

FIRM BROCHURE
(Part 2A of Form ADV)

October 26, 2017

Retirement Capital Strategies, Inc
SEC File Number: 801 – 70918

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Part 2A of Form ADV (the “Brochure”) provides information about the qualifications and business practices of Retirement Capital Strategies, Inc. If you have any questions about the contents of this Brochure, please contact us by phone at (408)551-6100 and/or by email at mike.philipp@rcsadvisor.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 Capital Strategies, Inc is a registered investment adviser with the State of California; however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made.

Additional information about Retirement Capital Strategies, Inc. also is available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 1: COVER PAGE

Please refer to previous page.

ITEM 2 MATERIAL CHANGES

Retirement Capital Strategies, Inc. (“RCS” or “the Firm”) has made the following amendments to this Brochure:

Item 4 – Advisory Business - To reflect the change in the Firm’s ownership percentages.

The last version of this Brochure was dated March 29, 2017. Our prospective clients are strongly encouraged to read this Brochure in its entirety prior to engaging RCS for any advisory services.

Pursuant to state regulations, RCS will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of RCS’s fiscal year, along with a copy of this Brochure or an offer to provide the Brochure. RCS’s Brochure and Supplemental Brochures (information regarding RCS’s investment adviser representatives) are available anytime upon request or at the SEC’s website at www.adviserinfo.sec.gov.

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ITEM 4 ADVISORY BUSINESS

A. Description of Firm

Retirement Capital Strategies, Inc. (the “RCS”) is a corporation formed on November 27, 2002 in the State of California. RCS became registered as an Investment Adviser Firm in 2005. Since October 11, 2017, Thomas Vaughan owns 51% and Michael Robert Philipp owns 49% of Retirement Capital Strategies.

B. Types of Advisory Services Offered

INVESTMENT ADVISORY SERVICES

RCS charges fees based on a percentage of assets under management, and the specific fees charged by RCS for its advisory services will be set forth in each client’s advisory agreement or an attachment thereof. Fees charged by RCS are negotiable at the sole discretion of RCS, and arrangements with any particular client can differ from those described below. In addition, for family and friends of RCS, RCS can, in its sole discretion, reduce or waive fees in their entirety.

Prior to engaging RCS to provide investment management services, you are required to enter into a formal investment advisory agreement with us setting forth the terms and conditions, including the amount of investment advisory fees, under which we manage your assets and also a separate custodial/clearing agreement with LPL.

Although RCS believes its advisory fees are competitive, clients should be aware that lower fees for comparable services can be available from other sources.

RCS shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client’s investment objective(s). Thereafter, RCS shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client can, at any time, impose reasonable restrictions, in writing, on RCS’s services.

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

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

To the extent requested by a client, RCS can provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. RCS’s planning and consulting fees are negotiable, but generally range from \$250 to \$2,500 on a fixed fee basis, and from \$125 to \$325 on an hourly rate basis, depending upon the level and scope of the service(s) required and

the professional(s) rendering the service(s). Prior to engaging RCS to provide planning or consulting services, clients are generally required to enter into a Financial Planning and Consulting Agreement with RCS setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to RCS commencing services. If requested by the client, RCS will recommend the services of other professionals for implementation purposes, including RCS's representatives in their individual capacities as registered representatives of a broker-dealer and/or licensed insurance agents. (See disclosure at Item 10 C.1 and Item 10 C.8). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from RCS. Please Note: If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. Please Also Note: It remains the client's responsibility to promptly notify RCS if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising RCS's previous recommendations and/or services.

NON-INVESTMENT CONSULTING/IMPLEMENTATION SERVICES.

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

PRIVATE INVESTMENT FUNDS.

RCS, at times, will provide investment advice regarding unaffiliated private investment funds. RCS's role relative to the private investment funds shall be limited to its initial and ongoing due diligence in connection with RCS's financial planning and consulting services. If a client determines to become a private fund investor, RCS's investment adviser representatives will work with the client, if the client so chooses, in the investment adviser representative's capacity as an LPL registered representative. RCS does not hold or place private fund investments in our Investment Advisory Services accounts. RCS's clients are under absolutely no obligation to consider or make an investment in a private investment fund(s).

Please Note: Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike other liquid investments that a client can maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

C. Important Information Relating to RCS's Services

RCS shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, RCS shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client can, at any time, impose reasonable restrictions, in writing, on RCS's services.

Trade Error Policy. RCS shall reimburse accounts for losses resulting from RCS's trade errors, but shall not credit accounts for such errors resulting in market gains. The gains and losses are reconciled with RCS's qualified custodian ("Custodian") and the Custodian retains the net gains and RCS pays the losses.

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

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

D. Assets Under Management

As of December 31, 2016, the following represents the amount of client assets under management by RCS on a discretionary and non-discretionary basis:

Type of Account	Assets Under Management ("AUM")
Discretionary	\$191,547,042.00
Non-Discretionary	\$0.00
Total:	\$191,547,042.00

E. Wrap Programs

RCS does not participate in any wrap programs at this time.

ITEM 5 FEES AND COMPENSATION

The client can determine to engage RCS to provide discretionary investment advisory services on a fee basis. As described in greater detail below, RCS charges fees based on a percentage of assets under management, and the specific fees charged by RCS for its advisory services will be set forth in each client's advisory agreement or an attachment thereof. Fees charged by RCS are negotiable at the sole discretion of RCS; arrangements with any particular client can differ from those described below. In addition, for family and friends of RCS, RCS can, in its sole discretion, reduce or waive fees in their entirety.

Although RCS believes its advisory fees are competitive, clients should be aware that lower fees for comparable services can be available from other sources.

A. Description of Fees; Fee Schedule

1. INVESTMENT ADVISORY SERVICES

Fees for asset management services will be assessed on an annual fixed-fee basis of up to 1.8% of a client's assets under management and will vary by engagement. The fixed fee will be determined by examining such factors as the aggregate amount of client assets managed by RCS as well as the complexity of the client's affairs (which can reflect certain services which the client needs above and beyond normal portfolio management services such as estate, tax and insurance planning as well as specially tailored client services.). The client's exact fees, and how such fees are charged by RCS, shall be explicitly stated in the advisory agreement or an attachment thereof prior to services being provided.

RCS's asset management fees are assessed quarterly, in advance, and calculated based on market value of client assets as of the close of business on the last business day of the calendar month. Generally, investment advisory fees will be automatically deducted from the client's account by the Custodian as soon as practicable following the end of each applicable period. Alternatively, clients can elect to have Custodian bill the client directly for advisory fees, in which case, payment is due upon receipt of the fee invoice. The Custodian shall deduct fees and/or bill clients quarterly in advance, based upon the market value of the assets on the last business day of the previous quarter. Should a client open an account during a quarter, RCS's advisory fee will be prorated based on the number of days the account was open during the quarter. In the event RCS's services are terminated mid-quarter, any paid, unearned fees will be promptly refunded to the client. The number of days the account was managed during the quarter until termination is used to determine the percentage of the advisory fee earned (based on the total number of days in the month) and the balance is refunded.

RCS does not require a minimum account size but does reserve the right to decline any potential client for any reason. RCS, in its sole discretion, can charge a lesser investment management and/or waive or reduce its minimum asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

The custodian, LPL, delivers an account statement to the client at least quarterly, showing all disbursements, including advisory fees, deducted from the account. The client is encouraged to review all account statements for accuracy. It is the responsibility of the client and not the custodian to ensure the fees are calculated correctly.

The Investment Advisory Agreement between RCS and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the Investment Advisory Agreement. Upon termination, RCS shall refund the pro-rated portion of the advanced advisory fee paid based upon the number of days remaining in the billing quarter.

2. FINANCIAL PLANNING AND CONSULTING SERVICES

To the extent specifically requested by a client, RCS will provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone fee basis.

RCS's planning and consulting fees are negotiable, but generally range from \$250 to \$2,500 on a fixed fee basis, and from \$125 to \$325 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

B. Other Fees and Expenses

RCS requires that clients select LPL Financial ("LPL") to serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as LPL charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to RCS's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

Securities Commission Transactions: RCS and its investment adviser representatives do not receive commissions or 12b-1 trailing commission compensation relating to client advisory accounts. However, in the event that the client desires, the client can engage RCS's representatives, in their individual capacities, as registered representative of LPL, an SEC registered and FINRA member broker-dealer, to implement investment recommendations on a commission basis. In the event the client chooses to purchase investment products through LPL, LPL will charge brokerage commissions to effect securities transactions, a portion of which commissions LPL shall pay to RCS's representatives, as applicable. The brokerage commissions charged by LPL can be higher or lower than those charged by other broker-dealers. In addition, LPL, as well as RCS's representatives, relative to commission mutual fund purchases, can also receive additional ongoing 12b-1 trailing commission compensation, in RCS's representatives' separate capacities as LPL registered representatives, directly from the mutual fund company during the period that the client maintains the mutual fund investment.

The recommendation that a client purchase a commission product from LPL presents a conflict of interest, as the receipt of commissions can provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from RCS's representatives. RCS's Chief Compliance Officer, Michael Philipp, remains available to address any questions that a client or prospective client will have regarding the above conflict of interest.

ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

RCS does not charge performance-based fees (*i.e.*, fees calculated based on a share of capital gains on or capital appreciation of the client's assets or any portion of the client's assets). Consequently, we do not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as assets under management). As described above, we provide our services for an advisory fee that is based upon a percentage of a client's assets under management, which is in accordance with state and federal requirements.

ITEM 7 TYPES OF CLIENTS

RCS provides personalized investment advisory services to individuals, business entities, trusts, estates and charitable organizations.

RCS does not require a minimum account size but does reserve the right to decline any potential client for any reason. RCS, in its sole discretion, will charge a lesser investment management and/or waive or reduce its minimum asset requirement based upon certain criteria (*i.e.* anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

If a Client's account is a pension or other employee benefit plan governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), RCS can be a fiduciary to the plan. In providing our investment management services, the sole standard of care imposed upon us is to act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. RCS will provide certain required disclosures to the "responsible plan fiduciary" (as such term is defined in ERISA) in accordance with Section 408(b)(2), regarding the services we provide and the direct and indirect compensation we receive by such clients. Generally, these disclosures are contained in this Form ADV Part 2A, the client agreement and/or in separate ERISA disclosure documents, and are designed to enable the ERISA plan's fiduciary to: (1) determine the reasonableness of all compensation received by RCS; (2) identify any potential conflicts of interests; and (3) satisfy reporting and disclosure requirements to plan participants.

ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis

Every method of analysis has its own inherent risks. To perform an accurate market analysis RCS must have access to current/new market information. RCS has no control over the dissemination rate of market information; therefore, unbeknownst to RCS, certain analyses can be compiled with outdated market information, severely limiting the value of RCS's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

In analyzing mutual funds and exchange-traded funds ("ETFs"), RCS will use various sources of information, including data provided by Morningstar, Inc., a mutual fund company's website, and other online and subscription resources. We cannot guarantee that any such strategy or analysis will prove profitable or successful.

B. Investment Strategies

RCS's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, can incur higher transactional costs when compared to a longer term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period, involves a very short investment time period but will incur higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy.

Please Note: Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by RCS) will be profitable or equal any specific performance level(s).

Currently, RCS primarily allocates client investment assets among various mutual funds and/or exchange traded funds ("ETFs"), on a discretionary basis in accordance with the client's designated investment objective(s).

RCS generally uses diversification in an effort to optimize the risk and potential return of a portfolio. More specifically, we expect to utilize multiple asset classes, investment styles, market capitalizations, sectors, and regions to provide diversification.

RCS's general investment strategy is to seek a total return proportionate with the level of risk the client decides to take. We assist each client in developing an investment plan, by seeking to understand the client's general financial situation, investment objectives, liquidity needs, time

horizon, return objective, and risk tolerance, as well as any special considerations and/or restrictions the client chooses to place on the management of the client accounts. Based on this information, we determine the securities that comprise each client's portfolio and then make investment strategy recommendations that are consistent with the client's investment plan. RCS offers several different investment strategy ("asset allocation") types for managing client accounts. Based on the client's investment plan, we will recommend managing the client's accounts in accordance with one or multiple asset allocation strategies.

Client portfolios with similar investment objectives and asset allocation goals can at times, own the same or different securities. Income tax factors also influence RCS's investment decisions (however, note that RCS does not give tax advice).

Each portfolio will maintain a target asset allocation. Generally, we review client portfolios periodically to evaluate how closely the actual allocation matches the target allocation. When we consider the variance excessive, we will take appropriate actions (by buying or selling securities) to bring the actual allocation within acceptable range of the target allocation. We refer to this process as "rebalancing." The process of rebalancing offers a systematic process to buy or sell securities when investment categories (asset classes) vary from their target allocation.

C. Risk of Loss

Prior to opening an account with RCS, each client should carefully consider:

- That investing in securities involves risk of loss, which clients should be prepared to bear;
- That securities markets experience varying degrees of volatility;
- That over time, the client's assets can fluctuate and at any time be worth more or less than the amount invested; and
- That clients should only commit assets that are long-term in nature, typically a minimum of a ten-year time horizon.

We do not guarantee that any investment strategy will meet its investment objectives or that an account will not suffer losses.

The prices of securities held in client accounts and the income they generate can decline in response to certain events taking place around the world. These include events directly involving the issuers of securities held as underlying assets of mutual funds and ETFs in a client's account, conditions affecting the general economy, and overall market changes. Other contributing factors include local, regional, or global political, social, or economic instability and governmental or governmental agency responses to economic conditions. Finally, currency, interest rate, and commodity price fluctuations can also affect security prices and income. For additional risk information please see appropriate mutual fund and ETF prospectuses.

Risks of Securities

When investing in mutual funds and ETFs, investors have literally thousands of choices. Most mutual funds and ETFs fall into one of three main categories: money market funds, bond funds

(also called “fixed income” funds), and stock funds (also called “equity” funds). Each type has different features and different risks and rewards. Generally, the higher the potential return, the higher the risk of loss.

Exchange-Traded Funds (ETFs)

An ETF is a type of investment company (usually, an open-end fund or unit investment trust) containing a basket of stocks or bonds that usually tracks a specific index or sector. An ETF is similar to an index mutual fund in that it will primarily invest in securities of companies that are included in a selected market index or that fall into a particular sector. Unlike traditional mutual funds, which can only be redeemed at the end of a trading day, ETFs trade throughout the day on an exchange. Like stock and bond mutual funds, the prices of the underlying securities and the overall market can affect ETF prices. Similarly, factors affecting a particular industry segment can affect ETF prices that track specific sectors. An investment in an ETF could lose money over short or even long periods. You should expect the ETFs share price and total return to fluctuate within a wide range, like the fluctuations of the overall stock market.

Mutual Funds (Open-end Investment Companies)

A mutual fund is a company that pools money from many investors and invests the money in stocks, bonds, short-term money-market instruments, other securities or assets, or some combination of these investments. The portfolio of the mutual fund consists of the combined holdings it owns. Each share represents an investor’s proportionate ownership of the fund’s holdings and the income those holdings generate. The price that investors pay for mutual fund shares is the funds per share net asset value (NAV) plus any shareholder fees that the fund imposes. An investment in a mutual fund could lose money over short or even long periods. You should expect the fund’s share price and total return to fluctuate within a wide range, like the fluctuations of the overall stock market.

Bond Mutual Funds and Bond ETFs

Unlike money market funds, the applicable regulatory rules (which include those promulgated by the SEC) do not restrict bond funds and bond ETFs to high quality or short-term investments. Because there are many different types of bonds, bond funds and bond ETFs can vary dramatically in their risks and rewards. Some of the risks associated with bond funds and bond ETFs include, among others:

Interest Rate Risk

Interest rate risk refers to the risk that the market value of bonds will go down when interest rates go up. Because of this risk, investors can lose money in any bond fund or Bond ETF. Interest rate risk applies to investments in insured bonds and U.S. Treasury Bonds. Longer-term bonds tend to have higher interest rate risks.

Credit Risk

Credit risk refers to the risk that companies or other issuers can fail to pay their debts (including the debt owed to holders of their bonds). Consequently, this affects, mutual funds and ETFs that hold these bonds. Credit risk is less of a factor investments including insured bonds or U.S. Treasury Bonds. By contrast, those that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.

Prepayment Risk

Issuers can choose to pay off debt earlier than the stated maturity date on a bond. For example, if interest rates fall, a bond issuer can decide to “retire” its debt and issue new bonds that pay a lower rate. When this happens, proceeds from the sale of individual bonds or a bond fund will not be able to be reinvested the proceeds in an investment with as high a return or yield.

Stock Mutual Funds and Stock ETFs

A stock mutual fund and stock ETF’s values can rise and fall quickly (and dramatically) over short or even long periods. You should expect a stock mutual fund’s and a stock ETF’s share price and total return to fluctuate within a wide range. Overall stock market risk poses the greatest potential danger for investors in stock mutual funds and stock ETFs. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. Stock prices can fluctuate for a broad range of reasons—such as the overall state of the economy or demand for particular products or services. Some other risks associated with various types of stock funds include, among others:

Small Cap Funds

Stock mutual funds that invest in stocks of small companies involve additional risks. Smaller companies typically have higher risk of failure, and are not as established as larger companies. Historically, smaller company stocks have experienced a greater degree of market volatility than the overall market average.

International Funds

Stock mutual funds that invest in foreign securities involve special additional risks. International investments are subject to stock market risk as well as additional risks, including currency fluctuation, political instability, country/regional risk, and potential illiquid markets.

Emerging Market Funds

Emerging market investments involve stock market risk and the same risks as international investments. Investing in emerging markets can accentuate those additional risks.

Real Estate Investment Trust (“REIT”) Funds

REIT Funds include REITs within the underlying fund holdings. REITs primarily invest in real estate or real estate-related loans. Equity REITs own real estate properties, while mortgage REITs hold construction, development, and/or long-term mortgage loans. REIT investments include illiquidity and interest rate

Other Holdings

Occasionally, it will be decided to keep some of the portfolio assets that existed before the management account was established. These other investments can include: Common Stock, Preferred Stock, Individual Bonds and Certificates of Deposit

RCS does not represent, guarantee or imply that the services or methods of analysis employed by us can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines.

Clients are advised that they should only commit assets for management that can be invested for the long term, that volatility from investing can occur, and that all investing is subject to risk. Consequently, the value of an account can at any time be worth more or less than the amount invested. RCS does not represent, guarantee or imply that the services or methods of analysis employed by us can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines.

ITEM 9 DISCIPLINARY INFORMATION

Registered investment advisers such as RCS are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client’s or prospective client’s evaluation of RCS or the integrity of its management. RCS does not have any such legal or disciplinary events and therefore has nothing to disclose with respect to this Item.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Registered Representative of LPL. As disclosed above in Item 5, RCS’s representatives are also registered representatives of LPL, an SEC Registered and FINRA member broker-dealer.

Neither RCS, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

Registered Representatives of Broker-Dealer. As disclosed above in Item 5, RCS’s representatives are registered representatives of LPL, an SEC registered and FINRA member broker-dealer. Clients can choose to engage RCS’s representatives, in their individual capacities, to effect securities brokerage transactions on a commission basis.

Licensed Insurance Agents. Certain of RCS’s representatives, in their individual capacities, are licensed insurance agents, and at times, will recommend the purchase of certain insurance-related

products on a commission basis. As referenced in Item 4.B above, clients can engage certain of RCS's representatives to effect insurance transactions on a commission basis.

• **Conflict of Interest:** The recommendation by RCS's representatives that a client purchase a securities or insurance commission product presents a conflict of interest, as the receipt of commissions can provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from RCS's representatives. Clients are reminded that they can purchase insurance products recommended by RCS through other, non-affiliated broker-dealers or insurance agents. RCS's Chief Compliance Officer, Michael Philipp, remains available to address any questions that a client or prospective client will have regarding the above conflict of interest.

RCS does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics Summary

RCS has adopted a Code of Ethics ("Code") which establishes standards of conduct for RCS's supervised persons and includes general requirements that such supervised persons comply with their fiduciary obligations to clients and applicable securities laws, and specific requirements relating to, among other things, personal trading and insider trading. It contains written policies reasonably designed to prevent the unlawful use of material non-public information by RCS or any of its officers, directors, agents or employees. The Code also requires that certain RCS's personnel (called "Access Persons") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings. The Code and RCS's Trade Aggregation and Allocation Policy, govern how RCS's Access Persons may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Person) any transactions in a security which is being actively purchased or sold on behalf of any of RCS's clients. The Code also requires supervised persons to report any violations of the Code promptly to the Firm's Chief Compliance Officer ("CCO"). Each supervised person receives a copy of the Code and any amendments to it and must acknowledge in writing having received the materials. Annually, each supervised person must certify that he or she complied with the Code during that year.

RCS will provide a copy of its Code of Ethics to any client or prospective client upon request by contacting RCS at 408-551-6100.

B. Participation or Interest in Client Transactions

Neither RCS nor any related person of RCS recommends, buys, or sells for client accounts, securities in which the RCS or any related person of RCS has a material financial interest.

C. Personal Trading

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

RCS, its related persons and/or representatives of RCS will buy or sell securities that are also recommended to clients. This practice creates a situation where RCS and/or representatives of RCS are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if RCS did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of RCS's clients) and other potentially abusive practices.

RCS has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the RCS's "Access Persons". The RCS's securities transaction policy requires that an Access Person of the RCS must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period. Additionally, Access Persons are required to report all personal securities transactions to the RCS within thirty (30) days of the end of every calendar quarter.

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

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

ITEM 12 BROKERAGE PRACTICES

Clients wishing to implement our advice are free to select any broker/dealer they wish and are so informed. If clients wish to have our investment advisor representatives implement advice in their capacity as registered representative, LPL will be used. Our investment adviser representatives are registered representatives of LPL and are required to use the services of LPL when acting in their capacity as registered representatives. LPL has a wide range of approved securities products for which LPL performs due diligence prior to selection. LPL's registered

representatives are required to adhere to these products when implementing securities transactions through LPL. Commissions charged for these products can be higher or lower than commissions clients could obtain if transactions were implemented through another broker/dealer. Because our investment adviser representatives are registered representatives of LPL, LPL provides compliance support to RCS's associated persons. In addition to compliance support, LPL also provides the associated persons of RCS, and therefore RCS, with back-office operational, technology, and other administrative support.

If clients wish to implement the advice of RCS through the programs described in this Disclosure Brochure, LPL will be the broker/dealer and custodian required due to RCS's associated persons' relationships with LPL. Moreover, RCS can be limited in the broker/dealer or custodians that it is allowed to use due to RCS's associated persons' relationships with LPL. LPL can limit or restrict the broker/dealer or custodial platforms for its registered representatives that are also independently licensed due to its duty to supervise the transactions implemented by these individuals.

While there is no direct linkage between the investment advice given to clients and RCS's recommendation of LPL, economic benefits can be provided by LPL to RCS that will not be provided if the client selects another broker/dealer or account custodian. These benefits can include: negotiated costs for transaction implementation, a dedicated trade desk that services LPL participants exclusively, a dedicated service group and an account services manager dedicated to RCS's accounts, access to a real-time order matching system, electronic download of trades, balances and position information, access, for a fee, to an electronic interface with the account custodian's software, duplicate and batched client statements, confirmations and year-end reports.

Clients should understand that not all investment advisors require the use of a particular broker/dealer or custodian. Some investment advisors allow their clients to select whichever broker/dealer the client decides. However, due to our relationship with LPL, it is our policy that all accounts managed by RCS must be established through LPL. By directing clients to use a , LPL, RCS perhaps will not achieve the most favorable execution of client transactions and the practice requiring the use of LPL will at times cost clients more money than if the client used a different broker/dealer or custodian.

Research and Additional Benefits

Although not a material consideration when determining whether to recommend LPL as broker-dealer/custodian, LPL offers to RCS without cost (and/or at a discount) support services and/or products, certain of which are designed to assist RCS to better monitor and service client accounts maintained at LPL. Included within the support services that are offered to RCS are investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing.

ITEM 13 REVIEW OF ACCOUNTS

For those clients to whom RCS provides investment supervisory services, account reviews are conducted on an ongoing basis by the client's investment adviser representative. All investment

supervisory clients are advised that it remains their responsibility to advise RCS of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with RCS on an annual basis.

RCS conducts account reviews on an other than periodic basis upon the occurrence of triggering events, which can include, but are not limited to, a change in client investment objectives and/or financial situation, account rebalancing and client request.

Clients are provided, at least quarterly, with written or electronic transaction confirmation notices and regular written or electronic summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

As referenced in Item 12.A.1 above, RCS can receive an indirect economic benefit from LPL. RCS, without cost (and/or at a discount), can receive support services and/or products from LPL.

RCS's clients do not pay more for investment transactions effected and/or assets maintained at LPL as a result of this arrangement. There is no corresponding commitment made by RCS to LPL or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

RCS's Chief Compliance Officer, Michael Philipp, remains available to address any questions that a client or prospective client will have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement can create.

RCS does not compensate, directly or indirectly, any person, other than its representatives, for client referrals.

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, RCS does **not** have custody of client funds or securities.

RCS has established procedures to ensure all client funds and securities are held at a qualified custodian (i.e. LPL Financial) in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's

independent representative, at least quarterly. **It is the Client's responsibility to carefully review those statements to verify the accuracy of the fee calculation; the Custodian will not determine whether the fees are properly calculated.**— When clients have questions about their account statements, they should contact RCS or the qualified custodian preparing the statement.

ITEM 16 INVESTMENT DISCRETION

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

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

ITEM 17 VOTING CLIENT SECURITIES

RCS does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Clients will receive their proxies or other solicitations directly from their custodian. Clients can contact RCS to discuss any questions they will have with a particular solicitation.

ITEM 18 FINANCIAL INFORMATION

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

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

RCS has not been the subject of a bankruptcy petition.

ANY QUESTIONS: RCS's Chief Compliance Officer, Michael Philipp, remains available to address any questions that a client or prospective client will have regarding the above disclosures and arrangements.