



FORM ADV Part 2A Firm Brochure

Capital Retirement Plan Services, Inc.

2700 S. Southeast Blvd. • Suite 205 • Spokane, WA • 99223-4984, USA • T 509.456.2526 • TF 800.826.9803 • F 509.456.2550
www.ncm-inc.com

May 15, 2014

This Brochure provides information about the qualifications and business practices of Capital Retirement Plan Services, Inc. (herein referred to as “Plan Services”). Please note 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. Capital Retirement Plan Services, Inc. is a registered investment adviser and registration does not imply any level of skill or training. For more information about Capital Retirement Plan Services, Inc., visit the SEC’s website: www.adviserinfo.sec.gov

If you have any questions about the contents of this Brochure, please contact Sarah Miller, Chief Compliance Officer, at (509) 456-2526 or (800) 826-9803 extension 21 or via email to sarah@ncm-inc.com.

Item 2 – Summary of Material Changes

Capital Retirement Plan Services, Inc. updates this document annually or, in the event of material changes, more frequently. This section summarizes changes made since the previous brochure dated *March 24, 2014*.

Item 3 – Table of Contents

Item 1 – Cover Page.....	1
Item 2 – Summary of Material Changes.....	1
Item 3 – Table of Contents	1
Item 4 – Advisory Business	2
Item 5 – Fees and Compensation.....	6
Item 6 – Performance-Based Fees and Side-By-Side Management	8
Item 7 - Types of Clients.....	8
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss	9
Item 9 - Disciplinary Information	10
Item 10 - Other Financial Industry Activities and Affiliations.....	10
Item 11 - Code of Ethics	13
Item 12 - Brokerage Practices.....	14
Item 13 - Review of Accounts.....	17
Item 14 - Client Referrals and Other Compensation	18
Item 15 – Custody	19
Item 16 - Investment Discretion.....	19
Item 17 - Voting Client Securities.....	20
Item 18 - Financial Information	20
Item 19 - Requirements for State-Registered Advisers.....	20
Brochure Supplement(s).....	20
Professional Designations Explained	21

Item 4 – Advisory Business

Company History

Capital Retirement Plan Services, Inc. (“Plan Services”) has been in business since 2012. Plan Services is incorporated and owned by James K. Wilson. Plan Services is an affiliate to the Registered Investment Advisor Northern Capital Management, Inc. (Est. 1992) and the broker-dealer NCM Securities, Inc. (Est. 1993). All three entities are incorporated and owned by James K. Wilson. All under common control, these businesses specialize in different areas of financial service. Capital Retirement Plan Services, Inc. was created to specialize in advisory services for retirement plans and participants.

General Services Offered to All Retirement Plans

The service each plan receives is detailed in the Financial Advisory Agreement. Services offered are tailored to the type of retirement plan seeking our assistance. Core services offered to all plans commonly include:

Consulting Services

Plan Services can provide assistance with the following:

1. Design and establishment of plan structure and/or review an existing plan structures;
2. Selection of the plan’s custodian and broker-dealers;
3. Selection of the plan’s Record Keeper, Third Party Administrator (TPA) and/or ERISA Council.
4. Selection of other professionals to assist the plan in areas such as tax planning, insurance, estate planning, legal services, etc.

Fiduciary Services

Plan Services can provide assistance with the following:

- Creation and maintenance of the Investment Policy Statement (IPS);
- ERISA 3(21) or 3(38) fiduciary services as described below;
- Plan fee analysis offered annually, but available upon request.

Plan Services

Services vary upon plan type:

5. Professional monitoring of economic and market conditions on a continuous basis;
6. Annual review of investment performance;
7. Plan Sponsor and/or trustee meetings offered annually, but available upon request;
8. Unlimited consultations in our office, on the telephone, via e-mail, or through our website;
9. Employee enrollment forms and benefits booklets, upon request;
10. Plan Sponsor and/or trustee educational materials, decision making materials, publications, and/or webinars, as we deem appropriate;
11. Creation of participant notices on behalf of the plan for distribution by the plan’s HR department.

Participant Resources and Education

Services vary upon on plan type. Participants commonly receive at no additional cost to the participant or the plan:

- Enrollment forms and orientation booklets;
- Education regarding initial enrollment and how to fully utilize the plan and investment alternatives available;
- Transfer/rollover assistance;
- Access to the Third Party Administrator/Record Keeper’s website to view balances, change allocations and receive information regarding the plan online;
- Access to our website www.ncm-inc.com for additional resources;
- Educational materials, publications, and/or webinars, as we deem appropriate;
- Upon request, unlimited access to the “Ask the Advisor” program in which participants can pose

questions about various topics (retirement, college saving, budgeting, insurance, estate planning, etc.) and receive objective information and recommendations;

- Upon request, personalized financial planning, wealth management, and investment advice.
 - Financial Planning Assistance:
 1. Understanding and implementing basic budgeting principles;
 2. Retirement “Cash Flows” analysis;
 3. Assistance in planning for retirement, college expenses and other financial goals;
 4. Personal liability planning including needs analysis and coverage reviews for current life, health, long-term care, disability, home and auto insurance policies.
 - Wealth Management/Investment Advice:
 1. Consulting and reviews of Legacy and Estate plans;
 2. Investment advice regarding assets in the plan;
 3. Investment advice regarding “non-qualified” assets outside the plan;
 - Please note the Financial Planning and Wealth Management/Investment Advice provided at no additional charge is upon request of the participant only. The participant may sign up for *ongoing* discretionary management services for an additional fee under the Personal Advisor Program. See the section below called “Services Specific to the Personal Advisor Program” for more information.

General Services Offered to All Clients

Administrative Services:

All clients are provided:

- Monthly or quarterly account statements directly from custodians;
- Unlimited consultations via email, telephone or meetings in our office;
- Full and secure access to our website and client document portal: www.ncm-inc.com;
- Portfolio reports posted to the client portal quarterly or delivered upon request;
- Access to educational materials;
- Access to our Strategic Partner program. See Item 14 (Client Referrals and Other Compensation) for more information.

Non-Investment Related Services

We offer clients, upon request:

- Assistance with class action Proof of Claim and Release Forms. Be advised we do not provide legal advice or act on behalf of the client in legal proceedings.

Services Not Offered

We do not:

- Offer Wrap Fee Programs;
- Sell insurance;
- Provide legal or tax advice outside the scope of Certified Financial Planner™ Designations. (See Brochure Supplements)

Services Specific to Plans with a Menu of Designated Investment Alternatives

Plans that offer a menu receive the following additional services:

- Recommendations for the selection of Designated Investment Alternatives and Qualified Default Investment Alternatives commonly referred to as “the menu of investment options;”
- Ongoing monitoring of the menu of investment options and recommendations for changes to the menu.
- 3(21) Fiduciary Services: Plan Services does not accept authority to make investment decisions on behalf of the plan. The Plan Sponsor or designated trustee(s) retain discretion, authority and control of plan assets; however Plan Services accepts co-fiduciary responsibility and shares the legal responsibility and liability with regard to the initial

selection and ongoing monitoring of the menu of investment options. Each recommendation by Plan Services is approved or rejected by the Plan Sponsor. If the Plan Sponsor rejects a recommendation, the Plan Sponsor assumes sole Fiduciary responsibility for that specific decision.

Services Specific to Pooled Retirement Plans *without* a Menu

Plans that *do not* offer a menu to participants and invest plan assets on behalf of all participants in the plan, receive the following additional services:

- Discretionary management of plan assets using an assigned Investment Objective. See the section below called “Discretionary Management by Investment Objective” and Item 16 (Investment Discretion) for more information.
- 3(38) Fiduciary Services: The Plan Sponsor has hired Plan Services to be an Investment Manager for the plan and make investment decisions on behalf of the plan. This includes full discretion, authority and control of plan assets. Plan Services assumes fiduciary responsibility and liability over decisions made under these arrangements, but if the Plan Sponsor overrides an investment decision made by the advisor, the Plan Sponsor agrees to assume the sole Fiduciary responsibility for that specific decision. This arrangement does not remove other fiduciary responsibilities of the Plan Sponsor.

Services Specific to the Personal Advisor Program

Financial planning and wealth management services described above as “no cost” are offered each time and upon request unless the participant signs up for the Personal Advisor Program. The program costs an *additional fee* and the participant receives the services on *continual* basis (instead of upon request) plus discretionary management of the participant’s investments in the plan.

Services specific to the Personal Advisor Program therefore include:

- Discretionary Trading;
- Ongoing Investment Advice and Financial Planning;
- Ongoing Wealth Management Services.

The arrangement requires a Financial Advisory Agreement to be established between Capital Retirement Plan Services, Inc. and the participant directly. See the section below called “Discretionary Management by Investment Objective” and Item 16 (Investment Discretion) for more information on discretionary management of investments. The Personal Advisor Program is available for an additional fee, which will be paid by the participant unless the plan offers the service as an employee benefit. Participants should consult their Financial Advisory Agreement.

Participants signing up for the program must understand the additional fee pays for the advisor to be *proactive* in managing investments *for* the participant, rather than relying upon the participant to be proactive and seek out the advisor periodically for advice. It is possible participants that are proactive in contacting the advisor, rather than enrolling in the Personal Advisor Program, may receive similar recommendations and trading assistance for lower overall fees. Enrolling in the program, therefore, eases the participant’s need to proactively reach out to the advisor for help. However, the Personal Advisor Program participant may or may not receive value added returns when compared to other participants within the plan.

The advisor has a monetary incentive for recommending the program to participants, creating a conflict of interest, because the participant in the Personal Advisor Program pays fees *in addition to* base plan fees. Further, participants paying more in fees overall may experience lower returns over time. To ensure participants understand the fees and services provided under the program, participants

should consult the 404(A)(5) Participant-Level Fee Disclosure provided annually and the Financial Advisory Agreement.

Discretionary Management by Investment Objective

Discretionary Management is made available to:

- Pooled retirement plans *without* a menu;
- Participants that sign up for the Personal Advisor (“PA”) program.

Investment Objectives:

Plan Services will tailor investment advice to the individual needs of clients through the use of assigned Investment Objectives (“IOs”). The term “client” in this case refers to a retirement plan *without* a menu **or** an individual participant enrolled in the Personal Advisor Program.

For pooled retirement plans *without* a menu this includes a review of participant demographics and plan goals.

For individual participants, representatives discuss financial planning topics, tolerance for risk, long-term plans and goals.

Based on the detailed information collected, representatives help the client, whether a retirement plan or individual participant, select a suitable Investment Objective (“IO”). Client portfolios are invested per the IO selected and investments are managed by Plan Services according to the relationship established in the advisory contract.

Investment Objectives:

Plan Services has an Investment Committee that meets regularly to review Investment Objectives (“IOs”) available to clients. IOs range from the most aggressive investors to highly risk adverse investors. The Committee creates target allocations for each IO. The target allocations are called Allocation Models (“models”). Some IOs have a Base and Plus allocation model available. The *Plus* model allows the Committee the latitude to increase stock exposure above the Base model for clients slightly more aggressive than other clients assigned the same IO.

Selecting an Investment Objective (“IO”):

Each retirement plans *without* a menu or individual participant enrolled in the Personal Advisor Program must approve in writing the IO being used to manage assets. The advisor may select a Base or Plus model within the framework of the selected IO without additional written client consent.

Investment Restrictions

Plan Services only allows restrictions to pooled retirement plans *without* a menu. Plans *with* a menu and participants in the Personal Advisor (“PA”) program are not permitted trading restrictions.

Investment Restrictions: Allowed to Plans *without* a Menu

- **Contact First Securities:** A security coded as “Contact First” requires the firm to contact the plan prior to trading that security. The security may be *included* in the plan’s portfolio allocations and the advisor will review and rebalance the plan’s managed portfolio making recommendations to the plan if and when the advisor thinks it advisable to trade the security. The security *is* included when calculating the management fee when the advisor is accommodating the position within the managed portfolio and adjusting other managed investments to accommodate the position.
- **Hold Securities:** A security on “Hold” by written request is considered a client-directed asset. The security may be *included* in the client’s portfolio allocations and the advisor will review and rebalance the plan’s managed portfolio *around* the asset. Unless requested in writing, the advisor does not review, monitor or make recommendations for securities on hold. The security *is* included when calculating the management fee when the advisor is accommodating the position

within the managed portfolio and adjusting other managed investments to accommodate the position.

- **Unmanaged/Client Directed Securities:** A security that is “Unmanaged” is considered to be a client-directed asset. The security is *excluded* from the plan’s portfolio allocations. The advisor does not review, monitor or make recommendations for unmanaged securities. The client directs all trades for unmanaged assets. The security is *excluded* when calculating the management fee.

Prohibited Investment Restrictions

- Clients are not permitted to impose restrictions against specific companies, industries or sectors. Examples include:
 - Specific individual stocks or bonds like Coca Cola, McDonald’s, etc.
 - “Sin” industries like gambling or tobacco.
 - Specific sectors like foreign stocks, precious metals, commodities, etc.

Assets Under Management

As of December 31, 2013 the values of assets under management were as follows:

Discretionarily Managed: \$2,742,584
Non-Discretionary Managed: \$14,680,455
Total Managed: \$17,423,039

See Item 16 (Investment Discretion) for more information about Discretionary and Non-Discretionary management arrangements.

Item 5 – Fees and Compensation

Compensation

Plan Services is compensated for advisory services by charging a fixed percentage of assets under management. This is called our “management fee.” The annual management fee rate is listed on the Financial Advisory Agreement. Fees are payable on a six month lagging basis. Clients can request to pay fees on a lagging annual basis, but this is not an arrangement preferred by Plan Services.

Management fees are negotiable.

Fee structures are determined by the account size and intensity of the engagement. Commonly, Plan Services charges a fixed percentage of assets under management, but our firm can elect to charge fixed fees (not including subscription fees), a flat annual fee, combination of a fixed percentage of assets under management with a flat minimum fee, create graduating scales where the fixed percentage drops off at specified breakpoints as assets under management increase, or charge commissions under the broker-dealer relationship with NCM Securities, Inc. See Item 10 (Investment Companies – Commissions, Sales Charges and Loads) and Item 12 (Brokerage Practices) for more information.

Fee Schedule

Clients should consult their Financial Advisory Agreement for detailed information regarding their specific fee arrangement and any minimum annual fee that applies.

For Retirement Plan clients: Our standard annual fee structure for retirement plans is graduated with no minimum.

- 0.50% on the first \$1,000,000
- 0.35% on assets between \$1,000,000.01 and \$10,000,000
- 0.20% on assets between \$10,000,000.01 and \$50,000,000
- 0.15% thereafter

For Personal Advisor Program clients: Our standard annual fee structure for the Personal Advisor Program is 0.5% annually on assets under \$100,000 and 0.4% thereafter. Participants that sign up for

Capital Retirement Plan Services, Inc.

the Personal Advisor Program continue to pay the base plan fees *plus* the Personal Advisor Program fee.

Calculating Your Bill

Our fee is calculated every six months and is based upon the assets in the portfolio on the billing date without regard to additions or withdrawals during the prior six month period. When calculating the management fee, limited partnerships and other thinly traded securities are generally valued at \$0 due to a lack of marketability and the difficulty associated with verifying a price with outside third parties, although exceptions may apply. Illiquid securities are always valued at Zero.

Paying Your Bill

Our standard billing procedure is to send each client an itemized bill. This bill includes a description of how the fees were calculated and the total amount due.

Automatic Fee Deduction:

For Retirement Plan clients: As an alternative to paying by check, the plan can elect to have management fees deducted automatically. Plans authorize the custodian and/or Third Party Administrator to allow Plan Services to automatically deduct fees from the plan or participant accounts directly. Once authorization is established, Plan Services may automatically deduct management fees at each billing cycle and the plan receives an itemized bill indicating the amounts deducted. Standard procedure for new retirement plans is to authorize this automatic fee deduction as part of agreement. Fee deductions can be confirmed by using independent brokerage statements from the custodian or Third Party Administrator. Authorization can be revoked and plans may request to pay by check at any time.

For Personal Advisor Program clients: Participants enrolled in the Personal Advisor Program are automatically signed up for the automatic fee deduction program and do not have the option to pay by check.

Pay by Check: Plans electing to pay by check will receive an itemized bill on each billing cycle. Checks must be made payable to Capital Retirement Plan Services, Inc.

Pre-Paying Management Fees

Plan Services does not allow for the pre-payment of management fees.

Refunding Management Fees

Plan Services does not have a termination penalty. In the event a client wishes to terminate our services, the client is liable for fees charged for services rendered through the termination date. Our contract allows termination by either party to take effect 30 days after the request has been provided in writing by either party.

In the event the client elects to terminate within the first 30 days of the advisor-client relationship, Plan Services will not charge a management fee. The advisor-client relationship is considered to be established on the date the Financial Advisory Agreement is signed by both the client and advisor representative. Please note additional fees incurred during the account integration process or the implementation of trades is non-refundable.

Additional Fees and Expenses

In addition to management fees, clients are responsible for the fees and expenses charged by custodians and imposed by broker-dealers. Please refer to the Brokerage Practices section (Item 12) for additional information.

Fees and expenses take many forms, but the most common include:

- **Custody fees and Transaction fees:** charged by the custodian and assigned broker-dealer for housing assets and facilitating transactions.
- **Mutual fund fees:** Plan Services primarily uses load-waived mutual funds, but mutual funds still have Operating Expense fees separate from transaction fees. The Operating Expense Ratio (“OER”) reflects a percentage paid to the manager of the mutual fund. Mutual Funds may also have 12b-1 fees and Sub TA fees charged on an ongoing basis for as long as the mutual fund is owned.

ERISA Retirement Plan Accounts:

Revenue Sharing Arrangements: Revenue sharing arrangements may exist in retirement plans where a structured menu of investment options is used for the plan. In these agreements, a portion of the mutual fund’s OER is paid to our firm and/or the Third Party Administrator. These fees are used to offset costs for the retirement plan. Sub TA fees are intended to offset TPA fees and 12b-1s are intended to offset management fees.

Additional Compensation for Retirement plans: Plan Services manages some retirement plans with a structured menu of investment options that pay commissions to NCM Securities, Inc. from the American Funds mutual fund group. Examples include larger asset retirement plans utilizing loaded A shares and smaller asset plans. For this reason, plans that pay a sales charge (“up front commission”) are not charged a separate management fee by Plan Services. See the “Supervised Persons Receive Commissions” section below and Item 12 (reference NCM Securities, Inc. under Brokerage Practices) for more information.

Supervised Persons Receive Commissions

Compensation can be provided to employees of Plan Services who are also registered with the broker-dealer NCM Securities, Inc. In order for supervised persons to receive commissions, either by sales charges or trailing commissions, the arrangement must be disclosed to the client in writing. Once initial disclosure is made, future trades resulting in commissions must receive client consent or be part of a pre-determined and agreed upon portfolio allocation. In the case of clients that are retirement plans *with* a menu, the disclosure is provide to the Plan Sponsor and/or trustees when the menu is established and participants are provided with disclosures upon signing up for the plan.

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

Capital Retirement Plan Services, Inc. does not charge performance-based fees.

Item 7 - Types of Clients

Types of Clients

Plan Services works with:

- Pooled Retirement Plans *with a menu* of investment alternatives available to participants;
- Pooled Retirement Plans *without* a menu;
- Defined Benefit Plans;
- Profit Sharing Plans, 401(k), 403(b), 457 and Multiple Employer Plans;
- SIMPLE/SEP Plans;
- Participants enrolled in the Personal Advisor Program.

Minimum Account Size

The minimum size for new retirement plans under management is \$500,000.

There is no minimum size requirement for participants entering the Personal Advisor Program.

Plan Services will accept a limited number of engagements below the minimum account size for referrals from existing retirement plan clients. The minimum account size may be waived at our sole discretion. If an account falls below the minimum size, Plan Services reserves the right to terminate the relationship. This seldom occurs.

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

The Investment Committee of Plan Services and Northern Capital Management, Inc. (est. 1993) are the same.

Types of Investments

Plan Services does not invest client funds in proprietary products. We do not directly manage the mutual funds or private money managers we recommend. Plan Services considers mutual fund selection to be our primary area of expertise. The majority of our advice is regarding no-load, noncommissioned, open-end mutual funds. However, our advice can also include close-end mutual funds, exchange-listed securities, and debt securities such as corporate, municipal and governmental bonds, certificates of deposit and debt other than commercial paper. We may make recommendations regarding variable life insurance and interests in partnerships investing in real estate as well. Advice regarding commission based open-end mutual funds or variable annuity products are limited, but also allowable. See Item 10 (Other Financial Industry Activities and Affiliations) and Item 5 (Fees and Compensation) for more information.

Method of Analysis

The Investment Committee utilizes fundamental investment analysis in determining the types of investments to be recommended to clients. The main sources of information used in our research include financial newspapers, magazines and websites (both paid and non-paid subscriptions), research material prepared by outside entities including custodians and earnings analysts, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, company Press Releases, investment company sales and advertising literature, and discussions with individuals deemed to have expert or specialized knowledge.

Fundamental research requires the Investment Committee to evaluate economic, political and monetary factors including industry trends and business cycles, production, inventories and demand across different industries and sectors, and underlying financial health of a particular company or asset. This includes revenues, earnings, future growth potential, return on equity, profit margins, earnings per share, and so on, to determine an asset's underlying value and potential for future growth. Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of factors considered when evaluating the investment.

Long-Term Investment Strategy

Long-Term Investing is the primary focus of Plan Service's Investment Committee. The decisions of the Investment Committee are focused on long term macro level trends. Short term trades are not a prominent part of our firm's trading practices. As a firm we do not attempt to "time the market" with short market movements or intraday trading and we prefer longer-term investing strategies.

Risk of Loss

Securities investments are not guaranteed. Investing in securities involves risk of loss that clients should be prepared to bear. As with all investments, there are inherent, unavoidable and often unforeseeable risks in investing in securities. These risks will vary depending on the nature of the investment, the strategy pursued, the type of instrument used to pursue or give effect to that strategy, the conditions and performance of the U.S. and global economies, as well as the performance/financial condition of the individual company or entity issuing the security. As with all investments, the value of the investment at the time of sale will fluctuate and might be greater or less than the value at the time of purchase. Primary risks inherent in investing in the types of securities used for client accounts include, but are not limited to, risk of loss of principal; interest-rate risk; credit risk; reinvestment risk; economic risk; political risks; market disruptions; exchange disruptions or malfunctions; currency risk (principally for foreign securities); liquidity risk; risk of default; inflation and market volatility in general. Additional risks include inaccurate data used

Capital Retirement Plan Services, Inc.

by Plan Services while making recommendations (despite our efforts to verify information as accurate) and negative tax consequences as a result of recommendations. While Plan Services seeks to assess the merits of investing in a particular security or recommending a third-party investment manager based upon an assessment of the perceived risks and potential rewards, there are no assurances that our assessments will be correct or that subsequent events or company, market, or investment manager changes will not render the assessment incorrect at a later time.

Additional Risks to Consider

Index Funds: An index mutual fund (open, closed or exchange listed) aims to replicate the movements of an index of a specified financial market. Risk factors include but are not limited to muted returns and tracking errors.

Fund of Funds: A “Fund of Funds” is a mutual fund with underlying investments comprised solely of other mutual funds. Risks include but are not limited to higher fees and lower returns for investors.

Commodities, including Precious Metals: Investments in commodities, including precious metals, may vary greatly. Some investments may be to purchase the commodity directly, some through companies producing or developing the commodity (mining stock, for example) and some through derivatives. Risks include but are not limited to loss of principal, leverage, and high volatility.

Alternatives to Fixed Income Investing: During low interest rate environments, the Investment Committee may use alternatives to traditional bonds to satisfy the fixed income requirement of a portfolio. Alternatives may include Alternative Bond Funds (which exchange interest rate risk for higher default risk), cash in lieu of bonds (which can create a negative rate of return), and/or Balanced and Flexible mandate Funds (which can increase equity exposure in a manner not obvious to investors, increase market correlation, and add exposure to international markets, precious metals, foreign currencies and/or leverage).

Item 9 - Disciplinary Information

Capital Retirement Plan Services, Inc. has no disciplinary history to report. Plan Services is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our firm. Our firm and personnel have no reportable disciplinary events to disclose at the present date.

Item 10 - Other Financial Industry Activities and Affiliations

Plan Services strives to put the interest of our clients before our own at all times. As Investment Advisor Representatives, we have a fiduciary responsibility to make recommendations suitable and in the best interest of our clients. In this Brochure, you will find disclosure of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to the management fees clients pay. Since the amount of compensation we receive may vary depending on the custodian and/or broker-dealer we recommend to you, Plan Services and its representatives may have a conflict of interest in making recommendations regarding custodians, broker-dealers and mutual fund purchases. **Disguising or hiding fees paid by the Plan is strictly prohibited.**

Affiliated Broker-Dealer Registered Representatives

The following employees of Plan Services, in alphabetical order, are also registered with NCM Securities, Inc., our affiliated broker-dealer. The individuals marked with an *** may collect commissions (sales charges, loads, 12b-1 fees) from the sale of mutual funds or variable annuities.

- Molly J. Chase
- Richard P. Cullen ***
- Laura E. “Elizabeth” Hail-Stutzke
- David B. Holloway ***
- Joshua H. McLaughlin
- Sarah J. Miller
- Deborah A. Sandeno

- Michelle L. Warner
- James K. Wilson ***

Although clients will commonly receive recommendations for no-load mutual funds and this disclaimer would not apply in those cases, a few clients may receive recommendations from representatives of Plan Services who are also registered representatives of our affiliated broker-dealer NCM Securities, Inc. and the recommendations to purchase American Funds *on a direct-way basis*, may result in compensation, in the form of commissions, being paid to the representative. This creates a monetary incentive for the representative to recommend buying American Funds shares on a direct-way basis instead of purchasing load-waived shares of the same investment through an alternative custodian. Employees of Plan Services must disclose to the client all commissions or fees associated with such recommendations *at the time* the recommendation or a trade is placed.

A conflict of interest also exists regarding plan balances held *directly and solely* at the American Funds. This mutual fund group may pay the registered representative 0.25% annual “trailing commission” as long as these account balances remain direct-way. This compensation presents a conflict of interest to the representative when recommending a plan balances remain at American Funds directly or be moved to another custodian.

ERISA Retirement Plans: ERISA prohibits plan fiduciaries from engaging in certain conflicts of interest, called Prohibited Transactions. In the event an ERISA plan is custodied at the American Funds on a direct-way basis, contributions from participants may result in commissions (sales charges, loads, 12b-1 fees) being paid to the registered representative (who may also be an advisor to the plan under Plan Services). These arrangements are not viewed as violations of the Prohibited Transaction Rule, even though commissions are paid to registered representative, because the firm adheres to generally accepted investment principals, prevailing investment industry standards and the following:

Client-Driven Recommendation: If a plan’s situation prevents use of alternative broker-dealers, the plan can be established on a direct-way basis with the American Funds.

1. **Billing Arrangement:** If commissions are remitted to the advisor representative in exchange for management of the plan, commissions must be the sole source of revenue to the advisor from the plan. The advisor may not charge a management fee in addition to commissions paid.
2. **Fair and Reasonable Plan Costs:** Contributions made by participants in this case will result in commissions paid to the advisor; however the fees are allowable if reasonable for the services rendered.
3. **Non-Discretionary Management:** Representatives of NCM Securities, Inc. cannot have the authority to move plan balances discretionarily. The Plan Sponsor and/or Participants must approve all transactions that will result in a commission paid to a registered representative.
4. **Annual Plan Review:** A review of share classes used by the plan (including revenue sharing arrangements and commission schedules) is completed annually.
5. **Annual Fiduciary Review:** A comparison of commission based plan structures, including services and costs, to alternative non-commission based plan structures is completed annually. Recommendations for changes to the plan structure, in response to the fiduciary review, will be made to the Plan Sponsor and/or trustees as needed.

Insurance Agents

The following employees of Plan Services, in alphabetical order, are licensed insurance agents in addition to being registered representatives. The individuals marked with an *** may collect commissions from the sale of variable annuity products.

- Molly J. Chase
- Richard P. Cullen ***
- David B. Holloway ***

- Michelle L. Warner

These individuals, in their capacity as insurance agents and registered representatives, are able to make recommendations related to the replacement of *existing* variable annuity products into *new* variable annuity products. They may also make recommendations while servicing existing variable annuity contracts. New sales are prohibited unless they are associated with a replacement. Although clients may receive recommendations for replacements into non-commissioned variable annuity products, clients may also receive recommendations to purchase a variable annuity product resulting in compensation, in the form of commissions, being paid to the representative. This creates a monetary incentive for the representative to recommend buying the commission based product instead of the non-commission based product. Northern Capital Management, Inc. employees must disclose to the client all commissions or fees associated with such recommendations at the time the recommendation is made. Additionally, all recommendations must undergo a suitability determination and fee comparison.

Response to this Conflict of Interest

Disclosure: The following steps are taken to ensure Plan Services honors its fiduciary duty with respect to recommendations of direct-way American Funds purchases that may result in a commission paid to registered representatives:

- Registered persons must disclose to clients in writing all fees to be paid to affiliated persons at the time the recommendation is made to purchase such investments;
- Clients must be told they are not obligated to purchase investment products from our employees or affiliated companies that involve sales charges, commissions, trails or 12b-1 fees;
- Registered persons with NCM Securities, Inc. must provide clients with proper disclosures, including a fund prospectus, explaining fees and other forms of compensation;
- Sales activity of registered persons is supervised; and
- Education is provided to registered persons regarding their responsibilities of a fiduciary.

Revenue Sharing

Fees referred to as “12b-1 fees” are paid to broker-dealer representatives and fees referred to as “Sub TA fees” paid to Third Party Administrators. Both are called “Revenue Sharing dollars.” Revenue Sharing is a term used for fees that are deducted from each open-end mutual fund’s Operating Expense Ratio (OER) and forwarded to professionals hired to facilitate the plan. The fees, practically speaking, are paid by the participants who own the mutual funds per the menu and the funds are forwarded to the custodian, broker representative (12b-1 fees) and the Third Party Administrator (Sub TA fees). The fees are paid to these professionals because they help facilitate the retirement plan.

Revenue Sharing Policy:

Plan Services will not collect Revenue Sharing dollars unless they are used to offset or defray the advisor’s management fee. In order to accept Revenue Sharing dollars, Plan Services will adhere to the following:

- Proper disclosure to the Plan Sponsor regarding all aspects of revenue sharing Plan Services receives.
- Disclosure of how revenue sharing is paid by participants to Plan Services.
- Disclosure of whether or not revenue sharing will be used to offset other plan fees.
- Remittance of fees collected by Plan Services back to the plan and/or participants if the revenue sharing fees collected exceed total plan costs and the fees are intended to offset.

It is important to note revenue sharing paid to the Third Party Administrator by the plan is separate. Some TPA firms will keep excess revenue sharing dollars to be used to offset future plan expenses. Plan Services does not accept the prepayment of management fees and therefore will not engage in this activity.

Revenue Sharing on the Wilmington Trust Custody Platform: The investment advice plans receive from Plan Services may include recommendations to custody assets at Wilmington Trust Company.

The Wilmington Trust platform allows for a broker-dealer to be named on mutual funds offered to participants with the menu. Some mutual funds charge participants fees, in the form of revenue sharing, while others do not. Any revenue sharing fees (usually called 12b-1 fees) paid to NCM Securities, Inc. must be used to offset plan fees per the policy above in order to address the conflict of interest that could otherwise arise.

Outside Business Activity

Employees must receive prior approval of outside employment activity to ensure any material conflicts of interests in such activities are properly addressed and disclosed. Management monitors outside business activities to verify.

Item 11 - Code of Ethics

Code of Ethics

A Code of Ethics (Code) has been adopted by Plan Services and is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940 (Advisers Act). The Code is based upon the principle that Plan Services and its employees owe a fiduciary duty to our clients. The Code is designed to ensure this high ethical standard continues to be applied. The excellent name and reputation of our firm is a reflection of the ethical conduct of each employee. Plan Services has created written supervisory procedures for the firm and the Code is created as part of these procedures. *Plan Services will provide a copy of our Code of Ethics to any current or prospective client, upon request.*

Highlights from our Code of Ethics

Policy on Employee Personal Trading: The Code establishes rules of conduct for all employees of Plan Services. It is designed to govern personal securities trading activities in employee accounts, among other things. According to the Code, employees agree to conduct their affairs, including their personal securities transactions, in such a manner as to avoid:

- Serving their personal interests ahead of clients.
- Taking inappropriate advantage of their position with the firm.
- Any actual or potential conflicts of interest.
- Any abuse of their position of trust and responsibility.

The purpose of the Code is to preclude activities which may lead to or give the appearance of conflicts of interest, insider trading and other forms of prohibited or unethical business conduct.

Participation or Interest in Client Transactions: The Investment Committee manages portfolios for many of our employees. Therefore, investments and trading strategies recommended by the Committee for client accounts may also be recommended for employee accounts. Purchases or sales of mutual funds and variable annuities that are recommended to clients are commonly placed in employee accounts also. Currently, there are no policies or procedures in place to prevent this from occurring. However, the execution of mutual fund and variable annuity transactions must be made in such a way to honor the Code and not put an employee's personal interests ahead of our clients. Employee transactions into other types of investments including individual stock, individual bonds and exchange traded funds require prior approval. Registered Principals complete these reviews ensure transactions are not violating our Code and trades are not placed ahead of pending client orders for the same security.

Employees are prohibited from:

- Buying and selling directly to or from a client account.
- Participating in client trades by way of aggregation or allocation.

Duplicate statements for employee transactions are reviewed by the Chief Compliance Officer to ensure compliance with these policies.

Trade Error Policy: It is the policy of Plan Services to exercise the utmost care when handling client orders and correcting orders when a trade error occurs. When an employee of Plan Services is notified

or discovers a trade error, the Chief Compliance Officer is notified immediately for review and correction of the order. Depending on the situation, the type of error and the custodian involved, the correction of trade error will be facilitated differently. Regardless of the method, Plan Services' philosophy stays the same:

- The party responsible for the error will bear the cost of correcting the error. If an employee of Plan Services is responsible for the error, Plan Services will bear the cost. Clients will always be made whole.
- Employees are not allowed to correct their own trade errors due to the conflict of interest that arises.
- Plan Services will arrange for the reversing of an erroneous trade as allowed by the custodian.
- Gains in client accounts caused by trade errors, discovered after settlement, will generally be credited to the affected client account unless the custodian prohibits this practice, in which case the gain will be donated to charity.
- Losses in client accounts caused by trade errors will be reversed or reimbursed. If the custodian will not allow Plan Services to reverse the erroneous trade, Plan Services will fully reimburse the client in another way.

Item 12 - Brokerage Practices

Selecting Broker-Dealers

The responsibility to monitor best execution relies heavily on the types of investments we utilize. Plan Services primarily recommends mutual funds traded at net asset value which is determined at the daily market close and not intraday.

In selecting broker-dealers on behalf of our clients, Plan Services does not use the lowest possible trading cost as the main determining factor. Final broker-dealer selections are based on a comprehensive review of fees, services, historical professional relationships, reputation, financial strength, custody capabilities, order entry and execution systems, commission rates, transaction fees, execution capability, reporting features, technology, research, customer service, and tools provided to the Investment Committee and Compliance Department. Plan Services also considers "Soft Dollar" arrangements.

Soft Dollar Arrangements

Plan Services does not believe clients pay higher fees or commissions as a result of working with our recommended broker-dealers. Our firm receives research and brokerage services that enhance the investment advice provided to clients, but this is in exchange for assets held in custody and not connected to transactions. As a result, "soft dollar" arrangements do not exist. However, the research, brokerage services and other materials received from broker-dealers in exchange for custody business creates a conflict of interest. This conflict of interest is described in the next section.

Conflicts of Interest

As a fiduciary, Plan Services endeavors to act in the best interest of its clients. The requirement that clients use specific broker-dealers for transactions is largely due to the fact the broker-dealer is also the custodian for the client's assets. These custodians/broker-dealers are selected in large part based upon the products and services provided to Plan Services. Because the cost or quality of services provided to clients is not the only determining factor in Plan Services' selection of the broker-dealer, material conflicts of interest exist. In order to address this conflict of interest, Plan Services monitors the cost structures of various custodians/broker-dealers in effort to minimize trading costs for clients *while* maximizing other benefits to Plan Services *and* clients.

Current Broker-Dealer Arrangements

Formal agreements have been established between Plan Services and the following broker-dealers for various client relationships:

- Charles Schwab & Company

- Charles Schwab Trust Company
- Wilmington Trust Company
- TD Ameritrade Trust Company
- Fidelity Investments
- *Affiliate* NCM Securities, Inc.

To the extent the client is able to transfer or rollover assets to these custodians, Plan Services will require the use of the custodians and the broker-dealer services they provide.

Broker-Dealer Arrangements

Charles Schwab & Company, Charles Schwab Trust Company, Wilmington Trust Company, TD Ameritrade Trust Company, and Fidelity Investments serve as broker-dealers as well as custodians. NCM Securities, Inc. is a broker-dealer, but not a qualified custodian. Any assets invested with NCM Securities, Inc. are custodied with Capital Bank & Trust for the American Funds. See Item 15 for more information regarding custody. Most assets managed by Plan Services are in no-load open-end mutual funds or a limited number of exchange-traded funds. If an account holds an alternative asset, Plan Services will request bids from a variety of broker-dealers to attempt to “find a market.” Plan Services recommends the following broker-dealers:

Broker-Dealers for Plans *with a Menu of Investment Alternatives*

Charles Schwab Trust Company (“CSTC”)
Wilmington Trust Company (“Wilmington”)
TD Ameritrade Trust Company (“TDA”)

These companies are used to custody retirement plan assets. These custodians may pay indirect compensation (revenue sharing) when used as a platform for retirement plans. See Item 5 (Additional Fees and Expenses) for more information. These plans have a single account for the retirement plan. The retirement plan hires a Third Party Administrator (“TPA”) and/or record keeper to track the plan assets by participant. Trades are submitted directly to the TPA. The TPA records transactions for each participant and forwards trades to the custodian (also a broker-dealer) for execution. Plan Services does not trade directly. All trades, whether placed by the participant or Plan Services are initiated through the TPA. Plan Services can agree to discretionarily manage a participant’s assets through the Personal Advisor Program and trades are submitted through the TPA using a website unique to the advisor whenever possible. At times, participants may be asked to provide *personal login credentials* to Plan Services, allowing Plan Services to access the participant’s and place trades. See Item 15 - Custody for more information regarding Held Away accounts and related custody issues.

Custody Fees and Transactions: The trust companies charge annual custody fees, at comparable rates, to retirement plans. Custody fees can be a fixed dollar amount or a combination of a fixed fee and percentage of assets under management, depending on the client arrangement. Custody fees are invoiced to the plan quarterly. Plan trustees can elect for the plan to pay the custody fees or pass the fees through to the plan participants. The trust companies work with the TPA to process these fees, including fee deductions, for the plan. Plan Services is not involved in this fee deduction process. As a broker-dealer, the custodian may also charge transaction fees.

Fidelity Investments (“Fidelity”)

Fidelity is used for our Personal Advisory Program. Fidelity accounts are bound to a menu of investment options selected by the employer. The arrangement requires a Financial Advisory Agreement between Capital Retirement Plan Services, Inc. and the participant to manage the participant’s assets within the menu available. Participants provide *personal login credentials* to Plan Services, allowing Plan Services to access the Fidelity account on their behalf and place trades. See Item 15 - Custody for more information regarding Held Away accounts and related custody issues. Custody Fees: Fidelity custody fees vary and Plan Services is not able to negotiate the fees.

Broker-Dealers for Pooled Retirement Plans *without* a Menu and Other Discretionarily Managed Accounts

Charles Schwab & Company (“Schwab”)

Schwab provides Plan Services with access to Schwab’s institutional trading platform and custody services. This includes access to brokerage, custody and research services. Typically the same kinds of services are not available to Schwab retail clients. For example, institutional clients have access to some investments, including mutual funds, at lower initial minimum requirements than retail investors. The services provided are available to most independent investment advisors at no additional cost contingent upon an advisor committing a specific amount of business (assets in custody or trading) to the custodian.

Custody Fees: This custodian does not charge a separate fee for custody but is compensated through transaction related fees through the broker-dealer or trades that settle into accounts custodied with the broker-dealer. Plan Services attempts to use non-transaction fee funds as much as possible without compromising investment strategies or taking undue risk.

Benefits to Clients: Schwab makes products and services available that benefit clients of Plan Services. These services include providing Plan Services with software and other technology to access client account data, process trades for clients, provide research, pricing information and other market data to clients. Schwab provides a platform for deducting fees from client accounts and assisting with other back-office functions related to record keeping and client reporting. These services are used for a substantial number of Plan Services’ accounts, including accounts not maintained at Schwab.

Business Development: Schwab makes available services intended to help us manage and develop our business including consulting, publications and conferences, information technology, business succession, regulatory compliance and marketing. Schwab may also pay independent third parties to provide these services to Plan Services. Schwab makes additional products and services available that benefit our business but may not necessarily benefit client accounts. These additional services are not a great consideration in our selection of Schwab.

Discounts: Schwab may discount or waive fees it would otherwise charge to Plan Services. Schwab may also pay all or a part of the fees for a third-party services provided to Plan Services

NCM Securities, Inc.

NCM Securities, Inc. has been in business since 1993. NCM Securities, Inc. is incorporated and owned solely by James K. Wilson. The name, originally Bergeron & Wilson Securities, Inc., has changed throughout the years. James has retained majority ownership since the start of the firm. Select investment adviser representatives and clerical associates are registered representatives with NCM Securities, Inc. Member FINRA.

Commissions: Recommendations from Plan Services to be executed through NCM Securities, Inc. will result in compensation being paid to the representative both on an initial and ongoing basis. See Item 10 (Other Financial Industry Activities and Affiliations) and Item 5 (Supervised Persons Receive Commissions) for more information.

Agreements: NCM Securities, Inc. does not currently have any agreement or responsibility to provide Plan Services with any research, products or services. The client does not pay higher or lower sales charges or trailing commissions as a result of using NCM Securities, Inc. versus other direct-way mutual fund broker-dealers. However, the amount of the commissions paid by the client to representatives of NCM Securities, Inc. are likely to be higher than what the client would pay if they bought the no-load share class of the same mutual fund through another broker-dealer like Charles Schwab.

Custody Fee: Not applicable. NCM Securities, Inc. is not a custodian.

Transaction Fees: Not applicable. Employees of Plan Services will not utilize our affiliated broker-dealer NCM Securities, Inc. to affect securities transactions beyond the direct-way purchase of American Funds mutual funds or a limited number of variable annuity contracts. This is because NCM Securities, Inc. is a limited broker-dealer and does not provide additional transaction services.

Brokerage for Client Referrals

Capital Retirement Plan Services, Inc. has no arrangement regarding referrals to be received from broker-dealers. When a referral is made to or from any broker-dealer, no compensation is received or paid as a result. Plan Services has no obligation to maintain any specific amount of business (including assets under custody or trading activity) in response to client referrals from broker-dealers.

Directed Brokerage

Plan Services does not have discretionary authority to select the broker-dealer used by a retirement plan or participant. The broker-dealer is selected by the custodian and the Plan Sponsor must approve the custodian for the retirement plan. If a new retirement plan is happy with their current custodian, Plan Services is willing to include that custodian in our cost-service comparison to determine if Plan Services would be willing to add the custodian to our qualified custodian list for broker-dealer services. This review is elective.

Item 13 - Review of Accounts

Reviewers

Portfolios and mutual funds are reviewed by supervised licensed individuals. Reviewers must have a bachelor's degree, a minimum of two years relevant investment industry experience, and maintain a national securities license Series 6 or 7 and Series 65 or Series 66 (a Series 63 and Series 65 equivalent). Reviewers must also be in good standing with FINRA and the Securities Exchange Commission. See Item 10 (Broker-Dealer Registered Representatives) for a list of the current individuals considered to be qualified reviewers. See the Brochure Supplements for more information on these individuals.

Fund Manager Reviews

Open-end mutual funds are reviewed on an ongoing basis by the Investment Committee using the following process:

Initial Reviews: Mutual funds are selected by the Investment Committee through a vetting process. The initial review of a mutual fund includes, but is not limited to, reviews the management tenure, risk rating and performance relative to other funds considered to be peers.

Ongoing: Reviews occur as information regarding mutual funds become available through subscriptions, articles, newspapers and conversations with fund sponsors.

Quarterly: Mutual fund manager performance is evaluated upon receipt of research data provided by Advisor Workstation (a product of Morningstar). The Investment Committee compares the performance of selected mutual funds compared to other funds considered peers. The Committee looks for fundamental changes to the fund's management or portfolio. In these reviews, the Investment Committee determines when fundamental changes and/or portfolio underperformance warrants the replacement of the fund. Mutual fund reviews do not necessarily result in trades.

Please Note: During times of extreme movements in the investment markets, when a mutual fund manager's capability to mitigate losses becomes unachievable given the magnitude of forced redemptions from the mutual fund, quarterly testing may be suspended until such time as the Investment Committee determines conditions have adequately changed.

Reviews Specific to Plans *with a Menu of Investment Alternatives*

Fund manager reviews, as described above, are completed as part of creation and ongoing maintenance of the menu of investment options offered to participants within the plan. Review Item 4 (Advisory Business) for more information regarding the Investment Committee and services provided plans *with a menu*.

Reviews Specific to Plans *without* a Menu and Other Discretionarily Managed Accounts

Plans referenced in this section are managed with a focus on the Investment Objective selected by the client (the client may be a pooled retirement plan *without* a menu or an individual participant enrolled in the Personal Advisor Program). See Item 4 (Advisory Business) for more information related to discretionary management by Investment Objective. Fund manager reviews, as described above, are completed by Plan Services in addition to portfolio specific and client wide reviews.

Over time, portfolios will deviate from the Investment Objective allocation model assigned to the account. Performance of investments, deposits and withdrawals, etc. can cause a portfolio to deviate from the assigned model. In order to keep investments compliant with the assigned models, reviews and rebalances must occur.

Portfolio Specific Reviews

Reviews of account allocations and financial plans with clients are offered annually and available upon request. Commonly, this review occurs during the client's account review meeting with an advisor representative. This review could also occur in response to an unscheduled meeting, telephone call or email communication.

Life changing events may also prompt a review of the Investment Objective. We ask clients to keep our office informed of all life-changing events that may affect the client's financial profile. Examples for retirement plans may include, but not be limited to, retirement of key participants holding significant balances within the plan, mass layoffs, etc. whereas examples for individuals include changes to health (including illness or disability), changes to marriage status (including divorce or marriage), death or severe illness of a close family member (spouse or dependents) and any other changes that may affect how your investments should be managed. Account reviews will lead to portfolio rebalances as advisor representatives deem necessary.

Client Wide Reviews

In addition to client specific reviews described above, Investment Committee members also complete account reviews in various ways:

Annually: At a minimum, reviews of all discretionarily managed accounts occur annually. These reviews are commonly incidental to client-wide trades directed by the Investment Committee.

Ongoing: The Investment Committee makes recommendations to purchase or sell investments throughout the year. These trades may be implemented client-wide or for specific Investment Objectives, but are generally executed within a short time frame. Called "trading projects," examples include selling out of a particular investment/market sector and funding a new investment/market sector with the proceeds. While processing trading projects, Portfolio Managers also complete account reviews to ensure all eligible client accounts participate in the trading project and accounts remain in compliance with assigned allocation models.

Block Trades and Aggregation of Client Orders Policy

Whenever feasible, trade orders will be aggregated when Adviser Representatives desire to purchase or sell the same security for multiple clients. Block orders merge more than one client transaction into a single aggregated trade to be executed by the broker-dealer in one block. The block trade, now a single trade, creates one price per share to be received by all clients participating in the block order. Once the block order is executed, the aggregated transactions are separated out again and each client's trade is recorded in their account(s).

Item 14 - Client Referrals and Other Compensation

Referrals

From time to time, various professionals and firms introduce clients to Plan Services. Plan Services does not receive referral fees and there are no written quid pro quo arrangements, however, Plan Services maintains a list of professional to whom we recommend clients and from whom we expect referrals. These professionals are referred to as our "Strategic Partners." Plan Services commonly

recommends professionals in the following areas: banking, accounting, legal, insurance, real estate, elder care, estate planning, Third Party Administration and recordkeeping. We do not recommend professionals in the following areas:

- Sponsor or syndicators of limited partnerships;
- Futures Commission Merchants, Commodity Pool or commodity trading advisors.

Solicitors

Plan Services does not currently have solicitor arrangements. When and if Plan Services hires a solicitor to seek out potential clients for our firm, under these contracted arrangements, Plan Services will pay compensation, direct or indirect, to the solicitor in exchange for new advisory business. Solicitor activities are supervised by our firm and solicitor arrangements must be disclosed to potential clients in writing prior to the client's completion of a Financial Advisory Agreement.

Gifts and Entertainment

In the past, professionals have sent Plan Services or our affiliates a gift in thanks for a referral (such as a gift basket, gift certificate, or provided a discount on a service). Additionally, existing clients and non-client entities have periodically received gifts from our affiliates in thanks for a referral. These gifts are not obligatory or part of any formal referral arrangement and we anticipate similar situations arising for Plan Services in the future.

Item 15 – Custody

Capital Retirement Plan Services, Inc. does not take possession of client money or securities. Plan Services generally has the authority to deduct advisory fees from client accounts but this does not create “custody” in and of itself. Plan Services works with a number of custodians. At least quarterly, clients will receive account statements from the custodian directly. Trade confirmations are provided by the custodian to the client as well. Clients are responsible for reviewing custodial statements and trade confirmations and comparing them with reports provided by Plan Services. Our reports may vary slightly from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities, but clients should contact Chief Operations Officer, Michelle Warner, immediately if any significant discrepancies or errors are discovered.

Capital Retirement Plan Services, Inc. may work with custodians to process transactions or money movement on the client's behalf, however Plan Services will use websites, software and databases belonging to Plan Services and not the client's personal login information to do so. Plan Services will not take possession, custody or control of client assets by obtaining a client's personal login credentials. Clients should not provide personal login credentials to Capital Retirement Plan Services, Inc. or our staff unless it is to establish the management of a “held away” account.

Capital Retirement Plan Services, Inc. manages Held Away accounts, an arrangement where Plan Services receives the client's usernames and password to a website in order to manage the client's account. This is allowed provided the following requirements are satisfied:

1. Held Away accounts are authorized by the client in writing.
2. Clients with Held Away accounts receive a written confirmation from Capital Retirement Plan Services, Inc. that access to the client's username and password does *not* create a custody arrangement.
3. The Chief Compliance Officer reviews each Held Away account initially and on an annual basis to confirm access to the login credentials does not create a custody situation.

Item 16 - Investment Discretion

Capital Retirement Plan Services, Inc. manages assets differently depending on the advisor-client relationship outlined in the advisory contract.

Non-Discretionary Management

Retirement Plans *with a menu* of investment alternatives are non-discretionary. Investment options offered to participants are adopted by the Plan Sponsor or designated Trustee(s). Plan Services provides the trustees with recommendations as to the selection of investments and the trustees can choose to accept or reject such recommendations. This is a non-discretionary management relationship.

Recommendations to participants of these plans are also considered non-discretionary. Employees of Plan Services can make recommendations to participants upon request of the participant but Plan Services does not have an ongoing requirement to monitor the participant's account, nor does it have the authority to select or change investments without approval from the participant each time. If participants want Plan Services to manage their assets on a *discretionary basis*, and the plan agreed to offer participants the Personal Advisor Program under the plan, the participant can sign up for discretionary management through a separate Financial Advisory Agreement with Plan Services.

Discretionary Management

Discretionarily managed clients delegate all investment decisions to Plan Services. Without obtaining additional client or trustee consent, Plan Services can make all investment decisions for the client including the securities to be bought or sold, the amount to be bought or sold, the broker-dealer used and any commissions or fees charged.

Exception: Transactions resulting in sales charges paid to representatives of NCM Securities, Inc. require disclosure to the client and will not be made discretionarily. See Item 5 (Supervised Persons Receive Commissions) for more information.

Item 17 - Voting Client Securities

Capital Retirement Plan Services, Inc. has no authority to vote proxies on behalf of advisory clients. Upon client request, Plan Services may provide advice regarding proxy matters, but clients always retain proxy voting responsibilities.

Item 18 - Financial Information

Capital Retirement Plan Services, Inc. is not required to provide a Schedule G balance sheet. This section is not applicable.

Item 19 - Requirements for State-Registered Advisers

Capital Retirement Plan Services, Inc. is a federally registered investment advisor. This section is not applicable.

Brochure Supplement(s)

Capital Retirement Plan Services, Inc. is required to prepare a brochure supplement for each of the following supervised persons:

- Any supervised person who formulates investment advice for a client and has direct client contact; and
- Any supervised person who has discretionary authority over a client's assets, even if the supervised person has no direct contact with the client.

Supplements are attached and employees are listed in alphabetical order by last name.

Professional Designations Explained

Educational background and business experience is highlighted on each brochure supplement. To help clients understand the values of these designations, the following summary for each designation is provided. The goal is to explain the minimum qualifications required for each designation.

Additional information can be found through FINRA's website at:

<http://apps.finra.org/DataDirectory/1/prodesignations.aspx>

Certified Financial Planner® (CFP®)

The Certified Financial Planner® (or CFP®) is a professional designation from the Certified Financial Planner Board of Standards, Inc.

Purpose: To obtain expertise in the following areas: 1) General Principles of Finance and Financial Planning, 2) Insurance Planning, 3) Employee Benefits Planning, 4) Investment and Securities Planning, 5) State and Federal Income Tax Planning, 6) Estate Tax, Gift Tax, and Transfer Tax Planning, 7) Asset Protection Planning, 8) Retirement Planning, 10) Estate Planning

Minimum qualifications:

- Prerequisite: Minimum education and industry experience standards apply.
 - Education: Candidates must have a bachelor's degree (or higher), or its equivalent, in any discipline, from an accredited college or university.
 - Experience: The CFP Board requires a CFP® to have three years of full-time relevant personal financial planning experience.

For more information: <http://www.cfp.net/become-a-cfp-professional/cfp-certification-requirements>

Registered ParaplannerSM or RP®

The Registered ParaplannerSM or RP® is a professional designation from the College for Financial Planning®.

Purpose: To gain basic, practical knowledge of the following areas: 1) the Financial Planning Process, 2) Financial Statements & Cash Flow Management, 3) the Time Value of Money, 4) Investment Principles & Mutual Funds, 5) Equities & Debt Instruments, 6) Tax Planning, 7) Retirement Planning, 8) Introduction to Insurance, 9) Life & Health Insurance, and 10) Estate Planning.

Minimum qualifications:

- Prerequisite:
 - Experience: Individuals must complete a three-month long internship program in which they obtain verification from their immediate supervisor or employer documenting their mastery of the set of basic financial planning-related skills.

For more information: <http://cffpdesignations.com/>

Accredited Investment Fiduciary® (AIF®)

The Accredited Investment Fiduciary® (or AIF®) is a professional designation from Fiduciary360.

Purpose: To obtain a thorough knowledge of and ability to apply fiduciary practices as well as being able to assist others in implementing proper policies and procedures with regard to fiduciary standards.

For more information: <http://www.fi360.com/main/designations.jsp>

Insurance Licenses (Washington and Idaho)

Purpose: Provides an individual with the qualifications necessary to sell insurance policies and products under our *affiliated* broker-dealer NCM Securities, Inc. Member FINRA

Minimum qualifications: Qualifications vary by state.

FINRA Registrations Explained

FINRA is the largest independent regulator for all securities firms doing business in the United States. Certain designations are required of employees conducting business under a registered investment advisor (Northern Capital Management, Inc.) and other designations are required of employees conducting business under a broker dealer (Northern Capital Management, Inc.'s *affiliate* NCM Securities, Inc.) All of these examinations are created by the North American Securities Administrators Association (NASAA) and are administered by FINRA.

Registrations for Employees (Registered Representatives and Investment Advisor Representatives):

Series 6 - Investment Company Products/Variable Contracts Limited Representative

Purpose: Provides an individual with the qualifications necessary to act as a registered representative and process transactions *exclusive to* mutual funds, unit investment trusts, variable annuities, and variable life insurance policies under the broker-dealer.

Series 7 - General Securities Representative

Purpose: Provides an individual with the qualifications necessary to act as a registered representative and process transactions in *all types* of corporate securities, excluding commodities and futures, under a broker-dealer.

Series 66 (Uniform Combined State Law)

Purpose: The Series 66, along with successful completion of the Series 7 or Series 6, provides an individual with the qualifications necessary to act as an investment professional able to register as a securities agent and investment advisor. Individuals may take 2 tests for the Series 63 and Series 65 licenses separately or, alternatively, obtain both licenses at one time by passing the Series 66 exam. *Series 63 + Series 65 = Series 66*

Series 63 (Uniform Securities Agent Law)

Purpose: The Series 63, along with successful completion of the Series 7 or Series 6, provides an individual with the qualifications necessary to solicit orders for any type of security in a particular state. Individuals may take the Series 63 exam or obtain the license by passing the Series 66 exam.

Series 65 (Uniform Investment Advisors Law)

Purpose: The Series 65 provides an individual with the qualifications necessary to operate as an Investment Advisor Representative in certain states. The exam focuses on topic areas such as retirement planning, portfolio management strategies, and fiduciary obligations. Individuals may take the Series 65 exam or obtain the license by passing the Series 66 exam.

Registrations for Supervisors and Compliance Professionals:

Series 99 – Operations Professional

Purpose: Provides an individual with the qualifications necessary to complete work that is essentially supervisory in nature over client-facing back office functions, including persons who design and implement back-office operations and control systems, while not being required to complete the Series 66 and Series 7 exam.

Series 24 – General Securities Principal

Purpose: Provides an individual with the qualifications necessary to manage or supervise representatives of a broker dealer (NCM Securities, Inc.) in investment banking, training, solicitation, as well as the general conduct of business operations as required by FINRA.

Series 27 – Financial Operations Principal

Purpose: Provides an individual with the qualifications necessary to prepare and maintains the books and records of the member as required under securities industry rules and regulations. The designation also requires an understanding of the broker-dealer's minimum net capital requirement. This is a required designation of a Chief Financial Officer for a broker-dealer.