

## **Item 1 – Cover Page**

### **Monument Advisory Group, LLC**

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This brochure provides information about the qualifications and business practices of Monument Advisory Group, LLC (“Monument Advisory Group”). If you have any questions about the contents of this brochure, please contact David B. Armstrong, CFA at (703) 504-9600 or at [david.armstrong@monumentwm.com](mailto:david.armstrong@monumentwm.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 Monument Advisory Group, LLC is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm’s information on this website by searching for Monument Advisory Group, LLC or our firm’s CRD number 159882.

\*Registration as an investment advisor does not imply a certain level of skill or training.

## **Item 2 – Material Changes**

Since Monument Advisory Group filed its initial Form ADV on June 8, 2012, Timothy MicKey's interest in the firm has been purchased by the remaining Members. There have been no other material changes made to Monument Advisory Group, LLC's disclosure statement.

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## Item 4 – Advisory Business

### **Ownership**

Monument Advisory Group, LLC (“Monument Advisory Group” or “we”) is an investment advisor registered with the Securities and Exchange Commission since June 2012. We are a limited liability company formed under the laws of the State of Delaware. David Armstrong, Timothy Lee and Dean Catino are equal owners of the firm.

### **General Description of Primary Advisory Services**

The following are brief descriptions of Monument Advisory Group’s primary services. A detailed description of our services is provided in **Item 5 – Fees and Compensation** so that clients and prospective clients (“clients” or “you”) can review the description of services and description of fees in a side-by-side manner.

**Please Note:** As indicated in the Wrap Fee Program Brochure, participation in the Program may cost more or less than purchasing such services separately. As also indicated in the Wrap Fee Program Brochure, the Program fee charged by Monument Advisory Group for participation in the Program may be higher or lower than those charged by other sponsors of comparable wrap fee programs.

**Monument Advisory Asset Management Services.** We offer asset management services that involve providing you with continuous and on-going supervision over your accounts. The Account is managed by Monument Advisory Group based on your financial situation, investment objectives and risk tolerance. We actively monitor the Account and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account and make trades in your accounts when necessary.

When you engage Monument Advisory Group, you appoint Monument Advisory Group as your investment advisor of record on specified accounts (collectively, the “Account”). The Account consists only of separate account(s) held by qualified custodian(s) under your name. Qualified custodians maintain physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account.

**Financial Planning and Consulting Services.** We offer financial planning services that can include preparation of a written financial plan covering specific or multiple topics. Monument Advisory Group provides full written financial plans typically addressing the following topics: investment planning, retirement planning, insurance planning, tax planning, education planning, portfolio reviews, asset allocation, real estate planning and estate planning. Under this program, the role of your investment advisor representative as a financial planner is to find ways to help you understand your overall financial situation and help you set financial objectives. Monument Advisory Group also provides modular written financial plans which only cover those specific areas of concern mutually agreed between us. A modular (segmented) written financial plan is limited and does not involve the creation of a full written financial plan. You should be aware that other important issues may not be taken into consideration when your investment advisor representative develops his analysis and recommendations under a modular written financial plan. Written financial plans prepared by Monument Advisory Group may include specific recommendations of individual securities.

Monument Advisory Group also provides consultations in order to discuss financial planning issues when you do not need a written financial plan. Monument Advisory Group offers a one-time consultation, which covers mutually agreed upon areas of concern related to investments or financial planning. Monument Advisory Group also offers “as-needed” consultations which are limited to consultations with us in response to a particular investment or financial planning issue raised or a request made by you. Under an “as-needed” consultation, you identify those particular issues needing our advice or consultation.

To begin the process for either a full or modular (segmented) written plan, our representatives meet with you to gather information and documentation needed to perform an analysis and review of your situation as well your objectives and goals. One or more meetings may be required in order to gather all needed information and determine the services best suited to help meet your needs. We rely on the information provided by you. Therefore, it is very important that the information you provide is complete and accurate. We are not responsible for verifying the information you supply. Our services do not include legal or tax advice. You are urged to work closely with your attorney, accountant or other professionals regarding your financial and personal situation.

Monument Advisory Group also offers pension consulting services to benefit plan sponsors and to individual participants in benefit plans.

If requested by the client, Monument Advisory Group may recommend the services of other professionals for implementation purposes, including Monument Advisory Group’s investment advisor representatives in their individual capacities as a registered representatives of a broker-dealer and/or licensed insurance agents. (**See** disclosure below at Items 10.C). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Monument Advisory Group. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client’s responsibility to promptly notify Monument Advisory Group if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

#### **Monument Advisory Group Wrap Program**

Monument Advisory Group provides investment management services on a wrap fee basis in accordance with its investment management wrap fee program (the “Program”). The services offered under, and the corresponding terms and conditions pertaining to, the Program are discussed in the Wrap Fee Program Brochure a copy of which is presented to all prospective Program participants. Under the Program, Monument Advisory Group is able to offer participants discretionary investment management services, for a single specified annual Program fee, inclusive of trade execution, custody, reporting, and investment management fees. The terms and conditions for client participation in the Program are set forth in detail in the Wrap Fee Program Brochure. All prospective Program participants should read our Wrap Fee Brochure, and ask any corresponding questions that they may have, prior to participation in the Program. LPL Financial (“LPL”) shall serve as the custodian for Program accounts.

#### **Miscellaneous**

**Non-Investment Consulting/Implementation Services.** To the extent requested by the client, Monument Advisory Group *may* provide consulting services regarding non-investment related matters,

such as estate planning, tax planning, insurance, etc. Neither Monument Advisory Group, nor any of its representatives, serves as an attorney and no portion of Monument Advisory Group's services should be construed as same. To the extent requested by a client, Monument Advisory Group may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.), including certain of Monument Advisory Group's investment adviser representatives in their separate registered/licensed/certified capacity as discussed below. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Monument Advisory Group. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client's responsibility to promptly notify Monument Advisory Group if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

**Investment Strategy Licensing Agreement.** Monument Advisory Group has entered into a licensing agreement with Monument Wealth Management, LLC, an investment strategy company owned by David Armstrong, Timothy Lee and Dean Catino in equal part. Through the licensing agreement, Monument Advisory Group will be able to utilize investment strategies developed by Monument Wealth Management, LLC when investing client assets. Monument Wealth Management, LLC is not a registered investment adviser. The recommendation that a client invest all or a portion of their assets in one or more of Monument Wealth Management, LLC's investment strategies presents a conflict of interest. The client is under no obligation to invest their assets in accordance with any of Monument Wealth Management, LLC's investment strategies. The client retains absolute discretion, and may elect to abstain from investing in one or more of Monument Wealth Management, LLC's investment strategies. Clients who wish to abstain must notify Monument Advisory Group of their decision to do so. **Monument Advisory Group's Chief Compliance Officer, David B. Armstrong, CFA, remains available to address any questions that a client or prospective client may have regarding the above fee billing practice.**

**Please Note: Cash Positions.** At any specific point in time, depending upon perceived or anticipated market conditions/events (there being **no guarantee** that such anticipated market conditions/events will occur), Monument Advisory Group maintains cash positions for defensive purposes. All cash positions (money markets, etc) shall be included as part of assets under management for purposes of calculating Monument Advisory Group's advisory fee. **Please Further Note:** When the account is holding cash positions, those cash positions will be subject to the same fee schedule as set forth above. **Monument Advisory Group's Chief Compliance Officer, David B. Armstrong, CFA, remains available to address any questions that a client or prospective client may have regarding the above fee billing practice.**

**Independent Managers.** Monument Advisory Group may allocate (and/or recommend that the client allocate) a portion of a client's investment assets among unaffiliated independent investment managers in accordance with the client's designated investment objective(s). In such situations, the *Independent Manager[s]* shall have day-to-day responsibility for the active discretionary management of the allocated assets. Monument Advisory Group shall continue to render investment advisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors which Monument Advisory Group shall consider in recommending

*Independent Manager[s]* include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research.

**Client Obligations.** In performing its services, Monument Advisory Group shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify Monument Advisory Group if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Monument Advisory Group's previous recommendations and/or services.

**Disclosure Statement.** A copy of our written Brochure as set forth on Part 2A of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of an Advisory or Financial Planning Agreement.

When providing asset management services, Monument Advisory Group typically constructs each client's account holdings using primarily ETFs to build diversified portfolios. We do not typically attempt to time the market but we may increase cash holdings modestly, as deemed appropriate, based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles or special tax situations.

Please refer to **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss** for more information.

#### **Advisory Services Tailored to Individual Needs of Clients**

Monument Advisory Group's services are always provided based on the individual needs of each client. This means, for example, that clients are given the ability to impose restrictions on the accounts we manage for them, including specific investment selections and sectors. We work with each client on a one-on-one basis through interviews and questionnaires to determine their investment objectives and suitability information. However, we reserve the right to not enter into an investment advisor relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

#### **Client Assets Managed by Monument Advisory Group**

As of December 31, 2012, the Registrant had \$125,000,000 in assets under management on a discretionary basis and \$25,000,000 in assets under management on a non-discretionary basis.

### **Item 5 – Fees and Compensation**

In addition to the information provided in **Item 4 – Advisory Business**, this section provides additional details regarding our firm's services along with descriptions of each service's fees and compensation arrangements.

### **Asset Management Services**

We are the sponsor of the Monument Advisory Group Wrap Program (“Monument Advisory Group Program”), a wrap fee program developed through an arrangement using LPL Financial Corporation’s (“LPL”) Strategic Wealth Management platform. Through the Monument Advisory Group Program, we provide investment management services, including providing continuous investment advice to and making investments for you based on your individual needs. Through this service, we offer a customized and individualized investment program. A specific asset allocation strategy and suitability profile is crafted to focus on your specific goals and objectives.

Monument Advisory Group Program accounts are custodied at LPL in its capacity as a registered broker/dealer, member FINRA/SIPC. LPL is also an investment advisor registered with the SEC, but does not serve as an investment advisor for you through the Monument Advisory Group Program. LPL provides clearing, custody and other brokerage services for accounts established through the Monument Advisory Group Program. Therefore, you are required to establish a brokerage account(s) through LPL’s Strategic Wealth Management platform. Separate accounts are maintained for you, and you retain all rights of ownership of your accounts (e. g., the right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

The Monument Advisory Group Program accounts allow you to authorize us to purchase and sell, on a discretionary basis only, portfolios consisting of securities and investments. We may limit our discretion with respect to your account and the securities eligible to be purchased for your account. See **Item 16 - Investment Discretion** for information concerning discretionary authority.

Under the Monument Advisory Group Program, we are able to offer participants discretionary investment management services, for a single specified annual Program fee, inclusive of trade execution, custody, reporting, and investment management fees. The current annual Program fee ranges from negotiable to 1.50%, depending upon the amount and type of the Program assets. We typically charge fees based upon the amount of assets under management as follows:

<u>Account Value</u>	<u>Annual Fee</u>
Up to \$1,000,000	1.50%
\$1,000,000 - \$5,000,000	1.40%
\$5,000,000 - \$7,500,000	1.25%
\$7,500,000 - \$10,000,000	1.10%
\$10,000,000 and Above	1.00%

The above fees are negotiable based on the complexity of your situation, the composition of your account assets, the potential for additional deposits and your relationship and history with us. The annual fee is divided and paid quarterly in advance through a direct debit to your account. LPL is responsible for calculating and debiting all fees from your accounts with your written authorization. Those advisory fees are then paid directly to us. Fees are based on the account's asset value as of the last business day of the prior calendar quarter. Fees for accounts opened at any time other than the beginning of a quarter are prorated based on the number of days remaining in the initial quarter.

Prior to engaging us to provide investment management services, you are required to enter into a formal investment advisory agreement with us setting forth the terms and conditions, including the



amount of investment advisory fees, under which we manage your assets and also a separate custodial/clearing agreement with LPL.

The Monument Advisory Group Program account is a wrap fee account, meaning you do not pay transaction charges associated with trade execution. The Monument Advisory Group Program may cost you more or less than if the assets were held in a traditional brokerage account.

Either party may terminate the agreement for services at any time by providing written notice to the other party. Termination is effective immediately upon receipt of the termination notice. Fees are prorated based on the number of days that services were actually provided during the final quarter and any prepaid, unearned fees are promptly refunded to you.

### **Financial Planning and Consulting Services**

#### **Written Financial Plans**

Financial planning fees can be charged as either an hourly fee or a fixed fee as mutually determined, and fees are disclosed prior to any services being provided. Hourly fees generally range from \$180 to \$285 per hour and are negotiable based upon the actual services provided, the representative providing the services, the complexity of your situation, other advisory services provided and your history and relationship with us. Our administrative assistants provide non-advisory services (i.e., information gathering, data input, scanning and archiving, establishing personal wealth management websites, etc.) and their time is billed at \$95 per hour. We provide an estimate of the hours needed for both our representatives and our administrative assistants to complete the requested services. If the actual hours needed exceeds the estimate, we contact you for permission before proceeding with any additional work. A retainer will be due at the time the client agreement is signed, with the remainder due upon presentation of the plan.

Fixed fees generally range from \$2,500 to \$25,000 and are negotiable based on the actual services provided, the representative providing the services, the complexity of your situation, other advisory services provided and your history and relationship with us. We quote the fee to you before services are provided and fees are due at the time the client agreement is signed. Note that we do not charge more than \$1,200 more than six months in advance, so the requested plan will be provided to you within six months from signing the agreement as long as all required information has been provided to us. If you contract for a full written plan, you receive ongoing financial planning services for a one-year period at no additional charge. These services include consultations, reviews and updates regarding any topic included in the original plan. Our Written Financial planning services are renewable on an annual basis. Prior to the completion of your annual written financial planning term, Monument Advisory Group offers clients the opportunity to renew the engagement for another year.

Either party can terminate any financial planning services at any time by providing written notice to the other party. Termination is effective immediately. If services are terminated prior to the plan being presented, you receive a full refund of all prepaid fees. If ongoing services are terminated after the plan has been presented, there is no refund since the ongoing services are provided at no additional charge.

### Limited and Advisement Consultations

If you do not need a written financial plan, you may contract with us for limited consultation services. These consultations can cover any topics or areas of interest or concern to you and can be a single event or involve multiple meetings.

Consultation fees can be charged as either an hourly fee or a fixed fee as determined jointly by you and us, and fees are disclosed prior to any services being provided. Hourly fees generally range from \$180 to \$285 per hour and are negotiable based upon the actual services provided, the representative providing the services, the complexity of your situation, other advisory services provided and your history and relationship with us. Our administrative assistants may provide non-advisory services (i.e., information gathering, data input, scanning and archiving, establishing personal wealth management websites, etc.) and their time is billed at \$95 per hour. If consultations involve multiple meetings, we provide an estimate of the approximate representative and administrative assistant hours needed to complete the requested consultations. If we anticipate exceeding the estimated hours, we contact you to receive authorization prior to providing additional services. You are charged for the actual time expended on the consultations and you have the final authority on the length of the consultations. For multiple consultations charged at an hourly rate, we may require a \$500 retainer to be paid at the time the client agreement is signed with the remainder due upon completion of the consultations and receipt of our billing statement.

Fixed fees generally range from \$2,500 to \$25,000 and are negotiable based upon the actual services provided, the representative providing the services, the complexity of your situation, other advisory services provided and your history and relationship with us. For multiple consultations charged as a fixed fee, we may require a retainer of 50% of the previously quoted fixed fee to be paid at the time the client agreement is signed. The balance of the fee is due upon completion of the consultations and receipt of our billing statement.

Monument Advisory Group also offers advisement consultations to participants in benefit plans (401(k) plans, profit sharing plans, etc.). Advisement consultations can be provided as a one-time service or as an on-going service (one-year). When providing these services, we review your financial situation, goals and objectives as well as the investment options available in the benefit plan. Although we do not make judgments on the quality or value of the specific investment choices available to you, we do make recommendations regarding asset allocation and investment selections for the investment portfolio in the plan.

We review your retirement plan account at intervals that we mutually agree upon and make recommendations from the list of your available retirement plan investment option that we deem appropriate and consistent with your stated investment objectives and risk tolerance. These services do not constitute asset management services for your retirement plan account; we do not have investment discretion or trading authority over your retirement plan account. You determine whether or not to implement our advice. Implementing any trades in your retirement plan account is your responsibility.

Advisement services are charged at the same hourly and fixed fee rates as described above for limited consultations. At our sole discretion, and based upon the actual services provide and your relationship to the firm, we may waive our fees for a one-time advisement consultation.

One-time consulting services automatically terminate upon completion of the consultation. Either party may also terminate consulting services by providing written notice to the other, and termination is

effective immediately. In the event that consultation services are terminated, there are no fees or penalties due and any prepaid fees are promptly refunded.

### **Additional Information Regarding Fees**

#### **General Information Regarding Fees**

As discussed below, unless the client directs otherwise or an individual client's circumstances require, Monument Advisory Group shall generally recommend that LPL serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as LPL charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). Advisory clients who choose to engage Monument Advisory Group on a wrap-fee basis will not incur these broker-dealer fees in addition to Monument Advisory Group's wrap-fee. However, in addition to Monument Advisory Group's investment management fee, all clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

#### **Additional Compensation**

**Securities Commission Transactions.** In the event that the client desires, the client can engage Monument Advisory Group's representatives, in their individual capacities, as registered representatives of LPL, a FINRA member broker-dealer, to implement investment recommendations on a commission basis. In the event the client chooses to purchase investment products through LPL, LPL will charge brokerage commissions to effect securities transactions, a portion of which commissions LPL shall pay to Monument Advisory Group's representatives, as applicable. The brokerage commissions charged by LPL may be higher or lower than those charged by other broker-dealers. In addition, LPL, as well as Monument Advisory Group's representatives, relative to commission mutual fund purchases, may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company during the period that the client maintains the mutual fund investment.

**Conflict of Interest:** The recommendation that a client purchase a commission product from LPL presents a ***conflict of interest***, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from Monument Advisory Group's representatives. **Monument Advisory Group's Chief Compliance Officer, David B. Armstrong, CFA, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

**Please Note:** Clients may purchase investment products recommended by Monument Advisory Group through other, non-affiliated broker dealers or agents.

Monument Advisory Group does not receive more than 50% of its revenue from advisory clients as a result of commissions or other compensation for the sale of investment products Monument Advisory Group recommends to its clients.

When our representatives sell an investment product on a commission basis, Monument Advisory Group does not charge an advisory fee in addition to the commissions paid by the client for such product. When providing services on an advisory fee basis, Monument Advisory Group's representatives do not also receive commission compensation for such advisory services (except for any ongoing 12b-1 trailing commission compensation that may be received as previously discussed). **However**, a client may engage Monument Advisory Group to provide investment management services on an advisory fee basis and separate from such advisory services purchase an investment product from its representatives on a separate commission basis.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Performance-based fees are fees based on a share of capital gains or capital appreciation of the assets held within a client's account. We do not charge or accept performance-based fees.

## **Item 7 – Types of Clients**

Monument Advisory Group's clients shall generally include individuals, pension and profit sharing plans, business entities, trusts, estates, and charitable organizations. We do not generally require an annual minimum fee or an aggregate minimum account value for our investment advisory services. Monument Advisory Group, in its sole discretion, may charge a lesser investment management fee 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.).

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

### **Methods of Analysis**

Monument Advisory Group may use charting, cyclical, fundamental and technical analysis when considering investment strategies and recommendations for clients. Our primary method of investment strategy and analysis is fundamental.

**Fundamental.** This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short).

**Charting.** Charting is a technical analysis that charts the patterns of stocks, bonds and commodities to help determine buy and sell recommendations for clients. It is a way of gathering and processing price and volume information in a security by applying mathematical equations and plotting the resulting data onto graphs in order to predict future price movements. A graphical historical record assists the analyst in spotting the effect of key events on a security's price, its performance over a period of time and

whether it is trading near its high, near its low or in between. Chartists believe that recurring patterns of trading, commonly referred to as indicators, can help them forecast future price movements.

Cyclical. Cyclical analysis looks at recurring periods of expansion and contraction that can impact a company's profitability and cash flow. Cyclical stocks tend to rise quickly when the economy turns up and fall quickly when the economy turns down (i.e., housing, automobiles, telecommunications, paper, etc.). Non-cyclical industries (i.e., food, insurance, drugs, health care, etc.) are not as directly impacted by economic changes.

Technical. This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

There are risks involved in using any analysis method. Fundamental analysis takes a long-term approach to analyzing markets, often looking at data over a number of years. The data reviewed is released over years (e.g., quarterly financial statements). Technical analysis uses a shorter timeframe—often weeks or days. The price and volume data reviewed is released on a daily basis. Therefore, fundamental analysis could mean a gain is not realized until a security's market price rises to its "correct" value over the long run—perhaps several years.

As a general statement, technical analysis is used for a trade while fundamental analysis is used for an investment. It could also be said that traders buy assets they believe they can sell to someone else at a greater price while investors buy assets they believe will increase in value. The frequency of trading securities using technical analysis could have both a positive or negative impact and could also lead to increased brokerage and transaction costs, thus lowering performance. The less frequent trading practices of fundamental analysis could also have a positive or negative impact on a client's portfolio value, but likely has reduced brokerage and transaction costs.

Cyclical analysts look for patterns to help identify the direction the market is going at any given time. However, patterns and expected ranges or time frames may not occur as anticipated due to any number of factors (i.e., natural disasters, political upheaval, etc.). This could also be true of charting analysis.

To conduct analysis, Monument Advisory Group gathers information from financial newspapers and magazines, inspection of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses and filings with the SEC and company press releases.

### **Investment Strategies**

Monument Advisory Group uses the following investment strategies when managing client assets and/or providing investment advice:

- Long term purchases. Investments held at least a year
- Short term purchases. Investments sold within a year.
- Trading. Investments sold within 30 days.

### **Primarily Recommend One Type of Security**

Monument Advisory Group primarily recommends ETFs for client investments. In simple terms, ETFs are funds that hold all the securities in an index (e.g., the U.S. Dow) and trade like a stock. In an ETF, the manager's job is to keep the portfolio as close to its index as possible rather than to make judgments on a single security. To keep the portfolio aligned with its index, the manager must buy the stock in the index regardless of the security's price. There are also risks associated with ETFs:

- **Geographical Limitations**: The United States has many ETF products but some countries have only a few ETFs available with limited products (e.g., only large-cap products).
- **Trading Limitations**: If ETFs have large trading volumes, the advantage of purchasing it over an index or equity diminishes. In addition, active ETFs can increase trading fees and expenses.
- **Investment Horizon Limitation**: The trading opportunities of an ETF may be more suitable for a short-term investor than a long-term investor.
- **Inactivity Limitation**: Some ETFs are not as actively traded as others and investing in actively managed mutual fund may be more effective.
- **Tax Limitations**: Tax laws vary from state to state and country to country. For foreign investments, it may be more advantageous to find another product.

### **Risk of Loss**

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, ETFs and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through our investment management program.

- **Market Risk** – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Equity (stock) market risk** – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- **Company Risk**. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

- Fixed Income Risk. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in a an ETF or mutual fund, you may bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients may also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

#### **Item 9 – Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

#### **Item 10 – Other Financial Industry Activities and Affiliations**

Monument Advisory Group is an independent registered investment registered advisor and only provides investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives may sell other products or provide services outside of their role as investment advisor representatives with us.

#### **Registered Representative of a Broker/Dealer**

Our representatives are also registered representatives of LPL Financial Services, a securities broker/dealer. You may work with your investment advisor representative in his separate capacity as a registered representative of LPL Financial Services. When acting in this separate capacity, your investment advisor representative may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds and variable annuity and variable life products to you. As such, your investment advisor representative may suggest that you implement investment advice by purchasing securities products through a commission-based brokerage account in addition to or in lieu of a fee-based investment-advisory account. This receipt of commissions creates an incentive to recommend those products for which your investment advisor representative will receive a commission in his or her separate capacity as a registered representative of a securities broker/dealer. Consequently, the objectivity of the advice rendered to you could be biased.

You are under no obligation to use the services of our representatives in this separate capacity or to use LPL Financial Services and can select any broker/dealer you wish to implement securities transactions. If you select our representatives to implement securities transactions in their separate capacity as registered representatives, they must use LPL Financial Services. Prior to effecting any transactions, you are required to enter into a new account agreement with LPL Financial Services. The commissions charged by LPL Financial Services may be higher or lower than those charged by other broker/dealers. In addition, the registered representatives may also receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that you maintain the mutual fund investment.

### **Insurance Agent**

You may work with your investment advisor representative in his separate capacity as an insurance agent. When acting in this separate capacity as an insurance agent, our representative may sell, for commissions, general disability insurance, life insurance and annuities to you. As such, your investment advisor representative, in his separate capacity as an insurance agent, may suggest that you implement Monument Advisory Group's recommendations by purchasing disability insurance, life insurance or annuities. Receiving commissions creates an incentive to recommend those products for which your investment advisor representative receives a commission in his separate capacity as an insurance agent. Consequently, the objectivity of the advice rendered to you could be biased. You are under no obligation to implement any insurance or annuity transaction through your investment advisor representative.

**Monument Advisory Group's Chief Compliance Officer, David B. Armstrong, CFA, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

## **Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading**

Monument Advisory Group maintains an investment policy relative to personal securities transactions. This investment policy is part of our overall Code of Ethics, which serves to establish a standard of business conduct for all of our representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, Monument Advisory Group also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Monument Advisory Group or any person associated with us.

Neither we nor any related person of Monument Advisory Group recommends, buys, or sells for client accounts, securities in which Monument Advisory Group or any related person of Monument Advisory Group has a material financial interest.

Monument Advisory Group and/or our representatives *may* buy or sell securities that are also recommended to clients. This practice may create a situation where we and/or our representatives are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Monument



Advisory Group did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, “front-running” (i.e., personal trades executed prior to those of our clients) and other potentially abusive practices.

Monument Advisory Group has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of our “Access Persons.” Our securities transaction policy requires that an Access Person of Monument Advisory Group must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report quarterly, addressing any changes in the Access Person’s holdings from the previous quarter, and annually, detailing Access Person’s current securities holdings, thereafter on a date Monument Advisory Group selects; provided, however that at any time that Monument Advisory Group has only one Access Person, he or she shall not be required to submit any securities report described above.

Monument Advisory Group and/or our representatives *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Monument Advisory Group and/or our representatives are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above in Item 11.C, Monument Advisory Group has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of our Access Persons.

## **Item 12 – Brokerage Practices**

If you wish to implement our advice you are free to select any broker you wish. If you wish to have our representatives implement the advice in their separate capacity as registered representatives, LPL Financial Corporation is used. Our representatives are registered representatives of LPL and are required to use the services of LPL when acting in this capacity. LPL has a wide range of approved securities products for which it performs due diligence prior to selection. LPL’s registered representatives are required to adhere to these products when implementing securities transactions through LPL. Commissions charged for these products may be higher or lower than commissions clients may be able to obtain if transactions were implemented through another broker/dealer.

Because our representatives are also registered representatives of LPL, LPL provides compliance support to them. LPL also provides our representatives, and therefore us, with back-office operational, technology and other administrative support.

If you wish to implement our advice through any of the programs described in this Disclosure Brochure, LPL will be used as the broker/dealer and/or custodian. LPL will be the primary broker/dealer and custodian recommended due to the relationship our representatives have with LPL. We recommend broker/dealers and custodians that we feel provide services in a manner and at a cost that will allow us to meet our duty of best execution. However, we may be limited in the broker/dealer or custodians that we are allowed to use due to our representatives’ relationship with LPL. LPL may limit or restrict the broker/dealer or custodial platforms for its registered representatives that are also independently licensed due to its duty to supervise the transactions implemented by these individuals.

While there is no direct linkage between the investment advice given to you and our recommendation of LPL, economic benefits may be provided to us by LPL that are not provided if you select another broker/dealer or account custodian. These benefits may include:

- Negotiated costs for transaction implementation
- A dedicated trade desk that services LPL participants exclusively
- A dedicated service group and an account services manager dedicated to our accounts
- Access to a real-time order matching system
- Electronic download of trades, balances and position information
- Access, for a fee, to an electronic interface with the account custodian's software
- Duplicate and batched client statements, confirmations and year-end reports

### **Best Execution**

Clients are under no obligation to act on the financial planning recommendations of Monument Advisory Group. If we assist in implementing any recommendations, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions surround the transaction execution is in your best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with existing systems of the advisor, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back office services, technology and pricing of services offered.

### **Handling Trade Errors**

Monument Advisory Group has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client is responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client is made whole and any loss resulting from the trade error is absorbed by Monument Advisory Group if the error is caused by the firm. If the error is caused by the broker/dealer, the broker/dealer is responsible for handling the trade error. If an investment gain results from the correcting trade, the gain remains in the client's account unless the same error involved other client account(s) that should also receive the gains. It is not permissible for all clients to retain the gain.

Monument Advisory Group may also confer with a client to determine if the client should forego the gain (e.g., due to tax reasons). Monument Advisory Group will never benefit or profit from trade errors.

### **Block Trading Policy**

We may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when we believe such action may prove advantageous to clients. If and when we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently.

Monument Advisory Group has decided to utilize the average price allocation method for transaction allocation. Under this procedure we calculate the average price and transaction charges for each transaction included in a block order and assign the average price and transaction charge to each allocated transaction executed for the client's account.

## **Item 13 – Review of Accounts**

### **Account Reviews and Reviewers**

Clients contracting for modular (segmented) written financial plans do not receive account reviews. Clients contracting for full written plans receive on-going financial planning services for a one-year period that can include plan reviews and updates. We recommend that all clients have their financial situation reviewed and updated at least annually. Managed accounts are reviewed at least quarterly.

While the calendar is the main triggering factor, reviews can also be conducted at your request, a change in your financial situation, or unusual market activity or economic conditions. David Armstrong, Dean Catino and Tim Lee are responsible for reviewing all accounts. Account reviews include checking investment strategy and objectives for a possible change in strategy and objectives.

### **Statements and Reports**

You receive statements at least quarterly from the investment company, broker/dealer, clearing firm or money manager where your account is maintained. Additionally, Monument Advisory Group may provide performance reports to you quarterly at no additional charge. These reports should be compared against the reports received from your account custodian. You can request a report from us at any time.

Financial planning clients do not receive any report other than the written plan originally contracted for.

## **Item 14 – Client Referrals and Other Compensation**

Monument Advisory Group does not directly or indirectly compensate any person for client referrals.

Please see **Item 5 - Fees and Compensation**, **Item 10 - Other Financial Industry Activities and Affiliations** and **Item 12 - Brokerage Practices**, for additional discussion concerning other compensation.

### **Item 15 – Custody**

Monument Advisory Group shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Monument Advisory Group may also provide a written periodic report summarizing account activity and performance.

**Please Note:** To the extent that Monument Advisory Group provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by Monument Advisory Group with the account statements received from the account custodian. **Please Also Note:** The account custodian does not verify the accuracy of Monument Advisory Group's advisory fee calculation.

### **Item 16 – Investment Discretion**

The client can determine to engage Monument Advisory Group to provide investment advisory services on a discretionary basis. Prior to Monument Advisory Group assuming discretionary authority over a client's account, the client shall be required to execute an *Investment Advisory Agreement*, naming Monument Advisory Group as the client's attorney and agent in fact, granting Monument Advisory Group full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Clients who engage Monument Advisory Group on a discretionary basis may, at anytime, impose restrictions, **in writing**, on our discretionary authority. (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe Monument Advisory Group's use of margin, etc.).

### **Item 17 – Voting Client Securities**

Monument Advisory Group does not vote proxies on your behalf. You should read through the information provided with the proxy-voting documents and make a determination based on the information provided. If requested, we may provide limited clarifications of the issues presented in the proxy voting materials based on our understanding of issues presented in the proxy-voting materials. However, you have the ultimate responsibility for making all proxy-voting decisions.

With respect to assets managed by any outside money manager, we do not vote the proxies associated with these assets. You need to refer to each outside money manager's disclosure brochure to determine whether the outside money manager will vote proxies on your behalf. You may request a complete copy of sub-advisor's proxy voting policies and procedures as well as information on how your proxies were voted by contacting Monument Advisory Group at the address or phone number indicated on Page 1 of this disclosure document.

## Item 18 – Financial Information

Monument Advisory Group does not solicit fees of more than \$1,200, per client, six months or more in advance.

Monument Advisory Group is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.

Monument Advisory Group has not been the subject of a bankruptcy petition.

**ANY QUESTIONS: Monument Advisory Group’s Chief Compliance Officer, David B. Armstrong, CFA, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.**

## Customer Privacy Policy Notice

The information contained in this section will also be disclosed in Monument Advisory Group’s Privacy Policy Statement. This statement will be provided to all clients in accordance with the rules and regulations of the *Gramm-Leach-Bliley Act of 1999*.

**Commitment to Your Private Information.** Monument Advisory Group has a policy of protecting the confidentiality and security of information we collect about our clients. We do not, and will not, share non-public personal information (“Information”) about you with outside third parties without your consent, except for the specific purposes described below. This notice has been provided to you to describe the Information we may gather and the situations under which we may need to share it.

**Why We Collect and How We Use Information.** We limit the collection and use of Information within our firm to only those individuals associated or employed with us that must have Information to provide financial services to you. Such services include maintaining your accounts, processing transaction requests, and providing the advisory services described in our Form ADV.

**How We Gather Information.** We get most Information directly from you when you provide us with information from any of the following sources:

- Applications or forms (e.g., name, address, Social Security number, birth date, assets, income, financial history)
- Transactional activity in your account (e.g., trading history and account balances)
- Information services and consumer reporting sources (e.g., to verify your identity or to assess your credit history)
- Other sources with your consent (e.g., your insurance professional, attorney or accountant)

**How We Protect Information.** Our employees and affiliated persons are required to protect the confidentiality of Information and to comply with our stated policies. They may access Information only when there is an acceptable reason to do so, such as to service your account or provide you with

financial services. Employees who violate our Privacy Policy are subject to disciplinary action, up to and including termination from employment with us. We also maintain physical, electronic and procedural safeguards to protect Information, which comply with applicable SEC, state and federal laws.

**Sharing Information with Other Companies Permitted Under Law.** We do not disclose Information obtained in the course of our practice except as required or permitted under law. Permitted disclosures include, for instance, providing Information to unrelated third parties who need to know such Information in order to assist us with the provision of services to you. Unrelated third parties may include broker/dealers, mutual fund companies, insurance companies and the custodian with which your assets are held. In such situations, we stress the confidential nature of Information being shared.

**Former Customers.** Even if we cease to provide you with financial products or services, our Privacy Policy will continue to apply to you and we will continue to treat your non-public information with strict confidentiality.

### **Class Action Lawsuits**

Client retains the right under applicable securities laws to initiate individually a lawsuit or join a class-action lawsuit against the issuer of a security that was held, purchased or sold by or for client. Monument Advisory Group does not initiate such a legal proceeding on behalf of clients and does not provide legal advice to clients regarding potential causes of action against such a security issuer and whether the client should join a class-action lawsuit. Monument Advisory Group recommends that you seek legal counsel prior to making a decision regarding whether to participate in such a class-action lawsuit. Moreover, our services do not include monitoring or informing clients of any potential or actual class-action lawsuits against the issuers of the securities that were held, purchased or sold by or for you.

### **Business Continuity Plan**

Monument Advisory Group has a business continuity and contingency plan in place designed to respond to significant business disruptions. These disruptions can be both internal and external. Internal disruptions will impact our ability to communicate and do business, such as a fire in the office building. External disruptions will prevent the operation of the securities markets or a number of firms, such as earthquakes, wildfires, hurricanes, terrorist attack or other wide-scale, regional disruptions.

Monument Advisory Group's continuity and contingency plan has been developed to safeguard employees' lives and firm property, to allow a method of making financial and operational assessments, to quickly recover and resume business operations, to protect books and records, and to allow clients to continue transacting business.

The plan includes:

- Alternate locations to conduct business;
- Hard and electronic back-ups of records;
- Alternative means of communications with employees, clients, critical business constituents and regulators; and
- Details on the advisor employee succession plan

Monument Advisory Group's business continuity and contingency plan is reviewed and updated on a regular basis to ensure that the policies in place are sufficient and operational.