

Form ADV Part IIA

Paradigm Consulting, Inc.

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March, 2013

This brochure provides information about the qualifications and business practices of Paradigm Consulting, Inc. If you have any questions about the contents of this brochure, please contact us at (315) 797-8400. 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 Paradigm Consulting, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

Since our last annual amendment, dated March, 2012, there have been no material changes to our Part 2A.

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Item 4: Advisory Business

Paradigm Consulting, Inc. (“we”, “our”, “us”), is a SEC Independent Registered Investment Adviser. Our business focuses on individual wealth management and pension consulting services.

We are also registered as an Investment Adviser with the Securities and Exchange Commission (“SEC”), SEC File No. 801-68347, in order to offer investment advisory products and services to our advisory clients (“you”). Such services are offered through our Financial Advisers (“FAs”) who have registered as our Investment Adviser Representatives (“Advisory Representatives”). The registration of our firm and its advisers does not imply a certain level of skill or training.

We have been a SEC registered Investment Adviser since 2007 and manage, as of 12/31/11 \$ 66,700,000 of assets on a discretionary basis.

Separate and apart from their registration as Advisory Representatives of the Adviser, the Advisory Representatives are also Registered Representatives of Royal Alliance Associates, Inc., (“Royal Alliance”), a Financial Industry Regulatory Authority (“FINRA”) broker/dealer and a SEC registered investment adviser. Such registration of the Registered Representatives or Royal Alliance does not imply a certain level of skill or training. Royal Alliance is also a member of various other regulatory bodies. Royal Alliance does not provide any investment advisory services in conjunction with or as part of the investment advisory services provided by the Adviser.

We are owned by PCI Holding, Inc., whose principal owners are Laurie A. Schoen and Amy L. Mielnicki.

VISION2020 WEALTH MANAGEMENT PLATFORM – ADVISOR MANAGED PORTFOLIOS PROGRAM

The Wealth Management Platform – Advisor Managed Portfolios Program (“Advisor Managed Portfolios”) provides comprehensive investment management of your assets through the application of asset allocation planning software as well as the provision of execution, clearing and custodial services through Pershing, LLC (“Pershing”).

Advisor Managed Portfolios provides risk tolerance assessment, efficient frontier plotting, fund profiling and performance data, and portfolio optimization and re-balancing tools. Utilizing these tools, and based on your responses to a risk tolerance questionnaire (“Questionnaire”) and discussions that we have together regarding, among other things, investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation, we construct a portfolio of investments for you. Portfolios may consist of mutual funds, exchange traded funds, equities, debt securities, variable life, variable annuity sub-accounts (certain restrictions may apply) and other investments.

Each portfolio is designed to meet your individual needs, stated goals and objectives. Additionally, you have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

For further Advisor Managed Portfolios details, please see the Advisor Managed Portfolios Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in Advisor Managed Portfolios. Please read it thoroughly before investing.

VISION2020 WEALTH MANAGEMENT PLATFORM – MODEL PORTFOLIOS PROGRAM

The Wealth Management Platform - Model Portfolios Program (“Model Program”) offers Clients managed asset allocation models (“Asset Allocation Models”) of mutual funds or exchange traded funds (“ETFs”) diversified across various investment styles and strategies. The Asset Allocation Models are constructed by managers (“Program Managers”) such as Russell Investment Management Company, ICON Advisers, Inc. and Morningstar Associates, LLC.

Based upon the risk tolerance of each Client, the Model Program utilizes a system that selects a specific Asset Allocation Model which may contain either 1) a combination of mutual funds or 2) a combination of exchange traded funds (“ETFs”) depending on which Program Manager is used. Together, we will select a recommended Asset Allocation Model. After the Asset Allocation Model is chosen, we, with the assistance of the Model Program sponsor, will open a Model Program account. Your assets will be invested in the specific investments contained within the recommended Asset Allocation Model. You have the opportunity to place reasonable restrictions on investments held within the Model Program account.

For further Model Program details, including a full list of Program Managers, please see the Model Program Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in the Model Program. Please read it thoroughly before investing.

VISION2020 WEALTH MANAGEMENT PLATFORM – SMA AND UMA PROGRAM

The Wealth Management Platform – SMA and UMA Account Program (“Wealth Managed Account Program” or “WMA”) provides you with the opportunity to invest your assets across multiple investment strategies and asset classes by implementing an asset allocation strategy. WMA is a Wrap Account program that offers these advisory services along with brokerage and custodial services for a single, annual, asset-based advisory fee.

We will present you with a WMA asset allocation model (“WMA Model”) for your approval which will consist of: 1) third party money managers (“WMA Managers”) who will manage your WMA account according to a particular equity or fixed income model or strategy, or 2) no-load mutual funds (“Funds”), or 3) exchange traded funds (“ETFs”) or any combination thereof (individually or collectively, “WMA Investments”). WMA Investments will be managed according to the selected WMA Model. WMA Investments are held within a separately managed account or a series of separately managed accounts (collectively, “SMA Account”) or in one, unified managed account (“UMA Account”).

We will suggest a WMAP Model to you based on your responses to a risk tolerance questionnaire (“Questionnaire”) and discussion that we have together regarding among other things, investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation. In addition, you have the opportunity to place reasonable restrictions on investments held within your WMAP account.

For further WMAP details, please see the WMAP Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in WMAP. Please read it thoroughly before investing.

THIRD PARTY ADVISORY SERVICES

We offer our clients the services of various third party investment advisors (“Third-Party Advisory Services”) for the provision of certain investment advisory programs including mutual fund wrap and separately managed account programs.

If you are interested in learning more about any of these services, please note that a complete description of the programs, services, fees and payment structure, and termination features is available via the applicable Third Party Advisory Service’s disclosure brochures, investment advisory contracts, and account opening documents.

In connection with these arrangements, we will provide assistance in the selection and ongoing monitoring of a particular Third-Party Advisory Service. Factors that we consider in the selection of a particular third-party advisor may include but may not be limited to: i) our assessment of a particular Third-Party Advisory Service; ii) your risk tolerance, goals, objectives and restrictions, as well as investment experience; and, iii) the assets you have available for investment.

You should know that the services provided by us through the use of Third-Party Advisory Services are under certain conditions directly offered by them to you. The fees charged by Third-Party Advisory Services who offer their programs directly to you may be more or less than the combined fees charged by the Third Party Advisory Service and us for our participation in the investment programs. However, when using the services of Third-Party Advisory Services directly, you do not receive our expertise in developing an investment strategy, selecting a Third-Party Advisory Service, monitoring the performance of your account and changing a Third-Party Advisory Service provider when appropriate.

RETIREMENT PLAN CONSULTING SERVICES

We offer retirement consulting services to employee benefit plans and their fiduciaries. The services are designed to assist the plan sponsor (the “Company”) in meeting their management and fiduciary obligations to the plan under ERISA. Retirement consulting services will consist of general or specific advice, and may include any one or all of the following:

1. Platform Provider Search and Plan Set-up.

2. Strategic Planning and Investment Policy Development/Review.
3. Plan Review.
4. Plan Fee and Cost Review.
5. Acting As Third Party Service Provider Liaison.
6. Assessment of Plan Investments and Investment Options.
7. Plan Participant Education and Communication.
8. Investment Advice to Participants.
9. Plan Benchmarking.
10. Plan Conversion to New Vendor Platform.
11. Assistance in Plan Merger.
12. Legislative and Regulatory Updates; Plan Corrections.

The Company may also engage us to provide a review of executive benefits, for separate compensation:

We will determine with the Company in advance the scope of services to be performed and the fees for all requested services. Prior to engaging us to provide pension consulting services, the Company will be required to enter into a written agreement with us setting forth the terms and conditions of the engagement, describing the scope of the services to be provided, and the relevant fees and fee paying arrangements. The services outlined above that we provide are explained in more detail in the written agreement. We will also provide additional disclosures about our services and fees, where required by ERISA.

When we perform our agreed upon services, we will not be required to verify the accuracy or consistency of any information received from the Company.

We will serve in a nondiscretionary ERISA fiduciary capacity with respect to some but not all of the services that we provide which will be further explained in the written agreement we sign with the Company. The Company is always free to seek independent advice about the appropriateness of any recommendations made by us.

RASA 044 ACCOUNTS

We offer RASA 044 Accounts ("RASA") as a non-commissionable advisory account where we can purchase load waived and no-load mutual funds and other equity, debt and option securities for you. Our Advisory Representative will obtain the relevant financial data from you and assist you in the selection of suitable investments. We will base our investment strategy on your specific goals and situation. In addition, you have the opportunity to place reasonable restrictions on investments held within your RASA account.

FLEX ACCOUNTS

We offer Flex Accounts ("Flex") as a non-commissionable advisory account where we can purchase load waived and no-load mutual funds and other equity, debt and option securities for you. Our Advisory Representative will obtain the relevant financial data from you and assist you in the selection of suitable investments. We will base our investment strategy on your specific goals and situation. In addition, you have the opportunity to place reasonable restrictions on investments held within your Flex account.

Item 5: Fees and Compensation

VISION2020 WEALTH MANAGEMENT PLATFORM – ADVISOR MANAGED PORTFOLIOS PROGRAM

We offer Advisor Managed Portfolios as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account"). We also offer Advisor Managed Portfolios with separate advisory fees and transaction charges ("Non-Wrap Account"). As such, in addition to the quarterly account fee described below for advisory services, you will also pay separate per-trade transaction charges.

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. If you terminate your account, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary fees may apply. Please see the Advisor Managed Portfolios Wrap Fee Program Brochure for further details.

Our Advisor Managed Portfolios account fee schedule is as follows:

0 - \$99,999.99	1.600%
\$100,000.00 - \$249,999.99	1.600%
\$250,000.00 - \$499,999.99	1.400%
\$500,000.00 - \$749,999.99	1.375%
\$750,000.00 - \$1,249,999.99	1.250%
\$1,250,000.00 - \$1,999,999.99	1.225%
\$2,000,000.00 - \$4,999,999.99	1.050%
\$5,000,000.00 - \$24,999,999.99	0.975%
Over \$25,000,000	0.800%

VISION2020 WEALTH MANAGEMENT PLATFORM – MODEL PORTFOLIOS PROGRAM

We offer the Model Program as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. If you terminate your account, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary fees may apply. Please see the Model Program Wrap Fee Program Brochure for further details.

Our Model Program account fee schedule is as follows:

0 - \$249,999.99	2.700%
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\$250,000.00 - \$499,999.99	2.400%
\$500,000.00 - \$999,999.99	2.350%
\$1,000,000.00 - \$1,999,999.99	2.300%
\$2,000,000.00 - \$4,999,999.99	2.300%
\$5,000,000.00 - \$9,999,999.99	2.200%
Over \$10,000,000	2.150%

VISION2020 WEALTH MANAGEMENT PLATFORM – SMA AND UMA PROGRAM

We offer WMAP as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. If you terminate your account, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary fees may apply. Please see the WMAP Wrap Fee Program Brochure for further details.

Our WMAP account fee schedule is as follows:

0 - \$249,999.99	2.750%
\$250,000.00 - \$499,999.99	2.750%
\$500,000.00 - \$999,999.99	2.700%
\$1,000,000.00 - \$1,999,999.99	2.650%
\$2,000,000.00 - \$4,999,999.99	2.650%
\$5,000,000.00 - \$9,999,999.99	2.600%
\$10,000,000.00 – 24,999,999.99	2.550%
Over \$25,000,000	2.500%

RETIREMENT PLAN CONSULTING SERVICES

We will bill the Company for Retirement Plan Consulting Services a fixed fee or a fee based upon a percentage of the Plan assets. The exact fee is negotiated in advance of services rendered and is disclosed in the executed written agreement that we sign with the Company. Fees will be billed quarterly in advance. In special circumstances other fee paying arrangements may be negotiated.

The written agreement may be terminated by us or the Company at any time upon 60 days' prior written notice. Upon termination, we will deliver a final billing statement for unbilled work performed prior to termination, and the Company will have a period of 30 days within which to deliver payment. If agreement termination occurs, our fee will be credited back to the Company on a pro-rata basis for the unused portion of the billing period. When we calculate the credit, we will subtract any unbilled work we performed for the Company prior to termination.

Our Retirement Plan Consulting Services fee schedule is as follows:

Fixed Fee: Based on scope of services agreed upon in engagement agreement, reasonable in light of geographical location, complexity of engagement, size of Plan, and other relevant factors:

Range: \$5,000 - \$100,000

or

Percentage of Plan Assets: Based on specific asset levels in Plan at dates provided in the engagement agreement.

Range:	\$0 - \$20,000,000	.10 – 1.00% of Plan Assets
	\$20,000,001 - \$40,000,000	.05 - .50% of Plan Assets
	\$40,000,001 and above	.03 - .25% of Plan Assets

At the start of the relationship, the Company is required to pay Adviser an initial fixed retainer of \$4,500 prior to services being performed. After that, all such fees are payable quarterly in advance as invoiced. In special circumstances, other fee paying arrangements may be negotiated.

RASA 044 ACCOUNTS

We offer RASA as an account billed with separate advisory fees and transaction charges (“Non-Wrap Account”). As such, in addition to the quarterly account fee described below, you will also pay separate per-trade transaction charges. Please see your client agreement for a complete list of transaction charges.

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. If you terminate your account, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Our RASA fee schedule is as follows:

0 - \$249,999.99	1.500%
\$250,000.00 - \$749,999.99	1.050%
\$750,000.00 - \$999,999.99	1.000%
\$1,000,000.00 - \$1,999,999.99	1.000%
Over \$2,000,000	1.000%

FLEX ACCOUNTS

We offer Flex as an account billed with separate advisory fees and transaction charges (“Non-Wrap Account”). As such, in addition to the quarterly account fee described below, you will also pay separate per-trade transaction charges. Please see your client agreement for a complete list of transaction charges.

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account fee refund in the event that you terminate your client agreement with us within five business days of signing. If you terminate your account, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Our Flex fee schedule is as follows:

0 - \$99,999.99	2.000%
\$100,000.00 - \$249,999.99	2.000%
\$250,000.00 - \$499,999.99	1.950%
\$500,000.00 - \$749,999.99	1.800%
\$750,000.00 - \$1,249,999.99	1.550%
\$1,250,000.00 - \$1,999,999.99	1.300%
\$2,000,000.00 - \$4,999,999.99	1.050%
\$5,000,000.00 - \$24,999,999.99	1.050%
Over \$25,000,000	0.800%

THIRD PARTY ADVISORY SERVICES

Compensation in connection with Third Party Advisory Services generally consists of six elements: i) management fees paid to Third Party Advisory Services ii) management fees paid to us as outlined below iii) transaction costs – if applicable – which may be paid to purchase and sell such securities; iv) custody fees; v) revenue sharing compensation paid to Royal Alliance Associates, Inc. (“Royal Alliance”) the securities broker-dealer to which members of our Firm are associated with; and vi) fees paid to Royal Alliance for administrative and supervisory services.

For more complete fee details, please see the applicable Third Party Advisory Service’s disclosure brochures, investment advisory contracts, and account opening documents. Please see below for our fee schedule:

0 - \$249,999.99	1.600%
\$250,000.00 - \$999,999.99	1.550%
\$1,000,000.00 - \$2,999,999.99	1.250%
\$3,000,000.00 - \$4,999,999.99	1.150%
Over \$5,000,000	1.150%

The above referenced advisory fees are negotiable. However, fees charged by the Third Party Advisory Service may not be negotiable.

Additional Fees and Expenses:

Mutual fund investments in the programs that we offer are no-load or load at NAV. Your mutual fund investments may be subject to early redemption fees, 12b-1 fees and mutual fund

management fees as well as other mutual fund expenses. These fees are in addition to the fees and expenses referenced above. Please review the mutual fund prospectus for full details.

Variable annuity companies generally impose internal fees and expenses on your variable annuity investment, including contingent deferred sales charges and early redemption fees. In addition, variable annuity companies generally impose mortality charges of approximately 1.25% annually. These fees are in addition to the fees and expenses referenced above. Complete details of such internal expenses are specified and disclosed in each variable annuity company's prospectus. Please review the Variable Annuity prospectus for full details.

In addition to the per-trade transaction charges referenced above, you will also be subject to per-trade confirmation fees as disclosed on your trade confirmation (typically \$4.00 per trade) and an additional fee of \$1.50 for each trade confirmation that you do not elect to receive electronically. You may also be subject to an additional, per-trade transaction charge on the selling of certain securities as disclosed on your trade confirmation (generally less than \$1.00 on trades of \$50,000 or less). These fees are not shared with us but are transaction charges paid to Royal Alliance and our custodian. Please see Item 10 which explains our relationship with Royal Alliance.

There are additional fees relating to IRA and Qualified Retirement Plan accounts that you may incur such as maintenance and termination fees. You will find these fees disclosed in the account application paperwork provided to you associated with these accounts.

You will be charged an additional fee of \$1.50 for each trade confirmation that you do not elect to receive electronically. You may also be subject to an additional, per-trade transaction charge on the selling of certain securities as disclosed on your trade confirmation (generally less than \$1.00 on trades of \$50,000 or less). These fees are not shared with us but are transaction charges paid to Royal Alliance and our custodian. Please see Item 10 which explains our relationship with Royal Alliance.

There are additional fees relating to IRA and Qualified Retirement Plan accounts that you may incur such as maintenance and termination fees. You will find these fees disclosed in the account application paperwork provided to you associated with these accounts.

In addition to providing advisory services, our Advisory Representatives will likely also sell you securities products and other investment and insurance products in their capacity as registered representatives of Royal Alliance and as licensed insurance agents. We will receive additional compensation in connection with this activity and the amount of compensation will depend on the type of product purchased. We will have a greater financial incentive to sell certain products as opposed to others (for example, in the case of mutual funds those that have a higher 12b-1 fee than others). While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

Please be aware that you are under no obligation to purchase products or services recommended by us or members of our Firm in connection with providing you with any advisory service that we offer.

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

Not applicable. We do not charge performance-based fees.

Item 7: Types of Clients

We provide advisory services to individuals, high net worth individuals, pension and profit sharing plans, charitable organizations and corporations.

We do require minimum amounts to open various advisory accounts. The account minimum for the Wealth Management Platform and Flex Accounts is generally \$50,000. RASA 044 Accounts have no minimum. Each Third Party Advisory Service that we offer has its own account minimum. Their account minimums are disclosed to you through their own Form ADV and associated paperwork that will be presented to you.

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

Methods of Analysis:

When analyzing investments that may be right for you, we use a methodology that utilizes both quantitative and qualitative factors into evaluating investment managers and their strategies, to arrive at a score for the investment. This scoring system is built around pass/fail criteria, on a scale of 0 to 10 (with 10 being the best).

Ninety percent of the investment's score is quantitative, incorporating modern portfolio theory statistics, risk and return factors, style attribution analysis and peer group rankings. The remaining ten percent of the score is qualitative, taking into account the average tenure of the investment management team. Other criteria that may be considered include the viability of the firm managing the assets, management or personnel issues, regulatory issues and/or whether there has been a change in direction of the stated investment strategy.

Combined, these factors represent our way of measuring the relative performance, characteristics, behavior and overall appropriateness of an investment for inclusion in your portfolio. General investment guidelines are illustrated below:

Good:	9-10 Points
Acceptable:	7-8 Points
Watch List:	5-6 Points
Poor:	0-4 Points

An investment scoring a 7 or better may be selected for your portfolio. Investments are reviewed quarterly. If an investment scores a 5 or 6, it is placed on a watch list. If an investment remains on the watch list for two consecutive quarters, it is removed from your portfolio and replaced with another investment scoring at least a 7. Investments which score 4 or lower are evaluated for immediate removal and replacement in your portfolio.

Investment Strategies:

Subject to suitability requirements, we generally advise the long-term purchase of mutual funds to our clients. Long-term purchases are typically defined as the purchase of securities held for at least a year. However, we do utilize a tactical approach to asset allocation, which means we may overweight a certain asset class at any given time, if we feel it is undervalued relative to others. This may cause us to utilize short-term purchases, in which securities are held for less than one year.

Methods of Analysis Risks:

When using quantitative and qualitative analysis, we generally rely on, among other things, data base subscriptions for the statistics utilized in our methodology. Data we review is generally considered reliable but we cannot guarantee nor have we verified its accuracy. In addition, the data that we review is sometimes subjective in nature and open to interpretation. Even if our data and interpretation of the data is correct, there may be other factors that

determine the value of securities other than those considered in quantitative and qualitative analysis.

Investment Strategy Risks:

Long-term purchases – Using a long-term purchase strategy generally assumes the Financial Markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall Financial Markets advance. Purchasing investments long-term may create an opportunity cost - “locking-up” assets that may be better utilized in the short-term in other investments.

Short-term purchases – Using a short-term purchase strategy generally assumes that we can predict how Financial Markets will perform in the short-term which may be very difficult. There are many factors that can affect Financial Market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

Security Type Risks:

Mutual Funds – Investing in mutual funds involves the assumption of risk including:

- Manager Risk: which is the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.
- Market Risk: which is the risk that the Stock Market will decline, decreasing the value of the securities contained within the mutual funds we recommend to you.
- Industry Risk: which is the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry.
- Inflation Risk: which is the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund.

Associated Risks:

When using quantitative and qualitative analysis, we generally rely on, among other things, data base subscriptions for the statistics utilized in our methodology. Data we review is generally considered reliable but we cannot guarantee nor have we verified its accuracy. In addition, the data that we review is sometimes subjective in nature and open to interpretation. Even if our data and interpretation of the data is correct, there may be other factors that determine the value of securities other than those considered in quantitative and qualitative analysis.

When pursuing our long-term purchase strategy, we are assuming the Financial Markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall Financial Markets advance. Purchasing investments long-term may create an opportunity cost - “locking-up” assets that may be better utilized in the short-term in other investments.

When pursuing our short-term purchase strategy, we are assuming that we can predict how Financial Markets will perform in the short-term which may be very difficult. There are many factors that can affect Financial Market performance in the short-term (such as short-term

interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

We primarily recommend mutual funds to you. Investing in mutual funds involves the assumption of risk including:

- Manager Risk: which is the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.
- Market Risk: which is the risk that the Stock Market will decline, decreasing the value of the securities contained within the mutual funds we recommend to you.
- Industry Risk: which is the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry.
- Inflation Risk: which is the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund.

Listed above are some of the primary risks associated with the way we recommend investments to you, please do not hesitate to contact us to discuss these risks and others in more detail. In instances where we recommend that a third party manage your assets, please refer to the third party's ADV and associated disclosure documents for details on their investment strategies, methods of analysis and associated risks.

Investing in securities involves risk of loss that you should be prepared to bear.

Item 9: Disciplinary Information

Not applicable.

Item 10: Other Financial Industry Activities and Affiliations

All representatives of our firm that provide advice to you (“Advisory Representatives”) are associated with Royal Alliance Associates, Inc. (“Royal Alliance”) as Registered Representatives. Royal Alliance is a diversified financial services company registered with the Financial Industry Regulatory Authority (“FINRA”) as a broker-dealer engaged in the offer and sale of securities products. Our Advisory Representatives may recommend the purchase of securities offered by Royal Alliance. If you purchase these products through them, they will receive normal commissions which may be in addition to customary advisory fees. As such, Advisory Representatives may have an incentive to sell you commissionable products in addition to providing you with advisory services when such commissionable products may not be suitable. Alternatively, they may have an incentive to forego providing you with advisory services when appropriate, and instead recommend the purchase of commissionable investments, if they deem that the payout for recommending the purchase of these investments would be higher than providing management advice on these products for an advisory fee. Therefore, a conflict of interest may exist between their interests and your best interests.

While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

In addition, some members of our RIA are affiliated with Royal’s Investment Advisor. Please be aware that you are under no obligation to purchase products or services recommended by us or members of our Firm in connection with providing you with any advisory service that we offer.

We are affiliated with D’Arcangelo Financial Group, LLC (DFG), an SEC registered investment adviser (SEC File No. 801-70094), a joint venture formed by members of Paradigm and D’Arcangelo & Co., LLP, a certified public accounting firm. As disclosed on its written disclosure statement, DFG provides its clients (individuals, business entities, trusts, estates, charitable organizations, etc.) with discretionary investment advisory services in conjunction with the sub-advisory services we provide to DFG. We share with DFG common ownership, management, investment and administrative personnel, and offices.

We may, from time to time, recommend to clients insurance products, including variable annuities, fixed annuities, and other life and health insurance products. Such recommendations may be considered to create a conflict of interest because they may result in an increase in compensation to us. Please be aware that you are under no obligation to purchase any insurance products or services recommended by us or members of our Firm.

We offer retirement consulting services to employee benefit plans and their fiduciaries. The services are designed to assist the plan sponsor (the “Company”) in meeting its management and fiduciary obligations to the plan under ERISA. Retirement consulting services will consist of general or specific advice, and may include any one or all of the following:

- 1) Platform Provider Search and Plan Set-up.
- 2) Strategic Planning and Investment Policy Development/Review.
- 3) Plan Review.
- 4) Plan Fee and Cost Review.
- 5) Acting as Third Party Service Provider Liaison.
- 6) Assessment of Plan Investments and Investment Options.
- 7) Plan Participant Education and Communication.
- 8) Investment Advice to Participants.
- 9) Plan Benchmarking.
- 10) Plan Conversion to New Vendor Platform.
- 11) Assistance in Plan Merger.
- 12) Legislative and Regulatory Updates; Plan Corrections.

A Company may also engage us to provide a review of executive benefits, for separate compensation:

We will work with the Company to determine in advance the scope of services to be performed and the fees for all requested services. Prior to engaging us to provide pension consulting services, the Company will be required to enter into a written agreement with us setting forth the terms and conditions of the engagement, describing the scope of the services to be provided, and the relevant fees and fee paying arrangements. The services outlined above that we provide are explained in more detail in the written agreement. We will also provide additional disclosures about our services and fees, where required by ERISA.

When we perform our agreed upon services, we will not be required to verify the accuracy or consistency of any information received from the Company.

We will serve in a nondiscretionary ERISA fiduciary capacity with respect to some but not all of the services that we provide which will be further explained in the written agreement we sign with the Company. The Company is always free to seek independent advice about the appropriateness of any recommendations made by us.

Due to the fact that we receive compensation from Third Party Investment Advisers for utilizing their services for clients and because such compensation may differ depending upon the individual agreement with each Third party Investment Adviser, we may have an incentive to recommend one of these Third Party Investment Advisers over others who may have a less favorable compensation arrangement or other advisory programs previously mentioned. In instances where we recommend that a Third Party Investment Adviser manage your assets, please refer to the Third Party's ADV and associated disclosure documents for details on its compensation arrangements.

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

We have adopted a Code of Ethics (the “Code”) to address securities-related conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes our policies and procedures developed to protect your interests in relation to the following topics:

- The duty at all times to place your interests first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the Code and to avoid any actual or potential conflict of interest or any abuse of an employee’s position of trust and responsibility;
- The fiduciary principle that information concerning the identity of your security holdings and financial circumstances are confidential; and
- The principle that independence in the investment decision-making process is paramount.

We will provide a copy of the Code to you or any prospective client upon request.

We may recommend securities to you or buy or sell securities for your account at or about the same time we may buy or sell the same securities in our own account. As such, there may be instances where our interests may appear to be placed ahead of yours. To mitigate this conflict, our firm policy prohibits us from receiving a better price on our order, if you and we invest in the same security on the same side of the market on the same day.

Item 12: Brokerage Practices

As described in Item 10, our Advisory Representatives are also Registered Representatives of Royal Alliance, a FINRA registered broker-dealer. In order to meet its FINRA supervisory obligations, Royal Alliance requires that all investment advisory activities that we conduct are processed through Royal Alliance's clearing relationships with Pershing LLC ("Pershing"). As a result, we do not have the discretion to choose the broker-dealer or commission rates to be paid. However, we do believe that Pershing's blend of execution services, commission and transaction costs as well as professionalism will allow us to seek best execution and competitive prices.

In connection with the provision of Third Party Advisory Services, our choice of custodian will be limited to those choices offered by the Third Party Advisory Service.

We may aggregate your orders with those of other clients in a bunched trade or trades when securities are purchased or sold. For each account that we include in the bunched trade, we must reasonably believe that the bunched order is consistent with our duty to seek best execution and may benefit you and each client participating in the aggregated order. The average price per share of each bunched trade is allocated to each account that participates in the bunched trade. Accounts that participate in the same bunched trade are charged transaction costs, if applicable, in accordance with their advisory contracts.

If a bunched order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation. Partial fills will be allocated in a way that does not consistently advantage or disadvantage particular client accounts and are generally filled pro-rata among participating accounts.

Item 13: Review of Accounts

Accounts under our management and supervision will be reviewed by us on an ongoing basis. You will be contacted at least annually by one of the following representatives to review your financial status, goals, and objectives:

Laurie A. Schoen, President
Amy L. Mielnicki, Vice President
Gary G. Casab, Investment Advisor Representative

Janice P. Williams, Chief Compliance Officer, is responsible for ensuring that such reviews and contacts are made.

You will receive written Quarterly Performance Reports (“QPRs”) from us on a quarterly basis for the following Advisory Programs: Wealth Management Platform (Advisor Managed Portfolios, Model Portfolios, SMA and UMA Programs) and Flex. These reports contain the following information:

- Summary of all the accounts we manage for you
- Performance of your accounts over stated time periods and how they compare to selected benchmarks
- Additions to or withdrawals from your accounts
- Asset allocation of your investment holdings
- Details of your investment holdings
- Realized gains and losses in your taxable accounts

If you have a RASA account, you will receive a written quarterly statement from us containing the following information:

- Summary of all the accounts we manage for you
- Performance of your accounts over stated time periods and how they compare to selected benchmarks
- Asset allocation of your investment holdings
- Details of your investment holdings

If you have an account with a Third party Advisory Service, you will receive a written QPR from us containing the following information:

- Summary of all the accounts we manage for you
- Performance of your accounts over stated time periods and how they compare to selected benchmarks
- Asset allocation of your investment holdings
- Details of your investment holdings

If you are a pension consulting client, you will receive a written Quarterly Fiduciary Investment Review from us containing the following information:

- Details of your plan's holdings
- Asset allocation of your plan's holdings
- Performance of your plan's holdings over stated time periods and how they compare to selected benchmarks

Item 14: Client Referrals and Other Compensation

As discussed previously, all our Advisory Representatives are Registered Representatives of Royal Alliance. This arrangement requires us to offer you advisory services and programs sponsored or approved by Royal Alliance. Royal Alliance sets limits on how much we can charge you for these advisory services. Some advisory programs have higher fee limits than others. As such, there may be an incentive for us to recommend to you advisory services or programs with higher limits. In addition, Royal Alliance may charge us certain usage fees and expenses to use their advisory programs which may decrease the amount of money we make when offering investment advice to you. Therefore, there may be an incentive to provide you with advisory programs and services that may be cheaper for us to use but not as suitable to your needs as other advisory programs that Royal Alliance sponsors which may be more expensive for us to use.

In addition, Royal Alliance offers our Advisory Representatives educational, training and incentive programs for those Advisory Representatives that meet certain sales production goals. There may be an incentive for us to manage your account in ways that assist us in meeting these production goals even if such strategies may not always be suitable for your account.

Certain Third Party Advisory Service programs may provide our Advisory Representatives with the opportunity to attend training or education conferences. Such conferences include the payment or reimbursement of travel, meals and lodging expenses for attendees. Payment/reimbursement of expenses is not contingent upon sales targets or contests, but rather on total assets managed on their respective Third Party Advisory Service platforms. We may have an incentive to recommend Third Party Advisory Service programs that provide us with the above referenced opportunities over those that do not.

When we offer you a Wrap Account, the fee for transactions executed in your account are included in your quarterly account fee. However, Royal Alliance will still assess the transaction charges to us. This may influence us to charge you a higher quarterly account fee than we would otherwise charge you in an effort to recoup from you the transaction charges Royal Alliance charges us. We may also have incentive to trade your account less often to lessen our transaction fees or to trade your account with certain securities where Royal Alliance reduces or eliminates the transaction charges (such as the Focus Elite and FundVest Programs mentioned below) to us even if such trading strategies may not always be suitable for your account.

Our Advisory Representatives participate in the Focus Elite and FundVest Programs, provided by Royal Alliance. In these programs, transaction charges for purchasing securities that participate in these programs may be reduced or waived. This may provide us with incentive to invest your account in these securities over securities that do not participate in these programs to reduce our transaction costs even if such investments may not always be suitable for your account.

Royal Alliance has provided some of our Advisory Representatives with funding in the form of loans as incentive to establish, maintain or expand our broker-dealer relationships with Royal Alliance. Such loans are typically used to assist in the transition and expansion of our practice. All or a portion of the loans require cash repayments of principal and interest if specific production levels are not achieved over a specified time frame. Any year in which the practice

achieves its production levels initiates pro rata loan forgiveness by Royal Alliance. Thus, there may be an incentive for us to offer advisory services and programs to you that may not be suitable in an effort to achieve specific production levels.

While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

Item 15: Custody

Not applicable, we do not maintain custody of your assets. Your account assets are maintained at Pershing, LLC.

Item 16: Investment Discretion

We may manage your accounts on a discretionary basis upon obtaining your consent. Your consent is typically granted and evidenced in the client agreement that you sign with us. We define discretion as: the ability to trade your account, without obtaining your prior consent, the securities and amount of securities to be bought or sold, and the timing of the purchase or sale. It does not extend to the withdrawal or transfer of your account funds.

We do not manage any Third Party Advisory Services on a discretionary basis. These advisory programs are delivered to you as non-discretionary services. If you are invested in one of these programs, we will take no action on your account unless specifically requested by you.

Item 17: Voting Client Securities

We do not have the authority to vote proxies solicited by, or with respect to, the issuers of securities held in your account. Typically, proxy materials will be forwarded to you by our custodian. We will forward proxy materials that we may receive to you. Please contact us at any time with questions you may have regarding proxy solicitations.

Item 18: Financial Information

In certain circumstances our Advisory Representatives may use investment discretion in your account, subject to your approval. We are well capitalized in full compliance with applicable regulations and do not foresee any financial conditions that may impair our fulfillment of reasonable obligations or contractual commitments to you.

Item 19: Requirements for State-Registered Advisers

Not applicable, we are an SEC registered investment adviser.