



# Retirement Plan Advisors, LLC

## Client Brochure

*Updated March 28, 2016*

*This brochure provides information about the qualifications and business practices of Retirement Plan Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (312) 701-1100 or visit [www.retirementplanadvisors.com](http://www.retirementplanadvisors.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority. Retirement Plan Advisors, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information which you may use to determine whether to hire or retain an adviser.*

*Additional information about Retirement Plan Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

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## **Item 4 – Advisory Business**

### **A. Description of the Advisory Firm**

Retirement Plan Advisors, LLC (RPA) is an Investment Adviser registered with the Securities and Exchange Commission (SEC) and located in the State of Illinois. It has been in business since 2001. The principal owner is Retirement Plan Advisors Group, Inc.

### **B. Types of Advisory Services**

RPA offers clients financial planning, asset portfolio management, insurance, retirement counseling and referrals to third-party money managers, including wrap fee programs.

#### **Financial Planning**

RPA begins financial planning services with an in-depth review of the client's current financial situation and investment holdings. Together, from a life planning perspective, we identify a client's short-, intermediate-, and long-term goals. RPA then develops a comprehensive financial plan integrating cash flow and budgeting issues, debt management, tax-related issues, insurance needs, and a savings and investment strategy.

#### **Asset Portfolio Management**

RPA provides fee-based investment management services. Our investment philosophy is based on strategic asset allocation principles, but frequently includes tactical components. Together with the client, we develop an initial model asset allocation and investment policy statement.

We recommend underlying funding vehicles — predominantly no-load or load-waived mutual funds and exchange traded funds — to populate the model allocation. RPA monitors the risk-adjusted performance of the investments and recommends changes as appropriate.

RPA's Investment Adviser Representatives (IARs) schedule investment reviews at least annually to confirm that the Investment Policy Statement and underlying investments continue to reflect our clients' goals and risk tolerances. Additionally, we ask our clients to notify us immediately about any changes in their personal circumstances that may affect their investment goals and objectives.

#### **Employer Retirement Plan Consulting**

RPA provides retirement plan and pension consulting to governmental employers. Services include, but are not limited to, investment menu review, fund selection, 3(21) advisory services, and plan design. RPA may also provide similar services to non-profit and private sector employers.

## **Retirement Plan Advisors' Sponsor*Plus***

RPA's Sponsor*Plus* is an Investment Advisory Program that provides fiduciary services to group retirement plan sponsors. With Sponsor*Plus* service, RPA provides clearly defined investment policies and regularly applies these policies to retirement plans on behalf of plan sponsors. RPA works with the plan sponsors to meet their fiduciary obligations. With Sponsor*Plus*, RPA serves as an ERISA 3(21) and 3(38) adviser and stands with the plan sponsor as a co-fiduciary on the plan, regardless of size. RPA provides:

- An Investment Policy Statement (IPS) to govern plan investment decisions;
- An initial investment menu selection to bring plan investment menus in line with industry best practices;
- Ongoing monitoring and automatic investment menu updates; and
- RPA's Portfolio*Plus*, an optional managed account program specifically designed for public sector retirement plans.

RPA may also function in a 3(38) fiduciary role and provide services for non-profit and private sector employers who are covered under ERISA. In an ERISA environment, RPA complies with all ERISA guidelines and works with the plan sponsor to ensure they do as well.

## **Insurance**

As part of its financial planning and investment management services, RPA provides advice regarding insurance products. RPA IARs may be insurance licensed and represent and/or be affiliated with several general insurance agencies, including Crump, TBS Agency, Inc., CreativeOne, and Target. RPA IARs will disclose in advance if they will receive commissions from the sale of insurance products.

## **Services Offered:**

- *The Cambridge Asset Allocation Platform (CAAP)*

CAAP is a wrap fee platform offered through Cambridge Investment Research Advisors, Inc. (CIRA), a federally registered investment adviser, and sponsor of CAAP. CAAP offers a range of discretionary money management solutions from a variety of outside investment managers. RPA IARs will work with clients to determine the appropriate investment manager and portfolio for their unique circumstances. A copy of the CAAP Wrap Brochure (describing the services to be provided and the fees associated with these investments) will be given to clients to fully review prior to investing.

- *Advisory Directed Managed Accounts*

RPA IARs can develop a customized portfolio based on a client's individual investment objectives, risk tolerance and time horizon. These customized solutions allow for specific features, including security and asset class restrictions and guidelines.

- *Retirement Plan Advisors' PortfolioPlus*

Retirement Plan Advisors' Portfolio*Plus* is a discretionary fee-based active money management solution for both employer-sponsored retirement programs and individual clients. RPA's IARs match the client's risk tolerance and time horizon to one of five model portfolios, which RPA manages on a continuing basis.

Portfolio*Plus* clients are encouraged to contact their RPA IAR when changes occur in their financial situation or investment objectives; annual meetings may be scheduled at their work location. Clients in this program are not contacted individually for an annual meeting.

#### **Delivery of Disclosure Brochures**

Delivery of RPA's current Part 2A and Part 2B brochures are given before, or at the time, the client enters into an investment advisory contract.

#### **C. Client-tailored Services and Client-imposed Restrictions**

RPA offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client's IPS, which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client-specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent RPA from properly servicing the client account, or if the restrictions would require RPA to deviate from its standard suite of services, RPA reserves the right to end the relationship.

#### **D. Wrap Fee Programs**

RPA does not provide portfolio management services for wrap fee programs. RPA IARs refer clients, in a Co-Advisory Relationship with CIRA, for CIRA's CAAP.

#### **E. Assets Under Management**

RPA has the following assets under management:

<b>Discretionary</b>	<b>Non-discretionary</b>	<b>Date Calculated</b>
\$ 443,180,966.58	\$1,119,882,320.28	12/31/2015

## Item 5 – Fees and Compensation

### A. Fee Schedule

#### Financial Planning

All fees are subject to negotiation. Financial planning fees begin at \$150. The typical cost of a basic financial plan averages \$600, and the typical cost of a comprehensive financial plan averages \$1,500. Our hourly fees range from \$100 to \$250 per hour. Actual costs are agreed upon in advance, with a minimum 50% paid in advance.

#### Asset Portfolio Management

- *The Cambridge Asset Allocation Platform (CAAP)*  
Account fees are subject to negotiation. Fees for the CAAP program are a maximum 2.15% per year of assets under management, with a maximum annual trading fee of \$250. A copy of the CAAP Wrap Brochure (describing the services to be provided and the fees associated with these investments) will be given to clients before, or at the time, the client enters into an advisory contract.
- *Advisory Directed Managed Accounts*  
The asset-based advisory fee will not exceed 2.25% per year on assets under management. Trading and custodial fees, which are in addition to the advisory fee charged by RPA, may apply.
- *Retirement Plan Advisors' PortfolioPlus*  
The maximum fee for PortfolioPlus is 2.25% per year on assets under management, and the program may have a \$3.75 quarterly maintenance charge.

#### Non-ERISA Employer Retirement Plan Consulting

Fees are subject to negotiation. RPA provides employer pension consulting to governmental employers; fees for these services are available on an asset fee, fixed, or hourly basis.

#### ERISA Plan Consulting and Managed Accounts

Fees are subject to negotiation. RPA provides plan-level consulting and managed account services to retirement plans covered under ERISA. Fees for these services are available on an asset fee, fixed, or hourly basis.

#### Mutual Fund Fees

Client assets invested in shares of mutual funds will pay both a direct management fee for advisory services to RPA and any indirect management fee(s) charged by the mutual fund(s). Fees charged by the various mutual funds are separate and distinct from the advisory fees charged by RPA and may include 12b-1 commissions, as well as certain transaction and maintenance charges. Clients should fully review each fund's prospectus prior to investing.

## **B. Payment of Fees**

The specific manner in which fees are charged by RPA is established in the client's written agreement with RPA. RPA will generally deduct its fees from client accounts on a quarterly basis. Clients may be billed in advance or arrears each calendar quarter, and may elect to be billed directly for fees or to authorize RPA to directly debit fees from their accounts dependent upon the type of advisory program. Management fees may be prorated for each capital contribution and withdrawal made during the applicable calendar quarter. Accounts initiated or terminated during a calendar quarter may be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

## **C. Clients are Responsible for Third-Party Fees**

RPA's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third-party investments or other third parties (such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions). Mutual funds and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Such charges, fees, and commissions are exclusive of and in addition to RPA's fee, and RPA shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that RPA considers in selecting or recommending broker/dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

## **D. Prepayment of Fees**

RPA collects fees in advance for financial planning agreements. If the client elects to terminate the agreement at any time (by submitting written notice to RPA), fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. The exception is that a full refund of any fees paid will be made if the contract is terminated by written notice within five (5) business days of the day of execution. Unearned fees will be returned promptly to the client.

## **E. Outside Compensation for the Sale of Securities to Clients**

Occasionally, the officers and affiliated IARs of RPA may buy or sell securities for their own accounts. These transactions may be similar to, the same as, or the opposite of transactions they recommend and/or effect for any advisory client. Client accounts will always be serviced prior to any orders placed for proprietary accounts. RPA will not practice the bunching or aggregation of orders. Advisory fees that are charged to clients may be reduced

to offset the commissions or markups on securities or investment products recommended to clients.

In their separate capacities as agents of a broker/dealer, representatives who are affiliated with RPA may also receive the usual 12b-1 fees paid by mutual funds to the broker/dealer agent, as well as commissions on the initial sale of group retirement plans. Additionally, IARs affiliated with RPA may solicit the services of third-party money managers, for which RPA will receive a portion of the advisory fee paid to the third party.

RPA and/or its IARs may receive client referrals from outside solicitors. The solicitor will receive a portion of the fees charged by RPA to the client, but in no event will the client be charged additional fees to offset those paid to the solicitor. All outside solicitors will provide the client with a separate written disclosure outlining the solicitor's arrangements with RPA.

### **Equity Participation Plan**

Some of RPA's associated persons have entered into an Equity Participation Plan with Cambridge Investment Research, Inc. (Cambridge). Under this arrangement, RPA's associated persons are eligible to participate in the Equity Participation Plan due to their affiliation as registered representatives of Cambridge and have the ability to earn a percentage of Cambridge's overall profit ratio. RPA's associated persons are not owners or officers of Cambridge.

### **Cambridge Investment Group, Inc.**

Additionally, some of RPA's associated persons are eligible to participate in the Cambridge Investment Group, Inc. private stock purchase program due to their affiliation as registered representatives of Cambridge. Cambridge Investment Group, Inc. is 100% owner of CIRA and its affiliated broker/dealer, Cambridge. RPA's associated persons who participate in this program do not act as officers of Cambridge; however, they would have a percentage of ownership and have the ability to participate in Cambridge's overall profits.

While these arrangements between RPA's associated persons and Cambridge may be perceived as having the potential for a conflict of interest between RPA and its clients, in that it might inhibit RPA's independent judgment concerning the best execution services offered by Cambridge and its clearing broker/dealers, RPA is committed to always acting in the best interest of our clients. Clients always have the option to purchase RPA-recommended products through other brokers or agents that are not affiliated with RPA.

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

RPA does not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client).



## Item 7 – Types of Clients

RPA provides portfolio management services to individuals, high-net-worth individuals, pension and profit-sharing plans, group retirement plans, banks or thrift institutions, trusts, estates, or charitable organizations, Taft-Hartley plans, foundations, endowments, and municipalities.

The firm recommends that potential clients have at least \$10,000 (ten thousand dollars) as the initial investment to open a CAAP account and \$25,000 (twenty-five thousand dollars) to open an Advisory Directed Managed Account with RPA. The exception to this recommendation applies to Retirement Plan Advisors' Portfolio*Plus* program, which has no minimum account balance.

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

### A. Methods of Analysis and Investment Strategies

RPA's methods of analysis include charting, fundamental, and technical analysis.

Charting analysis involves the manipulation of data relating to price and trading volume that occurs with respect to time. The resulting information is then used to generate visual displays that can help the investor uncover price patterns and trends.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data, primarily price and volume.

### B. RPA's Investment Strategies (used to implement any investment advice given to clients) Include:

- Long-term purchases (securities held at least a year) and short-term purchases (securities sold within a year).
- Investment strategies that are designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

### C. Risks of Loss

RPA generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

**Past performance is not a guarantee of future results. Diversification and asset allocation strategies do not assure profit or protect against loss.**

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

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

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of our firm or the integrity of our management. There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of RPA's management team.

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

##### **A. Registered Affiliations**

###### **Retirement Plan Advisors, Inc.**

RPA is affiliated with Retirement Plan Advisors, Inc. (RPA, Inc.), a registered broker/dealer with the Financial Industry Regulatory Authority (FINRA). Registered representatives of the affiliated broker/dealer, RPA, Inc., provide enrollment and education services to public sector retirement plans. RPA, Inc. is also a general insurance agency and receives commissions for the sale of insurance products from several insurance agencies. All registered representatives of RPA, Inc. are dually registered as representatives of Cambridge and may provide referral services to Cambridge (for which they may receive commissions on the sale of securities). In addition, the Office of Supervisory Jurisdiction (OSJ) Principal is also registered as an IAR with CIRA. This allows for supervision of the investment advisory activities of broker/dealer agents, under our OSJ, that are IARs of CIRA.

Registered representatives of RPA, Inc. may receive commissions for effecting transactions in securities that have been recommended to clients by the same person(s) of RPA, the affiliated investment advisory firm. Conversely, in their capacity as IARs for RPA, they may suggest the use of RPA, Inc. In any such situation — where the same person(s) or affiliated firm(s) may receive compensation for services they recommend — there exists the potential for a conflict of interest. In all cases, any conflicts will be disclosed to the client in advance.

## **Retirement Plan Advisors Group, Inc.**

Retirement Plan Advisors Group, Inc. is a holding company and is the sole owner of RPA, LLC and RPA, Inc. This corporation facilitates and streamlines administration of the two companies to ease the burden of certain duplicative administrative matters.

### **B. Other Registrations**

Neither RPA nor its management persons are registered or associates of a futures commission merchant, commodity pool operator, or commodity trading adviser.

### **C. Other Relationships**

#### **Affiliation with Continuity Partners Group, LLC**

RPA is affiliated with Continuity Partners Group, LLC (CPG). CPG is registered as a Registered Investment Adviser firm with the SEC and a registered broker/dealer with FINRA.

CPG has been established by Cambridge Investment Group, Inc. (CIG), the parent company of Cambridge Investment Research Advisors, Inc. (CIRA), Cambridge Investment Research, Inc. (Cambridge), and certain principals of CIG. CPG was established primarily to provide certain Cambridge Rep-Advisers with tools to enhance the value of their retail practices, including a source to finance the transitioning of their practices and/or purchase of existing practices.

Although CPG has registered as an Investment Adviser, CPG does not provide advisory services. CPG has registered as an Investment Adviser solely because it acquires the goodwill associated with the client relationships serviced by RPA Rep-Advisers participating in CPG. Correspondingly, CPG will receive a portion of advisory fees generated from such investment advisory client relationships. Advisory fees will be paid by participating RPA Rep-Advisers directly to CPG. RPA clients will not enter into a direct client relationship with CPG.

### **D. Recommendations of Outside Investment Advisers**

RPA does not recommend or select other investment advisers for our clients that create material conflicts of interest.

## Item 11 – Code of Ethics

### A. Description of Code of Ethics

RPA has adopted a written Code of Ethics for all supervised persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts, and the reporting of certain gifts and business entertainment items and personal securities trading procedures, among other areas of concern. All supervised persons at RPA must attest to the terms of the Code of Ethics annually, or as amended.

### B-D. Related Persons' Conflict of Interest

For accounts over which our firm has discretionary authority, RPA anticipates that — in appropriate circumstances, consistent with clients' investment objectives — we may recommend to clients (or prospective clients) the purchase or sale of securities or investment products where the adviser or a related person has some financial interest.

RPA may recommend to investment advisory clients or prospective clients the purchase or sale of securities or investment products in which RPA, its affiliates, and/or clients have a position of interest, either directly or indirectly.

RPA employees and persons associated with our firm are required to follow our Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of RPA and its affiliates may trade in securities which are recommended to and/or purchased for RPA's clients for their own accounts.

The Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of the employees of RPA will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, to reasonably prevent conflicts of interest between RPA and its clients.

Certain affiliated accounts may trade in the same securities with client accounts (on an aggregated basis) when consistent with RPA's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. RPA will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial

trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

It is RPA's policy that the firm will not effect any principal or agency cross securities transactions for client accounts. RPA will also not cross trade between client accounts.

1) Principal transactions are generally defined as transactions where an adviser, acting as principal for their own account or the account of an affiliated broker/dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account.

2) An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker/dealer or has an affiliated broker/dealer.

RPA's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Jim Morper, Chief Compliance Officer, at (573) 659-4443.

## **Item 12 – Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Clients are free to choose whichever broker/dealer and/or clearing firm they may prefer to transact trades for their accounts. RPA's affiliated IARs may recommend one of a number of broker/dealers and/or clearing firms, depending upon the products in which a client wishes to trade (e.g., clients who choose CAAP are also required to use Cambridge as a broker/dealer), the commissions charged by the various broker/dealers or clearing firms, and their expertise in any particular area(s). Any and all commissions, trading fees or other expenses associated with the selection of a broker/dealer or clearing firm will be fully disclosed.

RPA primarily utilizes National Financial Services (NFS), Pershing, Schwab, and TD Ameritrade for advisory transactions. In addition, RPA is limited to using Security Benefit, MassMutual, and The Standard for non-ERISA group retirement plans. The recommendation to utilize those firms is based on the services provided, discount rates, product offerings, and execution services available.

RPA recognizes its duty to provide the best execution for our clients under the circumstances available. The decision to utilize preferred custodial firms is based upon the customer service provided to investors and the services available to RPA. While it is

possible that clients may pay higher commission or transaction fees through preferred service providers, RPA has determined these providers currently offer the best overall value to RPA and its clients for the service, brokerage, and technology provided.

RPA does not:

- Have any soft-dollar relationships.
- Receive referrals from a broker/dealer or third party.
- Have an incentive to recommend clients to direct brokerages.
- Have an incentive to direct client transactions to a particular broker in return for product and research services.

## **B. Aggregating (Block) Trading for Multiple Client Accounts**

RPA maintains the ability to block trade purchases (limited to mutual funds only) across accounts but will rarely do so. While block trading may benefit clients by purchasing larger blocks in groups, we do not believe that the clients are at a disadvantage due to the best execution practices of our custodian.

# **Item 13 – Review of Accounts**

## **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

RPA reviews accounts on different levels. These start on a quarterly basis with our IARs and may also occur when client financial or market situations change. All financial planning accounts are reviewed upon plan creation and plan delivery by an IAR. Additionally, all discretionary brokerage accounts, financial planning agreements, and RPA's *PortfolioPlus* accounts are reviewed at initial setup by the Chief Compliance Officer.

## **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic, or political events, or by changes in the client's financial situation (such as retirement, termination of employment, a physical move, or an inheritance). RPA's Investment Committee meets on a quarterly basis (or more frequently, if warranted) to review and discuss market and economic conditions that may affect clients' accounts. Every client is strongly urged to notify RPA as soon as possible of any changes in financial situation, needs, and/or goals that may occur, so this information may be factored into any existing investment plan and strategy.

## **C. Content and Frequency of Regular Reports Provided to Clients**

Clients who elect to purchase securities products (i.e., individual stocks, mutual funds, and variable insurance products) will receive confirmations of their purchases and sales and quarterly and/or monthly statements containing account information such as account value, transactions, and other relevant account information from either the product sponsor or

product custodian. Clients may also receive periodic reports reflecting the performance of their investment portfolio over a specified period. These reports may include reference to RPA as the registered investment adviser (RIA) for the account.

Clients may also have electronic access to their portfolio and may be able to create and/or print information concerning their portfolio investments. The firm, at no additional cost, provides a newsletter regarding investment activities for Portfolio*Plus* clients.

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

RPA does not receive any economic benefit, directly or indirectly, from any third party for advice rendered to RPA clients.

RPA does not directly or indirectly compensate any person who is not registered as an investment adviser under the Investment Advisers Act of 1940. Outside solicitors who refer clients to RPA will enter into a written solicitor's agreement with our RIA.

#### **Item 15 – Custody**

Under Rule 206(4)-2 of the *Advisers Act* ("Rule 206(4)-2") and its requirements, custody is defined as holding, directly or indirectly, clients' funds or securities, or having the authority to obtain possession of them. Under Rule 206(4)-2, custody would include:

- Having arrangements, including a general power of attorney, whereby an adviser is authorized or permitted to withdraw client assets maintained with a custodian upon the adviser's instruction to the custodian (this would include having the ability to deduct fees or other expenses directly from a fund's or client's account.)

According to this last definition, RPA is deemed to have custody of client assets since it has management fees deducted directly from client accounts and paid to RPA. However, the automatic deduction of advisory fees from client accounts is the only form of custody RPA will maintain. RPA will not have direct access to client funds and securities, nor will it have control over client funds and securities. According to the exemption provided in the SEC's *Custody of Funds or Securities of Clients by Investment Advisers Rule*, since the deduction of client fees is the only form of custody RPA will maintain, RPA may indicate on its Form ADV Part 1, Item 9 that it does not have custody of any advisory clients' cash or bank accounts or securities. Further, since the only form of custody the firm has is the deduction of advisory fees, RPA is not subject to the Rule's surprise verification examination requirements.

Clients should receive at least quarterly statements from the broker/dealer, bank, or other qualified custodian that holds and maintains clients' investment assets. RPA urges clients to carefully review such statements and compare official custodial records to the account statements that we may provide to you. RPA's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

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

RPA usually receives discretionary authority from the client to buy and sell securities at the beginning of an advisory relationship. When selecting securities and determining amounts, RPA observes the investment policies, limitations, and restrictions of the clients for whom it advises. Before entering any advisory relationship, the client must sign a written agreement stating the investment guidelines and restrictions.

For registered investment companies, RPA's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments (once made).

In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

#### **Item 17 – Voting Client Securities (Proxy Voting)**

As a matter of firm policy and practice, RPA does not have any authority nor does it vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. RPA may provide advice to clients regarding the clients' voting of proxies.

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

RIAs are required to provide you with certain financial information or disclosures about RPA's financial condition.

##### **A. Balance Sheet**

RPA neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance.



## **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

RPA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

## **C. Bankruptcy Petitions in Previous Ten Years**

Neither RPA nor its management has been the subject of a bankruptcy petition in the last ten years.

## **Privacy Policy**

At RPA, protecting your privacy is very important. We value your trust, and we want you to understand what information we collect, how we protect it, and how we use it. We treat personal information — non-public information that identifies you — with respect and in accordance with this Privacy Policy.

### **Information We May Collect**

We may obtain information, much of which comes directly from you, to provide you with products and services you have requested and as we deem appropriate, and to determine your eligibility for products or services. We may collect identification and contact information, as well as transaction and investment experience information from applications, transactions with others and with us, and outside companies.

### **Examples of the Sources and Types of Information We May Collect Include:**

- Information about the products and services you purchase through us, including: copies or applications, registration forms, or other forms containing your name, address, telephone number, Social Security number, email address, investment objectives, income, assets, employment information, and accounts with other companies.
- Information regarding your brokerage and/or investment advisory transaction history with us, our service providers, such as clearing firms, or other companies; and information from other companies who assist us in marketing our own products and services or products we offer jointly with other financial institutions may have, such as your name, address, and telephone number.
- Information under the USA PATRIOT Act enacted by the United States Treasury Department and Congress to combat terrorism. (Investor notification is available upon request.)

## **Information We May Disclose and to Whom We May Disclose Information**

RPA does not disclose your personal information to companies or organizations not affiliated with us that would use the information we have provided them to contact you about their own products and services. We may disclose all the personal information we collect, as described above, to companies, such as insurance companies and brokers, banks, broker/dealers, and investment advisers that provide services to you on our behalf, such as:

- Providing administrative, customer assistance, clearing, operational, or other services;
- Preparing, printing, and delivering portfolio management performance reports, confirmation statements, and other documents;
- Executing securities transactions;
- Maintaining or developing software for us; or for financial institutions (such as banks, investment advisers, or securities firms) with which we have joint marketing arrangements to endorse or offer financial products or services. RPA will not sell your personal and confidential information to unaffiliated third parties;
- Third-party asset managers with whom we have relationships for the management of customer accounts; and
- State, Federal, and other regulatory and self-regulatory authorities as required by law or regulation.

## **Disclosures Permitted by Law**

We may also disclose all the information we collect as permitted or required by law. For example, we may disclose information to law enforcement agencies or insurance and securities regulatory agencies. If state law requires us to give you the option to opt-out or opt-in to information sharing, our service providers will provide you with this option.

## **Instructions on How to Notify Us**

For any questions regarding this policy or to request additional copies, please contact your Advisory Representative directly or call the RPA Compliance Department at (573) 659-4443.

A copy of the RPA Privacy Policy is also available on our website, [www.retirementplanadvisors.com](http://www.retirementplanadvisors.com).