees and Side-by-Side Management	11
7.	Types of Clients	11
8.	Methods of Analysis, Investment Strategies and Risk of Loss	11
9.	Disciplinary Information	15
10.	Other Financial Industry Activities and Affiliations	15
11.	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	16
12.	Brokerage Practices	17
13.	Review of Accounts	19
14.	Client Referrals and Other Compensation	20
15.	Custody	20
16.	Investment Discretion	21
17.	Voting Client Securities	21
18.	Financial Information	22

Item 4. Advisory Business

RDM is a fee-based SEC-registered investment adviser with its principal place of business located in Westport, Connecticut. We have been in business since 1991 with Ronald D. Weiner as the sole direct owner and President.

Discretionary assets under our firm's management were \$436,793,741 as of December 31, 2011. Non-discretionary assets under our firm's management were \$228,584 as of December 31, 2011.

Managed Portfolio Account Program (MPA)

This program involves the management of individually tailored investment accounts and is designed for clients seeking an active investment portfolio. Through the MPA program, our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background.

We will manage MPA advisory accounts on a discretionary or non-discretionary basis, as agreed with each client. For discretionary accounts, we will implement transactions without seeking prior client consent. For non-discretionary accounts, we will seek prior client consent for every contemplated transaction. Therefore, clients with non-discretionary accounts should understand that any delay in obtaining consent may result in less favorable transaction terms, including higher security price and/or higher commissions and/or limited availability of the securities sought.

Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Clients participating in MPA will generally have the following instruments in their investment portfolios:

- Individual equity securities
- Fixed income securities
- No-load, load-waived and load-bearing mutual funds
- Variable annuities
- Exchange Traded Funds (ETFs)

Occasionally, we may also include these instruments:

- Commercial Paper
- Variable Life Insurance
- United States government securities
- Options
- Interests in partnerships investing in real estate, oil and gas, equipment leasing, and low-income housing

Asset Allocation Program

This program involves the management of individually tailored investment accounts and is designed for clients seeking a less active investment portfolio. We will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. For accounts in this program, we will generally utilize the following instruments:

- No-load, load-waived and load-bearing mutual funds
- Fixed income securities
- Variable annuities

Mutual funds will be selected by us based on the fund's performance history, the industry sector in which the funds invests, the track record of the fund's manager, the fund's investment objectives, the fund's management style and philosophy, and fund's management structure.

Each client's individual needs and circumstances will determine portfolio weighting between funds and market sectors. Clients will have the opportunity to place reasonable restrictions on the types of investments that will be made on the client's behalf. Clients will retain individual ownership of all securities.

Pension Consulting Services

We also provide several advisory services separately or in combination. While the primary clients for these services will be pension, profit sharing and 401(k) plans, we will also offer these services, where appropriate, to individuals and trusts, estates and charitable organizations. Pension Consulting Services are comprised of four distinct services. Clients may choose to use any or all of these services.

Investment Policy Statement Preparation (hereinafter referred to as "IPS"):

We will meet with the client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Our firm will then prepare a written IPS stating those needs and goals and encompassing a policy under which these goals are to be achieved. The IPS will also list the criteria for selection of investment vehicles and the procedures and timing interval for monitoring of investment performance.

Selection of Investment Vehicles:

We will assist plan sponsors in constructing asset allocation models, and review various investments to determine which investments are appropriate to implement the client's IPS. We will review various investments, consisting exclusively of mutual funds (both index and managed) to determine which of these investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS.

Monitoring of Investment Performance:

We will monitor client investments continuously, based on the procedures and timing intervals delineated in the Investment Policy Statement. Although our firm will not be involved in any way in the purchase or sale of these investments, we will supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

Employee Communications:

For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we may also provides periodic educational support and investment workshops designed for the plan participants. The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

Financial Planning/Consulting Services

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service will receive a written report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern:

- Personal: Family records, budgeting, personal liability, estate information and financial goals.
- Tax & Cash Flow: Income tax and spending analysis and planning for past, current and future years. We will illustrate the impact of various investments on a client's current income tax and future tax liability.

- Death & Disability: Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.
- Retirement: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.
- Investments: Analysis of investment alternatives and their effect on a client's portfolio.

We gather required information through in-depth personal interviews. Information gathered includes a client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should a client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

Our financial plan recommendations are not limited to any specific product or service offered by any broker dealer or insurance company, including RDM affiliates, and will generally include advice regarding exchange-listed and over-the-counter securities, corporate debt securities, certificates of deposit, municipal securities, United States governmental securities, variable life insurance, variable annuities, exchange traded funds (ETFs) and mutual funds.

Typically the financial plan will be presented to the client within ninety days of the contract date, provided that all information needed to prepare the financial plan has been promptly provided by the client.

Clients can also receive investment advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as retirement planning, reviewing a client's existing portfolio, or any other specific topic. Additionally, we provide advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, insurance, and/or annuity advice.

Services in General

We tailor all of our portfolio management, pension consulting, financial planning and financial consulting recommendations to the individual needs of each client. All such recommendations are tailored based on information gathered through client questionnaires, telephone and in-person discussions.

Item 5. Fees and Compensation

Managed Portfolio Account Program (MPA)

Our fees for the MPA program are based upon a percentage of assets under management, according to the following fee schedule:

<u>Assets Under Management (\$)</u>	<u>Annual Fee (%)</u>
First \$200,000	2.25%
Next \$300,000	1.75%
\$500,000 to \$2,999,999	1.25%
\$3,000,000 to \$4,999,999	1.00%
\$5,000,000 and over	0.75%

We directly debit or invoice MPA fees, as agreed with each client, quarterly, in advance, based upon the market value of the account at the end of the previous quarter. We do not refund advisory fees for withdrawals of cash and/or securities during any billing period.

Asset Allocation Program

Our fees for the Asset Allocation Program are based upon a percentage of assets under management, according to the following fee schedule:

<u>Assets Under Management (\$)</u>	<u>Annual Fee (%)</u>
Less than \$250,000	0.60%
\$250,001 to \$1,000,000	0.40%
\$1,000,001 to \$3,000,000	0.25%
More than \$3,000,000	0.20%

We directly debit or invoice Asset Allocation Program fees, as agreed with each client, quarterly, in advance, based upon the market value of the account at the end of the previous quarter. We do not refund advisory fees for withdrawals of cash and/or securities during any billing period.

Pension Consulting Services

Our fees for Pension Consulting Services will be charged as a percentage of plan assets under advisement, typically ranging from 0.25% to 1.50% of plan assets, depending on the nature and complexity of each client's circumstances and the size of the account.

These fees are charged by us quarterly in advance, based upon the market value of the account at the end of the previous quarter.

Financial Planning/Consulting

We charge Financial Planning/Consulting Services clients either fixed annual fees, ranging from \$1,000 to \$5,000 per year, or hourly fees of \$350/hour (\$40/hour for administrative time).

50% of the fee may be due upon signing the financial planning/consulting agreement, with the balance due upon presentation of the plan or other work product to the client.

Consulting services fees are due and payable once we deliver the contracted-for work product to the client.

We may waive or reduce these fixed and/or hourly fees if a Financial Planning/Consulting client chooses to engage our firm for its other advisory services. We may also waive or reduce our financial planning/consulting fees if our associated persons receive commissions or fees in their separate capacities as registered representatives, insurance agents or brokers.

Fees in General

Fees and account minimums for all services are negotiable based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.). Discounts, not generally available to our advisory clients, may be offered to family members and friends.

We may group certain related client accounts for the purposes of determining the account size and/or annualized fee.

Certain legacy client agreements may be governed by fee schedules different from those listed above.

Under no circumstances will we earn fees in excess of \$1,200 more than six months in advance of services rendered.

Account Termination

Clients will have a period of five (5) business days from the date of signing the agreement to unconditionally rescind the agreement and receive a full refund of all fees.

Thereafter, the client may terminate the agreement by providing us a 30-day written notice at our principal place of business. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Mutual Fund and ETF Fees and Expenses: All fees paid to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund or and ETF directly, without the services of our firm. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which mutual fund or funds or ETFs are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and ETFs and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Certain mutual funds charge “front-end loads” or “back-end loads” which are paid to investment intermediaries as sales commissions. As such, these sales charges are not part of a mutual fund's operating expenses and are deducted from the investment amount, thus lowering the size of the investment. Certain mutual funds also charge annual marketing or distribution fees. These 12b-1 fees are considered an operational expense and, as such, are included in a fund's expense ratio.

Clients should note that because we have a related broker dealer, 12b-1 fees and “loads” paid to Related Broker as a result of its brokerage services would inure to the benefit of the officers and owners of our advisory firm. Please see detailed disclosure regarding the resulting conflicts of interests in Items 10 and 12 of this Brochure. We will recommend “no-load” or “load-waived” mutual fund shares to our clients.

In circumstances where 12b-1 fees are paid to Related Broker, we will rebate any such fees to clients where required by law or regulations (i.e. ERISA-governed clients).

Brokerage and Custodian Fees

Clients will typically have their brokerage commissions waived but, with some exceptions, will still be responsible for all and any brokerage transactions charges, which range from \$25 to \$45 per transaction. Clients who direct their brokerage transactions to certain broker-dealers will pay transaction fees but those fees may be termed commissions by that broker-dealer and the amount of the fee may vary from the amounts cited above. Waiver of commissions is a courtesy service to our clients and, therefore, our advisory fees are not increased in any way due to the waiver of commissions. In addition to advisory fees paid to our firm, clients will also be responsible for all custodial

fees incurred as part of their account management. Please see Item 12 of this Brochure for important disclosures regarding our brokerage practices.

Additional Compensation Received by Us

Ronald Weiner, President, and other employees of our firm are registered securities representatives agents with RDM Investment Services, Inc., (hereinafter, “Related Broker”), a FINRA-registered broker-dealer, related to our firm by virtue of common ownership and control. Mr. Weiner and other employees are also registered as insurance brokers with various insurance companies, including RDM Insurance Services, Inc., (hereinafter, “Related Insurance Company”), also related to our firm by virtue of common ownership and control. In these capacities, these individuals may recommend securities, insurance, or other products, and receive normal securities and/or insurance transactions commissions, 12b-1 fees, markups, and load sales charges if products are purchased through Related Broker, Related Insurance Company or insurance companies with which these individuals are appointed. Thus, a conflict of interest exists between the interests of our firm and these individuals and those of the advisory clients, creating an incentive for them to recommend investment and/or insurance products based on the compensation received, rather than on a client’s needs. However, clients are under no obligation to act upon any recommendations of these individuals or to effect any transactions through them if they decide to follow the recommendations. These individuals do not limit their investment, financial planning or consulting recommendations to products or services offered by Related Broker or Related Insurance Company and ensure that all recommendations are appropriate for a client’s specific needs. Clients have the option to purchase investment and insurance products recommended through other brokers and insurance companies not affiliated with our firm. Please refer to Item 10 of this Brochure for a more detailed explanation of how our firm handles and mitigates these conflicts of interest.

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

We do not charge any fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7. Types of Clients

Our firm generally provides advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

We require a minimum account size of \$25,000 for the MPA program and Asset Allocation program.

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

Our firm employs the following types of analysis to formulate client recommendations:

Fundamental Analysis: Fundamental analysis of a business involves analyzing its income statement, financial statements and health, its management and competitive advantages, and its competitors and markets. Fundamental analysis school of thought maintains that markets may mis-price a security in the short run but that the "correct" price will eventually be reached. Profits can be made by trading the mis-priced security and then waiting for the market to recognize its "mistake" and re-price the security. However, fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock. Therefore, unforeseen market conditions and/or company developments may result in significant price fluctuations that can lead to investor losses.

Mutual fund and/or ETF analysis: We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other funds in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the fund or ETF less suitable of the client's portfolio.

Technical analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and to potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Asset Allocation: Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Risks for all forms of analysis: Our securities analysis method relies on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Our firm employs the following investment strategies to implement investment advice given to clients:

Long-term purchases: We mostly purchase securities with the idea of holding them in the clients account for a year or longer. We may do this because we believe the securities to be currently undervalued. We may do this because we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: At times, we may also purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Trading: We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

A risk in a short-term purchase is the potential for sudden losses if the anticipated price swing does not materialize. Moreover, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Short sales: We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. We then sell

the shares we have borrowed. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling on based on our determination that the stock will go down in price after we have borrowed the shares. If the stock has gone down since we purchased the shares from the original owner, we keep the difference.

One risk in selling short is that losses are theoretically unlimited; we are obligated to repurchase the stock no matter how much the price has climbed. In addition, even if we are correct in determining that the price of a stock will decline, we run the risk of incorrectly determining when the decline will take place. Short selling may not be appropriate in times of inflation, as prices may adjust upwards regardless of the value of the stock.

Margin transactions: We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings.

A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in your account minus what you owe the broker falls below a certain level, the broker will issue a “margin call”, and you will be required to sell your position in the security purchased on margin or add more cash to the account. In some circumstances, you may lose more money than you originally invested.

Option writing: We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.

A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to “hedge” a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use “covered calls”, in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

We use a “spreading strategy”, in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

Clients should understand that investing in any securities, including mutual funds and ETFs, involves a risk of loss of both income and principal.

Item 9. Disciplinary Information

Our firm has no reportable disciplinary events to disclose.

Item 10. Other Financial Industry Activities and Affiliations

As is disclosed in Item 5 of this Brochure, Ronald Weiner, President, and other employees of our firm are registered securities representatives with Related Broker and insurance brokers/agents with various insurance companies, including Related Insurance Company. Please refer to Items 5 and 12 of this Brochure for a detailed explanation of these relationships, our brokerage practices, and important conflict of interest disclosures.

Clients should be aware that the recommendation of Related Broker for trade execution and Related Insurance Company for the purchase of insurance products, as well as receipt of additional compensation by our firm and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory and brokerage recommendations. Potential conflicts of interest also arise to the extent that these non-advisory activities may require a significant time commitment from some of our staff, thus limiting the amount of time they can dedicate to management of advisory client accounts. Since we endeavor at all times to put the interest of our clients first as part of our fiduciary duty as a registered investment adviser, we take the following steps to address this conflict:

1. We disclose to clients the existence of all material conflicts of interest, including the potential for our firm and its employees to earn compensation from advisory clients in addition to our advisory fees;

2. We often waive our brokerage and insurance commissions as a courtesy to our advisory clients;
3. We disclose to clients that they are not obligated to purchase recommended investment products from our employees;
4. We collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
5. We periodically review the execution capabilities and overall market competitiveness of Related Broker using quantitative and qualitative criteria;
6. Our management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
7. We require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
8. We periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
9. We educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

Code of Ethics Disclosure

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code provides for oversight, enforcement and recordkeeping provisions. A copy of our Code of Ethics is available to our advisory clients and prospective clients upon request to Jill Bodossian, Chief Compliance Officer, at the firm's principal office address.

Our firm or individuals associated with our firm may buy or sell securities identical to those recommended to or purchased for customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client. This practice results in a potential conflict of interest, as we may have an incentive to manipulate the timing of such purchases to obtain a better price or more favorable allocation in rare cases of limited availability.

To mitigate these potential conflicts of interest and ensure the fulfillment of our fiduciary responsibilities, we have established the following restrictions:

1. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No principal or employee of our firm may prefer his or her own interest to that of the advisory client;
2. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts;
3. In cases of partial fills where employee trades are aggregated with client trades, client allocations will be satisfied first;
4. We maintain a list of all securities holdings for our firm and anyone associated with this advisory practice with access to advisory recommendations;
5. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where our firm is granted discretionary authority;
6. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices; and
7. Any individual not in observance of the above may be subject to disciplinary action or termination.

Item 12. Brokerage Practices

We do not have any formal soft-dollar arrangements and do not contract with any broker dealer to receive soft-dollar benefits. This means that we do not receive research or gain access to industry analysts or conferences in return for paying higher commissions for client trades to a particular broker dealer.

We do not request or accept the discretionary authority to determine the broker dealer to be used for client accounts. This means that we will not survey or shop the brokerage market place for best execution on a transaction-by-transaction basis. Clients must direct us as to the broker dealer to be used for all client securities transactions. In directing the use of a particular broker or dealer, it should be understood that we will not have authority to negotiate commissions among various brokers, and best execution may not be achieved, resulting in higher transaction costs for clients. *Not all advisers require their clients to direct brokerage.*

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, we will generally recommend the services of Related Broker. Related Broker clears its securities transactions through National Financial Services, LLC, an entity unaffiliated with our firm or with Related Broker. Our clients must evaluate this broker before opening an account. The factors considered by our firm when making this recommendation are the broker's ability to provide professional services, our experience with the broker, the broker's reputation, and the broker's quality of execution services and costs of such services, among other factors. However, our recommendation of Related Broker creates a significant conflict of interest because the receipt or the possibility of receiving additional compensation creates a strong incentive for our firm to continue recommending this broker. Please refer to Items 5 and 10 of this Brochure for a more detailed description of our relationship with Related Broker and the policies implemented by our firm to monitor and mitigate the existing conflicts of interest.

Clients are not under any obligation to effect trades through any recommended broker.

If a client, when undertaking an advisory relationship with our firm, already has a pre-established relationship with a broker and instructs us to execute all transactions through that broker, it should be understood that under those circumstances, we may not have the authority to negotiate commissions, obtain volume discounts and best execution may not be achieved. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to other clients since our firm may not be able to aggregate orders to reduce transaction costs or the client may receive less favorable prices.

A number of advisory clients custody their assets at and have directed us to execute trades for their accounts through Charles Schwab & Company, Inc. ("Schwab"), an unaffiliated FINRA-registered broker dealer. Consequently, our firm participates in the Schwab Institutional (SI) services program offered to independent investment advisers by Schwab. As part of the SI program, our firm receives benefits that it would not receive if it did not offer investment. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving SI participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client account; access, for a fee, to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. The benefits received through participation in the SI program may or may not depend upon the amount of transactions directed to, or amount of assets custodied by, Schwab.

While, based on our business model, we will not seek to exercise discretion to negotiate trades among various brokers on behalf of clients, we will, however, periodically attempt to negotiate lower commission rates for our clients with Schwab. Clients who have

directed us to execute trades through Schwab will be subject to brokerage transaction fees. These transaction fees may be termed commissions by Schwab.

We reserve the right to decline acceptance of any client account for which the client directs the use of a broker if we believe that this choice would hinder our fiduciary duty to the client and/or our ability to service the account.

Trade Aggregation

We generally aggregate client trades when doing so is advantageous to our clients. Mostly, we will batch client transactions to receive volume discounts and to obtain better and more uniform pricing across client accounts. If we determine that aggregation of trades in a certain situation will be beneficial to our clients, transactions will be averaged as to price and will be allocated among our clients in proportion to the purchase and sale orders placed from each client account on any given day. Any exceptions from the pro-rata allocation procedure will be carefully explained and documented. Such exceptions may occur due to varying cash availability across accounts, divergent investment objectives and existing concentrations, and desire to avoid “odd lots,” (an amount of a security that is less than the normal unit of trading for that particular security).

Item 13. Review of Accounts

The following individuals are responsible for reviewing client accounts:

- Ronald Weiner, President & CEO
- Thomas Mayper, Executive Vice President, Managing Director
- Elena DiMiceli, Managing Director, Trader
- Jonathan Bartlett, Managing Director, Trader
- Michael Sheldon, Senior Vice President & Chief Market Strategist
- Andrew Weissman, Senior Vice President, Financial Planning

Managed Portfolio Account Program (MPA) and Asset Allocation Program

Reviews: While the underlying securities within these accounts are continuously monitored, these accounts are reviewed at least monthly by the above-listed individuals. Accounts are reviewed for consistency with client investment strategy, asset allocation, risk tolerance and performance relative to the appropriate benchmark. More frequent reviews may be triggered by changes in an account holder’s personal, tax or financial status. Economic and macroeconomic specific events may also trigger reviews.

Reports: In addition to confirmations of transactions that clients receive from their broker-dealer, they will also receive monthly statements from the broker when such account(s) had trading activity during the month and at least quarterly statements from their selected custodian. We may provide additional reports upon client request or as agreed upon at the inception of the relationship.

Pension Consulting Services

Reviews: We will review client investment policy statements whenever clients indicate a change in circumstances regarding the needs of the plan. We will also review the investment options of the plan according to the agreed upon time intervals established in the investment policy statement. Such reviews will generally occur quarterly.

Reports: These client accounts will receive reports as contracted for at the inception of the advisory relationship.

Financial Planning/Consulting Services

Reviews: These client accounts will be reviewed as contracted for at the inception of the advisory relationship.

Reports: Financial Planning clients will receive a completed financial plan. Otherwise, we will not provide any ongoing reviews or reports beyond those specifically outlined in the advisory agreement(s).

Item 14. Client Referrals and Other Compensation

Other than that already described in this Brochure, our firm does not receive any additional compensation from third parties for providing investment advice to its clients.

We pay referral fees to persons and entities for referring advisory clients to our firm. If a client is introduced to us by either an unaffiliated or an affiliated solicitor, we may pay that solicitor an ongoing referral fee ranging from 20% to 50% of the referred client's advisory fee paid to our firm.

Payment of referral fees for prospective client referrals creates a potential conflict of interest to the extent that such a referral is not unbiased and the solicitor is, at least partially, motivated by financial gain. Therefore, such a referral may be made even if our advisory services are not suitable to a particular client's needs or entering into an advisory relationship with us is not, overall, in the best interest of the client. As these situations represent a conflict of interest, we have established the following restrictions in order to ensure our fiduciary responsibilities:

1. All such referral fees are paid in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements;
2. Any such referral fee will be paid solely from our investment management fee, and will not result in any additional charge to the client;
3. If the client is introduced to us by an unaffiliated solicitor, the solicitor, at the time of the solicitation, will disclose the nature of his/her/its solicitor relationship and provide each prospective client with a copy of our Form ADV Part 2 Brochure, together with a copy of the written disclosure statement from the

- solicitor to the client disclosing the terms of the solicitation arrangement between our firm and the solicitor, including the compensation to be received by the solicitor from us; and
4. All referred clients will be carefully screened to ensure that our fees, services, and investment strategies are suitable to their investment needs and objectives.

Item 15. Custody

Since we directly debit client fees from their custodial accounts and utilize a related broker for the execution of client transactions, our firm is deemed to have custody of client funds and securities. Custody is defined as any legal or actual ability by our firm to access client funds or securities. We urge all of our management clients to carefully review and compare their quarterly reviews of account holdings and/or performance results received from us to those they receive from their custodian. Should you notice any discrepancies, please notify us and/or your custodian as soon as possible.

Item 16. Investment Discretion

For clients granting us discretionary authority to determine which securities and the amounts of securities that are to be bought or sold for their account(s), we request that such authority be granted in writing, typically in the executed investment management agreement.

Should the client wish to impose reasonable limitations on this discretionary authority, such limitations shall be included in this written authority statement. Clients may change/amend these limitations as desired. Such amendments must be submitted to us by the client in writing.

Item 17. Voting Client Securities

Advisory clients may elect to delegate their proxy voting authority to us. Alternatively, clients may, at their election, choose to receive proxies related to their own accounts, in which case we may consult with clients as requested. (With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies.) Since proxies are voted in bulk across all advisory accounts, clients cannot instruct, direct, or change our voting decisions.

When we have discretion to vote proxies for our clients, we will vote those proxies in the best interests of its clients and in accordance our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party to cast a vote.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting Jill Bodossian directly. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

Item 18. Financial Information

Under no circumstances will we earn fees in excess of \$1,200 more than six months in advance of services rendered.