

**Form ADV Part 2A: *Firm Brochure***

**Item 1 – Cover Page**

**Marathon Retirement and Pension Consulting, LLC**

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Natick, MA 01760

508-320-1564

[www.MarathonRPC.com](http://www.MarathonRPC.com)

Date of Disclosure Brochure: December 2014

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This disclosure brochure provides information about the qualifications and business practices of Marathon Retirement and Pension Consulting, LLC (also referred to as we, us and Marathon Retirement and Pension Consulting throughout this disclosure brochure). If you have any questions about the contents of this disclosure brochure, please contact Aaron Spelker at 508-320-1564 or [spelker@marathonRPC.com](mailto:spelker@marathonRPC.com). The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Marathon Retirement and Pension Consulting 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 Marathon Retirement and Pension Consulting, LLC or our firm's CRD number 167694.

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

## **Item 2 – Material Changes**

Since our first brochure dated May 2013, there has been an increase in the amount of client assets that our firm manages. As of September 2014, our assets under management are \$122,718,996. Please see the updated information included in Item 4 – Advisory Business. The increase in assets under management requires us to switch from state registration to SEC registration. Therefore, we were required to switch from state registration to SEC registration and submit our application with the U.S. Securities and Exchange Commission (“SEC”) in September 2014.

We will ensure that you receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after our firm’s fiscal year ends. Our firm’s fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. At that time we will also offer or provide a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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## Item 4 – Advisory Business

Marathon Retirement and Pension Consulting is an investment adviser registered with the State of Massachusetts and is a limited liability company (LLC) formed under the laws of the State of Massachusetts.

- Aaron Spelker is the Chief Compliance Officer (CCO) and Managing Member of Marathon Retirement and Pension Consulting. Aaron Spelker owns 100.00% of Marathon Retirement and Pension Consulting.
- Marathon Retirement and Pension Consulting filed its initial application to become registered as an investment adviser in April 2013.

### **Introduction**

Marathon Retirement and Pension Consulting is an independent, fee based consulting and investment advisory firm. We consider ourselves to specialize in providing retirement and pension plan consulting services. The investment advisory services of Marathon Retirement and Pension Consulting are provided to you through an appropriately licensed and qualified individual who is an investment adviser representative of Marathon Retirement and Pension Consulting (referred to as your investment adviser representative throughout this brochure).

### **Description of Advisory Services**

The following are descriptions of the primary advisory services of Marathon Retirement and Pension Consulting. **Please understand that a written agreement, which details the exact services provided to, the terms of the service, and other details of our relationship must be signed by you and Marathon Retirement and Pension Consulting before we can provide you the services described below.**

Marathon Retirement and Pension Consulting offers retirement plan services to retirement plan sponsors and to individual participants in retirement plans. We are available to provide services to a number of ERISA covered retirement plans and also IRS qualified retirement plans. We provide risk management and investment advisory services to foundations, endowments and retirement plans, such as 401(k), 403(b), defined benefit and deferred compensation programs. Collectively, we refer to such retirement and pension accounts as “plans” or the “plan” throughout this brochure.

### **Fiduciary Consulting Services**

We provide the following Fiduciary Retirement Plan Consulting Services:

- **Investment Policy Statement Preparation.** Marathon Retirement and Pension Consulting will help you develop an investment policy statement. The investment policy statement establishes the investment policies and objectives for the Plan. You will have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the investment policy statement.
- **Non-Discretionary Investment Advice.** Marathon Retirement and Pension Consulting will provide you with general, non-discretionary investment advice regarding assets classes and investment options, consistent with your Plan’s investment policy statement.

- Investment Selection Services. Marathon Retirement and Pension Consulting will provide you with recommendations of investment options consistent with ERISA section 404(c).
- Investment Due Diligence Review. Marathon Retirement and Pension Consulting will provide you with periodic due diligence reviews of the Plan's reports, investment options and recommendations.
- Investment Monitoring. Marathon Retirement and Pension Consulting will assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformation to the guidelines set forth in the investment policy statement and Marathon Retirement and Pension Consulting will make recommendations to maintain or remove and replace investment options.
- Default Investment Alternative Advice. Marathon Retirement and Pension Consulting will provide you with non-discretionary investment advice to assist you with the development of qualified default investment alternative(s) ("QDIA"), as defined in DOL Reg. Section 2550.404c-5(e)(4)(i), for participants who are automatically enrolled in the Plan or who otherwise fail to make an investment election. You will retain the sole responsibility to provide all notices to participants required under ERISA section 404(c)(5).
- Individualized Participant Advice. Upon request, Marathon Retirement and Pension Consulting will provide one-on-one advice to Plan participants regarding their individual situations.

For Fiduciary Consulting Services, all recommendations of investment options and portfolios will be submitted to you for your ultimate approval or rejection. For retirement plan Fiduciary Consulting Services, the retirement plan sponsor client or the plan participant who elects to implement any recommendations made by us is solely responsible for implementing all transactions.

Fiduciary Consulting Services are not management services, and Marathon Retirement and Pension Consulting does not serve as administrator or trustee of the plan. Marathon Retirement and Pension Consulting does not act as custodian for any client account or have access to client funds or securities (with the exception of, some accounts, having written authorization from the client to deduct our fees).

Marathon Retirement and Pension Consulting acknowledges that in performing the Fiduciary Consulting Services listed above that it is acting as a "fiduciary" as such term is defined under Section 3(21)(A)(ii) of Employee Retirement Income Security Act of 1974 ("ERISA") for purposes of providing non-discretionary investment advice only. Marathon Retirement and Pension Consulting will act in a manner consistent with the requirements of a fiduciary under ERISA if, based upon the facts and circumstances, such services cause Marathon Retirement and Pension Consulting to be a fiduciary as a matter of law. However, in providing the Fiduciary Consulting Services, Marathon Retirement and Pension Consulting (a) has no responsibility and will not (i) exercise any discretionary authority or discretionary control respecting management of Client's retirement plan, (ii) exercise any authority or control respecting management or disposition of assets of Client's retirement plan, or (iii) have any discretionary authority or discretionary responsibility in the administration of Client's retirement plan or the interpretation of Client's retirement plan documents, (b) is not an "investment manager" as defined in Section 3(38) of ERISA and does not have the power to manage, acquire or dispose of any plan assets, and (c) is not the "Administrator" of Client's retirement plan as defined in ERISA.

#### Fiduciary Management Services

We provide clients with the following Fiduciary Retirement Plan Management Services:

- Discretionary Management Services. Marathon Retirement and Pension Consulting will provide you with continuous and ongoing supervision over the designated retirement plan assets. Marathon Retirement and Pension Consulting will actively monitor the designated retirement plan assets and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Plan. We have discretionary authority to make all decisions to buy, sell or hold securities, cash or other investments for the designated retirement plan assets in the our sole discretion without first consulting with you. We also have the power and authority to carry out these decisions by giving instructions, on your behalf, to brokers and dealers and the qualified custodian(s) of the Plan for our management of the designated retirement plan assets.
- Discretionary Investment Selection Services. Marathon Retirement and Pension Consulting will monitor the investment options of the Plan and add or remove investment options for the Plan. Marathon Retirement and Pension Consulting will have discretionary authority to make all decisions regarding the investment options that will be made available to Plan participants.
- Default Investment Alternative Management. Marathon Retirement and Pension Consulting will develop and actively manage qualified default investment alternative(s) ("QDIA"), as defined in DOL Reg. Section 2550.404c-5(e)(4)(i), for participants who are automatically enrolled in the Plan or who otherwise fail to make an investment election.

If you elect to utilize any of Marathon Retirement and Pension Consulting's Fiduciary Management Services, then Marathon Retirement and Pension Consulting will be acting as an Investment Manager to the Plan, as defined by ERISA section 3(38), with respect to our Fiduciary Management Services, and Marathon Retirement and Pension Consulting hereby acknowledges that it is a fiduciary with respect to its Fiduciary Management Services.

#### Non-Fiduciary Services

Although an investment adviser is considered a fiduciary under the Investment Advisers Act of 1940 and required to meet the fiduciary duties as defined by the Advisers Act, the services listed here as non-fiduciary should not be considered fiduciary services for the purposes of ERISA since Advisor is not acting as a fiduciary to the Plan as the term "fiduciary" is defined in Section 3(21)(A)(ii) of ERISA. The exact suite of services provided to a client will be listed and detailed in the Qualified Retirement Plan Agreement.

We provide clients with the following Non-Fiduciary Retirement Plan Consulting Services:

- Participant Education. Marathon Retirement and Pension Consulting will provide education services to Plan participants about general investment principles and the investment alternatives available under the Plan. Marathon Retirement and Pension Consulting's assistance in participant investment education will be consistent with and within the scope of DOL Interpretive Bulletin 96-1. Education presentations will not take into account the individual circumstances of each participant and individual recommendations will not be provided unless otherwise agreed upon. Plan participants are responsible for implementing transactions in their own accounts.
- Participant Enrollment. Marathon Retirement and Pension Consulting will assist you with group enrollment meetings designed to increase retirement plan participation among employees and investment and financial understanding by the employees.
- Qualified Plan Development. Marathon Retirement and Pension Consulting will assist you with the establishment of a qualified plan by working with you and a selected Third Party

Administrator. If you have not already selected a Third Party Administrator, we shall assist you with the review and selection of a Third Party Administrator for the Plan.

- Due Diligence Review. Marathon Retirement and Pension Consulting will provide you with periodic due diligence reviews of your Plan's fees and expenses and your Plan's service providers.
- Fiduciary File Set-up. Marathon Retirement and Pension Consulting will help you establish a "fiduciary file" for the Plan which contains trust documents, custodial/brokerage statements, investment performance reports, services agreements with investment management vendors, the investment policy statement, investment committee minutes, asset allocation/asset liability studies, due diligence fields on funds/money managers and monitoring procedures for funds and/or money managers.
- Benchmarking. Marathon Retirement and Pension Consulting will provide you benchmarking services and will provide analysis concerning the operations of the Plan.

Securities and other types of investments all bear different types and levels of risk. Those risks are typically discussed with clients in defining the investment policies and objectives that will guide investment decisions for their qualified plan accounts. Upon request, as part of our retirement plan services, we can discuss those investments and investment strategies that we believe may tend to reduce these risks for a particular client's circumstances and plan participants.

Clients and plan participants must realize that obtaining higher rates of return on investments entails accepting higher levels of risk. Based upon discussions with the client, we will attempt to identify the balance of risks and rewards that is appropriate and comfortable for the client and other employees. It is still the clients' responsibility to ask questions if the client does not fully understand the risks associated with any investment. All plan participants are strongly encouraged to read prospectuses, when applicable, and ask questions prior to investing.

We strive to render our best judgment for clients. Still, Marathon Retirement and Pension Consulting cannot assure that investments will be profitable or assure that no losses will occur in their portfolios. Past performance is an important consideration with respect to any investment or investment advisor, but it is not necessarily an accurate predictor of future performance.

Marathon Retirement and Pension Consulting will disclose, to the extent required by ERISA Regulation Section 2550.408b-2(c), to you any change to the information that we are required to disclose under ERISA Regulation Section 2550.408b-2(c)(1)(iv) as soon as practicable, but no later than sixty (60) days from the date on which we are informed of the change (unless such disclosure is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable).

In accordance with ERISA Regulation Section 2550.408b-2(c)(vi)(A), we will disclose within thirty (30) days following receipt of a written request from the responsible plan fiduciary or Plan Administrator (unless such disclosure is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable) all information related to the Qualified Retirement Plan Agreement and any compensation or fees received in connection with the Agreement that is required for the Plan to comply with the reporting and disclosure requirements of Title 1 of ERISA and the regulations, forms and schedules issued thereunder.

If we make an unintentional error or omission in disclosing the information required under ERISA Regulation Section 2550.408b-2(c)(1)(iv) or (vi), we will disclose to you the correct information as soon as practicable, but no later than thirty (30) days from the date on which we learns of such error or omission.

**Limits Advice to Certain Types of Investments**

Marathon Retirement and Pension Consulting provides investment advice on the following types of securities:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Corporate Debt Securities
- Municipal Securities
- US Government Securities

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

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

**Tailor Advisory Services to Individual Needs of Clients**

Marathon Retirement and Pension Consulting's advisory services are always provided based on the specific factors and circumstances of each client.

We will not enter into an investment adviser 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.

When managing client accounts or providing investment advice, we may manage a plan in accordance with one or more investment models. When client accounts are managed using models, investment selections are based on the underlying model and we do not develop customized (or individualized) portfolio holdings for each client. However, the determination to use a particular model or models is always based on each client's individual investment goals, objectives and mandates.

**Client Assets Managed by Marathon Retirement and Pension Consulting**

As of September 2014, Marathon Retirement and Pension Consulting had \$122,718,996.00 total assets under management. The entire amount is managed 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 our fees and compensation arrangements. It should be noted that lower fees for comparable service may be available from other sources.

Our fees are negotiable and will vary among clients based upon the complexity of the plan, the size of the plan assets, the actual services requested, the representative providing the services and the potential for additional deposits.

Marathon Retirement and Pension Consulting will charge a fixed annual fee of \$6,000 to all clients in addition to a percentage based fee. The following is our basic fee schedule provided for illustrative



purposes. The exact fees and other terms will be outlined in the agreement between you and Marathon Retirement and Pension Consulting.

<u>Plan Assets</u>	<u>Annual Fees</u>
All Tiers Annual Flat Fee	\$6,000
Plus the following fee schedule	
First \$0 – \$3,000,000	0.450%
Next \$3,000,001 – \$10,000,000	0.375%
Next \$10,000,001 – \$20,000,000	0.250%
Next \$20,000,001 – \$60,000,000	0.100%
Next \$60,000,001 – \$150,000,000	0.075%
Next \$150,000,001 and above	Negotiable

Fees are billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the previous billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period.

Fees will be sent directly to the client and due upon receipt of the billing notice.

Services may terminate upon thirty (30) days following either party providing the other party with written notice. If services are terminated within five business days of signing the client agreement, services are terminated without penalty. Any prepaid but unearned fees are promptly refunded to the client at the effective date of termination.

Marathon Retirement and Pension Consulting does not reasonably expect to receive any other compensation, direct or indirect, for its Services. If we receive any other compensation for such services, we will (i) offset that compensation against our stated fees, and (ii) will disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. *Item 6* is not applicable to this Disclosure Brochure because we do not charge or accept performance-based fees.

#### **Item 7 – Types of Clients**

Marathon Retirement and Pension Consulting generally works with companies and employers that sponsor Pension, Profit Sharing, and other Retirement Plans such as but not limited to 401(k), 403(b), defined benefit and deferred compensation programs.

You are required to execute a written agreement with Marathon Retirement and Pension Consulting specifying the particular advisory services in order to establish a client arrangement with Marathon Retirement and Pension Consulting.

**Minimum Investment Amounts Required**

We require a minimum of \$500,000 to work with our firm.

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

**Methods of Analysis**

Marathon will provide investment consulting advice on separate accounts, mutual funds and ETFs to meet the strategic and tactical needs of a client's plan. Marathon will seek out appropriate active and passive managers in investment strategies that will meet the needs of the underlying plan liabilities. Marathon employs qualitative and quantitative analysis to determine the specific investment vehicles that are appropriate for the client. Marathon considers the following when selecting and monitoring investment strategies:

- Investment Philosophy
- Business Philosophy
- Investment Process
- Investment Performance
- Key People Considerations

**Investment Strategies**

Pension and Retirement Plan investing is a long-term proposition. Therefore, clients should be considering a long-term horizon when making investment decisions. Managing plan assets is a "marathon not a sprint." For example, pension sponsors need to continue to manage the plan assets until the last beneficiary is paid or the plan purchases a pension close-out. Marathon's investment philosophy consists of the following:

- Portfolios customized to each client's unique needs and circumstances
- Diversification across asset classes and investment styles
- Combine assets with offsetting risk characteristics
- Appropriate mix of active and passive management
- Combine quantitative modeling with qualitative judgment
- Strategic asset allocation is emphasized with tactical shifts
- Implementation of Dynamic Asset Allocation
- Attentive to Liability-Driven Investing (LDI) principles

In order to determine the appropriate strategic and tactical allocation, the Portfolio Advisors consider the Plan Sponsor's.

- Current plan funding status and plan demographics
- Risk preference
- Ability to make cash contributions to the plan
- Preference for active vs. passive investment management
- Where applicable, timing regarding plan termination

A thorough understanding of these factors will allow us to develop a customized asset allocation.

### **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, and bonds, etc.) 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 with investing in securities through our investment management program, as described below:

- **ETF and Mutual Fund Risk** – When investing in a an ETF or mutual fund, you will 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. You will also incur brokerage costs when purchasing ETFs.
- **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 the 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.
- **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**

*Item 9* is not applicable to this Disclosure Brochure because 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**

Marathon Retirement and Pension Consulting is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, an accountant or accounting firm, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

We are an independent registered investment registered adviser and only provide 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 adviser representatives with us.

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

#### **Code of Ethics Summary**

An investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Marathon Retirement and Pension Consulting has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. Marathon Retirement and Pension Consulting's Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors and investment adviser representatives are classified as supervised persons. Marathon Retirement and Pension Consulting requires its supervised persons to consistently act in your best interest in all advisory activities. Marathon Retirement and Pension Consulting imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of Marathon Retirement and Pension Consulting. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

#### **Affiliate and Employee Personal Securities Transactions Disclosure**

Marathon Retirement and Pension Consulting or associated persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a

potential conflict of interest. It is the express policy of Marathon Retirement and Pension Consulting that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. Marathon Retirement and Pension Consulting and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client.
- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an "insider".
- Associated persons are discouraged from conducting frequent personal trading.
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of Marathon Retirement and Pension Consulting.

Any associated person not observing our policies is subject to sanctions up to and including termination.

## **Item 12 – Brokerage Practices**

We do not recommend or require the use of a particular broker/dealer or other retirement plan sponsor company. Therefore clients will need to select the broker/dealer or retirement plan sponsor. Because we have not formed relationships with a particular broker/dealer or sponsor, we may not be able to obtain the best prices and execution for the transaction. Under a client-directed brokerage arrangement, clients may receive less favorable prices than would otherwise be the case if the client had not designated the particular broker/dealer or custodian. It is likely that Marathon Retirement and Pension Consulting may not be authorized to negotiate commissions and fees. We may be unable to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission and fee charges may exist between clients.

We do not have a soft dollar agreement with a broker-dealer or a third-party.

Investment advisors may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading or block trading. Marathon Retirement and Pension Consulting does not engage in block trading.

It should be noted that implementing trades on a block or aggregate basis may be less expensive for client accounts; however, it is our trading policy is to implement all client orders on an individual basis. Therefore, we do not aggregate or "block" client transactions. Considering the types of investments we

hold in advisory client accounts and the fact that accounts can be held at various different sponsors and custodian, we do not believe clients are hindered in any way because we trade accounts individually. This is because we develop individualized investment strategies for clients and holdings will vary. Our strategies are primarily developed for the long-term and minor differences in price execution are not material to our overall investment strategy.

### **Item 13 – Review of Accounts**

#### **Account Reviews and Reviewers**

Managed accounts are reviewed at least quarterly. While the calendar is the main triggering factor, reviews can also be conducted at your request. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by Aaron Spelker, with reviews performed in accordance with each client's specific situation and objectives.

#### **Statements and Reports**

You will receive account statements directly from the qualified custodian or third-party administrator of your account. In addition, we provide consolidated performance reports. You are encouraged to always compare any reports or statements provided by us against the account statements delivered from the qualified custodian. When you have questions about your account statement, you should contact our firm and the qualified custodian preparing the statement.

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

Marathon Retirement and Pension Consulting does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in *Item 5* of this Disclosure Brochure. Marathon Retirement and Pension Consulting receives no other forms of compensation in connection with providing investment advice. *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**

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented. According to this definition, Marathon Retirement and Pension Consulting does **not** have custody of client funds or securities.

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

Some clients may grant trading authorization on plan assets on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction.

If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your assets are managed on a non-discretionary basis, you need to know that if we are not able to reach you or you are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

You will have the ability to place reasonable restrictions on the types of investments that may be purchased in your account. You may also place reasonable limitations on the discretionary power granted to Marathon Retirement and Pension Consulting so long as the limitations are specifically set forth or included as an attachment to the client agreement.

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

Marathon Retirement and Pension Consulting does not vote proxies on behalf of Clients. We have determined that taking on the responsibilities for voting client securities does not add enough value to the services provided to you to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in Account.

You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided.

#### **Item 18 – Financial Information**

This *Item 18* is not applicable to this brochure. Marathon Retirement and Pension Consulting does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, Marathon Retirement and Pension Consulting has not been the subject of a bankruptcy petition at any time.

## Customer Privacy Policy Notice

The information contained in this section will also be disclosed in Marathon Retirement and Pension Consulting'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*. As a registered investment advisor, Marathon Retirement and Pension Consulting, LLC and its investment adviser representatives will gather and develop personal information regarding our clients. This information will be gathered and developed by us for the following purposes:

1. To determine the client's financial goals and objectives
2. To determine the level of advisory services needed and desired by the client
3. To provide the client with specific recommendations regarding advisory services
4. To provide the client with specific recommendations regarding financial products
5. To provide ongoing support and recommendations regarding financial products held in the client's account

Client information that Marathon Retirement and Pension Consulting, LLC will collect may include, but not be limited to the following:

- Information received from clients on financial inventories through consultations with its representatives. This information may include personal and household information such as income, spending habits, investment objectives, financial goals, statements of account and other records concerning the clients' financial conditions and assets, together with information concerning employee benefits and retirement plan interests, wills, trusts, mortgages and tax returns.
- Information developed as part of financial plans, analyses or investment advisory services.
- Information concerning investment advisory account transactions, such as wrap account transactions.
- Information about clients' financial products and services transactions with Marathon Retirement and Pension Consulting, LLC

When a client account is closed, Marathon Retirement and Pension Consulting, LLC will continue to keep all client information confidential in accordance with the principles stated in its privacy policy. A copy of the Privacy Policy Notice will be delivered to all clients in writing by at least one of the following methods:

- By hand delivering a copy to the client
- Mailing a copy to the client's address on record
- If business is conducted electronically, a notice may be posted on an electronic site as long as the client acknowledges receipt of the Privacy Policy Notice prior to the client obtaining any services or products from Marathon Retirement and Pension Consulting, LLC

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.



A copy of the Privacy Policy Notice will be provided to the client no later than the time a client establishes a relationship with Marathon Retirement and Pension Consulting, LLC, unless this situation would cause a delay in the client obtaining services and the client agrees to accept the notice at a later date. When this situation applies, a copy of the Privacy Policy Statement will be delivered to the client within a reasonable time period following the transaction.

Any time a change is made to the Privacy Policy, the statement to clients will be revised. The revised statement will be given to all affected clients prior to any disclosure of information. In addition, Marathon Retirement and Pension Consulting, LLC will provide a copy of its Privacy Policy Statement to all current and existing clients at least annually.

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