

# WPG Advisers, LLC

## Brochure

**Dated: August 27, 2018**

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**This brochure provides information about the qualifications and business practices of WPG Advisers, LLC. If you have any questions about the contents of this brochure, please contact us at (410) 527-0203. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

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

**References herein to as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.**

## **Item 2           Material Changes**

This is WPG Advisers, LLC initial Form ADV.

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#### **Item 4            Advisory Business**

- A. WPG Advisers, LLC (the “Registrant”) is a limited liability company formed in July 2017 in the State of Maryland. The Registrant became registered as an Investment Adviser Firm in September 2018. The Registrant is owned by Linda Moscato.
- B. As discussed below, the Registrant offers to its clients (individuals, pension and profit sharing plans, business entities and trusts, etc.) investment advisory services, and, to the extent specifically requested by a client, financial planning and related consulting services.

#### **INVESTMENT ADVISORY SERVICES**

The client can determine to engage the Registrant to provide discretionary and/or non-discretionary investment advisory services on a *fee* basis. The Registrant’s annual investment advisory fee shall be based upon a percentage (%) of the market value and type of assets placed under the Registrant’s management, generally between negotiable and 1.00%.

Registrant’s annual investment advisory fee shall include investment advisory services, and, to the extent specifically requested by the client, financial planning and consulting services. In the event that the client requires extraordinary planning and/or consultation services (to be determined in the sole discretion of the Registrant), the Registrant may determine to charge for such additional services, the dollar amount of which shall be set forth in a separate written notice to the client.

#### **FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)**

The Registrant may be engaged to 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. Registrant’s planning and consulting fees are negotiable, but generally range from \$1,000 to \$25,000 on a fixed fee basis, and from \$100 to \$400 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 the Registrant to provide planning or consulting services, clients are generally required to enter into a *Financial Planning and Consulting Agreement* with Registrant 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 Registrant commencing services. If requested by the client, Registrant may recommend the services of other professionals for implementation purposes, including certain of the Registrant’s Principals and representatives in their individual capacities as registered representatives of a broker-dealers and/or licensed insurance agents. (*See* disclosure at Item 10.C). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. 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 the Registrant if there is ever any change in their financial situation or investment

objectives for the purpose of reviewing, evaluating or revising Registrant's previous recommendations and/or services.

### RETIREMENT PLAN SERVICES

The Registrant also provides non-discretionary pension consulting services, pursuant to which it assists sponsors of self-directed retirement plans with the selection and/or monitoring of investment alternatives (generally open-end mutual funds) from which plan participants shall choose in self-directing the investments for their individual plan retirement accounts. In addition, to the extent requested by the plan sponsor, the Registrant may also provide participant education designed to assist participants in identifying the appropriate investment strategy for their retirement plan accounts. The terms and conditions of the engagement shall generally be set forth in a *Retirement Plan Services Agreement* between the Registrant and the plan sponsor.

### MISCELLANEOUS

**Limitations of Financial Planning and Non-Investment Consulting/Implementation Services:** As indicated above, to the extent requested by a client, Registrant may provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Registrant **does not** serve as an attorney or accountant, and no portion of its services should be construed as legal or accounting services. Accordingly, Registrant **does not** prepare estate planning documents or tax returns. To the extent requested by a client, Registrant may recommend the services of other professionals for certain non-investment implementation purpose (i.e. attorneys, accountants, insurance agents, etc.), including representatives of Registrant in their separate individual capacities as representatives United Planners, a FINRA member broker-dealer ("*United Planners*") and/or as licensed insurance agents. 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 Registrant and/or its representatives. **Please Note:** If the client engages any recommended unaffiliated 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-Conflict of Interest:** The recommendation by Registrant's representative that a client purchase a securities or insurance commission product through Registrant's representative in their separate and individual capacity as a registered representative of *United Planners* and/or as an insurance agent, presents a **conflict of interest**, as the receipt of commissions may provide an incentive to recommend investment or insurance products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any securities or insurance commission products through such a representative. Clients are reminded that they may purchase securities and insurance products recommended by Registrant through other, non-affiliated broker-dealers and/or insurance agents. **Registrant's Chief Compliance Officer, Linda Moscato, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

**Retirement Plan Rollovers – No Obligation / Potential for Conflict of Interest:** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's

plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account (“IRA”), or (iv) cash out the account value (which could, depending upon the client’s age, result in adverse tax consequences). If the Registrant recommends that a client roll over their retirement plan assets into an account to be managed by the Registrant, such a recommendation creates a conflict of interest if the Registrant will earn an advisory fee on the rolled over assets. No client is under any obligation to roll over retirement plan assets to an account managed by Registrant. The Registrant’s Chief Compliance Officer, Linda Moscato, remains available to address any questions that a client or prospective client may have regarding the conflict of interest presented by such rollover recommendation.

**ERISA / IRC Fiduciary Acknowledgment:** If the client is: (i) a retirement plan (“Plan”) organized under ERISA; (ii) a participant or beneficiary of a Plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code, with authority to direct the investment of assets in his or her Plan account or to take a distribution; (iii) the beneficial owner of an IRA acting on behalf of the IRA; or (iv) a Retail Fiduciary with respect to a plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code: then the Registrant represents that it and its representatives are fiduciaries under ERISA or the Internal Revenue Code, or both, with respect to any investment advice provided by the Registrant or its representatives or with respect to any investment recommendations regarding an ERISA Plan or participant or beneficiary account.

**Use of Mutual Funds:** While the Registrant may recommend allocating investment assets to mutual funds that are not available directly to the public, the Registrant may also recommend that clients allocate investment assets to publicly-available mutual funds that the client could obtain without engaging Registrant as an investment adviser. However, if a client or prospective client determines to allocate investment assets to publicly-available mutual funds without engaging Registrant as an investment adviser, the client or prospective client would not receive the benefit of Registrant’s initial and ongoing investment advisory services.

**Please Note: Non-Discretionary Service Limitations:** Clients that determine to engage the Registrant on a non-discretionary investment advisory basis must be willing to accept that the Registrant cannot effect any account transactions without obtaining prior consent to any such transaction(s) from the client. Thus, in the event of a market correction during which the client is unavailable, the Registrant will be unable to effect any account transactions (as it would for its discretionary clients) without first obtaining the client’s consent.

**Interval Funds:** When consistent with a client’s investment objectives, Registrant may allocate investment assets to “interval funds.” Investment companies structured as “interval funds” are generally designed for long-term investors that do not require daily liquidity. Shares in interval funds typically do not trade on the secondary market. Instead, their shares are subject to periodic redemption offers by the fund at a price based on net asset value. Accordingly, interval funds are subject to liquidity constraints. Interval funds investing in securities of companies with smaller market capitalizations, derivatives, or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Generally, the interval funds recommended by the Registrant offer a two to three week period, on a quarterly basis, during which the client may seek the redemption of previously purchased interval funds. Registrant’s Chief Compliance Officer, Linda Moscato, remains

available to address any questions that a client or prospective client may have regarding the allocation of investment assets to interval funds.

**Closed-end Funds:** Closed-end funds generally do not continually offer their shares for sale. Rather, they sell a fixed number of shares at one time, after which the shares typically trade on a secondary market, such as the New York Stock Exchange or the NASDAQ Stock Market. Risk factors pertaining to closed-end funds vary from fund to fund. The following list of risk factors provides a review of those associated with generalized closed-end fund investing. Not every risk factor in this list will pertain to each closed-end fund. Valuation Risk Common shares may trade above (a premium) or below (a discount) the net asset value (NAV) of the trust/fund's portfolio. At times, discounts could widen or premiums could shrink, and could either dilute positive performance or compound negative performance. There is no assurance that discounted funds will appreciate to their NAV. Interest Rate Risk Generally, when market interest rates rise, bond prices fall, and vice versa. Interest rate risk is the risk that the bonds and/or other income-related instruments in a fund's portfolio will decline in value because of increases in market interest rates. The prices of longer-maturity securities tend to fluctuate more than shorter-term security prices. Credit Risk One or more securities in a trust/fund's portfolio could decline or fail to pay interest or principal when due. Income-related securities of below investment grade quality are predominately speculative with respect to the issuer's capacity to pay interest and repay principal when due and, therefore, involve a greater risk of default. Concentration Risk A trust/fund that invests a substantial portion of its assets in securities within a single industry or sector of the economy may be subject to greater price volatility or adversely affected by the performance of securities in that particular sector or industry. Reinvestment Risk Income from a trust/fund's bond portfolio will decline when the trust/fund invests the proceeds from matured, traded, or called bonds at market interest rates that are below the portfolio's current earnings rate. A decline in income could affect the common shares' market price or their overall returns. Leverage Risk The use of leverage may lead to increased volatility of a trust/fund's NAV and market price relative to its common shares. Leverage is likely to magnify any losses in the trust/fund's portfolio, which may lead to increased market price declines. Fluctuations in interest rates on borrowings or the dividend rates on preferred shares that take place from changes in short-term interest rates may reduce the return to common shareholders or result in fluctuations in the dividends paid on common shares. There is no assurance that a leveraging strategy will be successful. Foreign Investment Risk Investment in foreign securities (both governmental and corporate) may involve a high degree of risk. Trusts/funds invested in foreign securities are subject to additional risks such as, but not limited to, currency risk and exchange-rate risk, political instability, and economic instability of the countries from where the securities originate. In regards to debt securities, such risks may impair the timely payment of principal and/or interest. Alternative Minimum Tax (AMT) A trust/fund may invest in securities subject to the alternative minimum tax.

**Independent Managers:** For those clients that require an enhanced and/or specialized level of investment management services, Registrant may also recommend that certain clients authorize the Registrant to allocate, on a non-discretionary basis, the active discretionary management of a portion of their assets by and/or among certain independent investment manager(s) to be selected by the Registrant (the "Independent Manager(s)"), based upon the stated investment objectives of the client and according to the terms and conditions of a separate agreement executed between the client and the Independent Manager. The Registrant shall continue to render ongoing and continuous advisory services to the client relative to the monitoring and review of account performance, client

investment objectives, and asset allocation, for which Registrant shall receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated Independent Manager(s). Factors which the Registrant shall consider in recommending Independent Manager(s) include the client's stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The Registrant generally has the authority to determine the broker-dealer/custodian to be used by the designated Independent Manager(s) relative to those accounts for which the Independent Manager(s) provide discretionary investment management services for Registrant's clients. **The investment management fees charged by the designated Independent Manager(s), together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, are exclusive of, and in addition to, Registrant's ongoing investment advisory fee.** Fees charged by Registrant pursuant to the use of Independent Manager(s) may be either in advance or arrears depending upon the specific Independent Manager relationship, and will be disclosed to the client at the point of entering into the advisory relationship.

**Third Party Money Manager (TPMM):**

The Registrant and its investment adviser representatives may utilize the services of a TPMM to further assist with the investment management needs and portfolio management services that are delivered its clients. TPMMs are registered investment advisors and, in some cases, may also be affiliated with a broker/dealer. The Registrant is not affiliated with any TPMM.

TPMM services may be offered in different ways, but they are primarily offered in the following manner:

**Strategist Arrangements** (aka Turnkey Asset Management Programs, Advisor Platforms, Sub-Advisor Relationships or Co-Advisor Relationships): These are arrangements where the Registrant may utilize one or more TPMMs to manage a client's account or a portion of a client's account. In these cases, this is not a solicitor arrangement and there is no solicitor fee. In some cases, these strategist arrangements are facilitated as part of a platform that may also involve the use of Separately Managed Accounts (SMAs) and/or Unified Managed Accounts (UMAs).

TPMMs may help to enable the Registrant to provide institutional level investment management services that include a wide range of investment strategies. To the extent the use of a TPMM is appropriate, the Registrant shall be responsible for selecting the most appropriate TPMM and/or investment strategy based on the client's financial situation, investment objective and risk tolerance. In all such cases, clients will receive additional disclosure materials about the TPMM and their services. When utilizing certain TPMMs, client's may also be required to enter into separate investment advisory agreements with the TPMM in addition to our *Investment Advisory Agreement*. **The fees charged by the designated TPMM, together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, are exclusive of, and in addition to, Registrant's ongoing investment advisory fee.**

When a TPMM is utilized, the TPMM typically assumes discretionary authority or discretionary authority is delegated by the Registrant to the TPMM over certain assets in order to efficiently manage your account. Furthermore, the Registrant will collect and convey necessary information about the client to the TPMM. Likewise, the TPMM will collect and convey information about the client and convey it to the Registrant.

Some TPMMs offer various private lending services to their account holders via their respective banking relationships. If the Registrant determines that a client can benefit from any available private lending services, the Registrant may facilitate the introduction to their private lending services. Neither the Registrant nor any of its related persons are compensated for such introductions or the utilization of such services by a client.

No client is obligated to utilize any such available private lending service. Making such private lending services available to a client is purely a value-added benefit that a client may choose to utilize as an account holder of those particular TPMMs.

**Client Obligations:** In performing its services, Registrant 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 their responsibility to promptly notify the Registrant if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Registrant's previous recommendations and/or services.

**Disclosure Statement:** A copy of the Registrant'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 an advisory agreement.

- C. The Registrant 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, the Registrant shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at anytime, impose reasonable restrictions, in writing, on the Registrant's services.
- D. The Registrant does not participate in a wrap fee program.
- E. As of August 27, 2018, the Registrant had \$0 in assets under management on a discretionary basis and \$0 in assets under management on a non-discretionary basis.

## **Item 5 Fees and Compensation**

A.

### **INVESTMENT ADVISORY SERVICES**

The client can determine to engage the Registrant to provide discretionary and/or non-discretionary investment advisory services on a *fee* basis. The Registrant's annual investment advisory fee shall be based upon a percentage (%) of the market value and type of assets placed under the Registrant's management, generally between negotiable and 1.00% as follows:

<u>Assets Under Management</u>	<u>Level Annual Fee</u>
\$0 to \$500,000	1.00%
\$500,001 to \$1,000,000	0.90%
\$1,000,001 to \$3,000,000	0.75%
\$3,000,001 to \$5,000,000	0.65%



\$5,000,001 to \$10,000,000	0.50%
\$10,000,001 to \$20,000,000	0.40%
\$20,000,001 to \$30,000,000	0.30%
\$30,000,000 +	Negotiable

### **FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)**

The Registrant may be engaged to 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. Registrant's planning and consulting fees are negotiable, but generally range from \$1,000 to \$25,000 on a fixed fee basis, and from \$100 to \$400 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

### **RETIREMENT PLAN SERVICES**

The Registrant's fee for providing non-discretionary pension consulting services is based upon a percentage (%) of the market value of the assets within the plan and generally ranges between negotiable and 0.75%. The terms and conditions of the engagement, including the fee applicable to the engagement shall generally be set forth in a *Retirement Plan Services Agreement* between the Registrant and the plan sponsor.

- B. Clients may elect to have the Registrant's advisory fees deducted from their custodial account. Both Registrant's *Investment Advisory Agreement* and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of the Registrant's investment advisory fee and to directly remit that management fee to the Registrant in compliance with regulatory procedures. In the limited event that the Registrant bills the client directly, payment is due upon receipt of the Registrant's invoice. The Registrant shall deduct fees and/or bill clients monthly or quarterly in arrears, based upon the market value of the assets on the last business day of the previous month or quarter.
- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, the Registrant shall generally recommend that TD Ameritrade, Inc. ("TD Ameritrade") serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *TD Ameritrade* 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 Registrant'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). Please Note: The brokerage commissions and/or transaction fees charged by TD Ameritrade may be higher or lower than those charged by other broker-dealers/custodians.
- D. Registrant's annual investment advisory fee shall be prorated and paid monthly or quarterly, in arrears, based upon the market value of the assets on the last business day of the previous month or quarter.

The advisory agreement between the Registrant and the client will continue in effect until

terminated by either party by written notice in accordance with the terms of the agreement. Upon termination, the Registrant's fee shall be prorated based upon the number of days service was provided during the concluding period and shall become due and payable as of the date of termination.

- E. **Commission Transactions.** In the event the client desires, the client can engage certain of the Registrant's representatives in their individual capacities as registered representatives of *United Planners*, a SEC registered and FINRA Member firm, to implement investment recommendations on a fully disclosed commission basis. In the event the client chooses to implement by purchasing investment products through the Registrant's representatives, in their individual capacities as registered representatives of *United Planners*, brokerage commissions will be charged by *United Planners* to effect securities transactions, a portion of which commissions shall be paid by *United Planners* to such representatives. Prior to effecting any transactions, the client will be required to enter into a new account agreement with *United Planners*. The brokerage commissions charged by *United Planners* may be higher or lower than those charged by other broker-dealers. In addition to brokerage commissions, the client may incur, relative to all mutual fund purchases, charges imposed at the mutual fund level (i.e. advisory fees, 12b-1 distribution charges, and other fund expenses). *United Planners*, relative to commission mutual fund purchases, may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company during the period that the client maintains the mutual fund investment.

**Conflict of Interest:**

*United Planners* shall issue a forgivable loan and an advance of interest, totaling \$120,000, to the Registrant upon the affiliation of certain of the Registrant's representatives with *United Planners* as registered representatives. The loan proceeds are intended to assist the Registrant with the economic costs related to the Registrant's transition to an independent registered investment adviser structure.

**Forgivable Loan**

Of the \$120,000 received by the Registrant, \$60,000 has been structured as a forgivable loan. Up to \$60,000 may be forgiven, so long as the individuals remain as registered representatives, in good standing, of *United Planners* and certain production requirements are met (minimum average production or cumulative production). Should either of the individuals terminate their relationship with *United Planners* or fail to meet the minimum of cumulative production requirements, the prorated balance of the Forgivable Loan shall be due and payable at that time.

**Advance on Interest**

Certain of the Registrant's representatives shall participate as limited partners in *United Planners*. As limited partners in *United Planners*, these individuals anticipate positive annual earnings. *United Planners* shall issue an advance of \$60,000 to the Registrant based upon the anticipated annual earnings these individuals shall be due as limited partners of *United Planners*. Until such time as the \$60,000 advance is repaid, the limited partnership earnings shall be calculated annually and applied to the remaining payable balance of the advance. Once the advance has been repaid in full, these individuals shall receive their limited partnership earnings in accordance with the Limited Partnership Agreement.

Should either individual disassociate with *United Planners* or should this Limited Partnership interest be revoked, any unpaid balance on the advance shall be due and payable. However, to the extent that certain cumulative production requirements are met and the affiliation has exceeded five years, the remaining balance of the advance shall be forgiven.

Based upon the foregoing, the Registrant and certain representatives are incentivized to remain affiliated with *United Planners* and receipt of the proceeds from the Forgivable Loan and the Advance on Interest present conflicts of interest. The Registrant and its representatives are incentivized to recommend that clients utilize *United Planners* for brokerage services and to execute commission transactions through *United Planners* rather than basing such recommendations on a client's particular needs. Clients are therefore reminded that they are not under any obligation to purchase securities commission products through *United Planners* and/or the Registrant's representatives, and that they may purchase such securities commission products through other, non-affiliated broker-dealers.

1. **Conflict of Interest:** The recommendation by certain of Registrant's representatives that a client purchase a securities commission product presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from Registrant's representatives. Clients are reminded that they may purchase securities recommended by Registrant through other, non-affiliated broker-dealers. The Registrant's Chief Compliance Officer, Linda Moscato, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.
2. **Please Note:** Clients may purchase investment products recommended by Registrant through other, non-affiliated broker-dealers or agents.
3. The Registrant does not receive more than 50% of its revenue from advisory clients as a result of commissions or other compensation for the sale of investment products the Registrant recommends to its clients.
4. When Registrant's representatives sell an investment product on a commission basis, the Registrant does not charge an advisory fee in addition to the commissions paid by the client for such product. When providing services on an advisory fee basis, the Registrant's representatives do not also receive commission compensation for such advisory services. However, a client may engage the Registrant to provide investment management services on an advisory fee basis and separate from such advisory services purchase an investment product from Registrant's representatives on a separate commission basis.

## **Item 6            Performance-Based Fees and Side-by-Side Management**

Neither the Registrant nor any supervised person of the Registrant accepts performance-based fees.

## Item 7           Types of Clients

The Registrant's clients shall generally include individuals, high net worth individuals, pension and profit sharing plans, business entities and trusts. The Registrant does not generally require an annual minimum fee or asset level for investment advisory services. However, Registrant, in its sole discretion, may charge a lesser investment management fee than stated in the above fee schedule based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

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

- A. The Registrant shall utilize the following methods of security analysis:
- Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
  - Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)
  - Cyclical – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

The Registrant shall utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)

**Please Note: Investment Risk.** Investing in securities involves risk of loss that clients should be prepared to bear. 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 the Registrant) will be profitable or equal any specific performance level(s).

- B. The Registrant's methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis the Registrant must have access to current/new market information. The Registrant has no control over the dissemination rate of market information; therefore, unbeknownst to the Registrant, certain analyses may be compiled with outdated market information, severely limiting the value of the Registrant'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.

The Registrant's primary investment strategies - Long Term Purchases and Short Term Purchases - 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, may incur higher transactional costs when compared to a longer term investment strategy.

- C. Currently, the Registrant primarily allocates client investment assets among various individual equity securities, individual bonds, mutual funds (open-end and closed-end), exchange traded funds and/or independent investment managers, on a discretionary and non-discretionary basis in accordance with the client's designated investment objective(s).

## Item 9            **Disciplinary Information**

The Registrant has not been the subject of any disciplinary actions.

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

- A. **Registered Representative of United Planners**. As disclosed above in Item 5.E, certain of Registrant's representatives are registered representatives of *United Planners*.
- B. Neither the Registrant, 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.
- C. **Registered Representatives of United Planners**. As disclosed above in Item 5.E, certain of Registrant's representatives are registered representatives of *United Planners* a FINRA member broker-dealer. Clients can choose to engage Registrant's representatives, in their individual capacities, to effect securities brokerage transactions on a commission basis.

**Conflicts of Interest**. As discussed in Items 5.E. above, the Registrant has received a Forgivable Loan and an Advance on Interest from *United Planners*. The terms and conditions of the related to the Forgivable Loan and the Advance on Interest allow the Registrant to use the proceeds as they wish, but also require that certain of the Registrant's representatives remain affiliated with *United Planners* and, in some instances, meet certain annual production requirements for brokerage business in order to qualify for loan forgiveness. For more information about the Forgivable Loan and the Advance on Interest, See Item 5.E above.

**Licensed Insurance Agents**. Certain of Registrant's representatives, in their individual capacities, are licensed insurance agents, and may recommend the purchase of certain insurance-related products on a commission basis. Clients can choose to engage certain of Registrant's representatives to purchase insurance products on a commission basis.

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

the above conflict of interest.

- D. The Registrant does not recommend or select other investment advisors for its clients for which it receives a fee.

**Item 11            Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

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

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

- B. Neither the Registrant nor any related person of Registrant recommends, buys, or sells for client accounts, securities in which the Registrant or any related person of Registrant has a material financial interest.
- C. The Registrant and/or representatives of the Registrant *may* buy or sell securities that are also recommended to clients. This practice may create a situation where the Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a 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 the Registrant 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 the Registrant's clients) and other potentially abusive practices.

The Registrant has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Registrant's "Access Persons". The Registrant's securities transaction policy requires that an Access Person of the Registrant 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 thereafter on a date the Registrant selects; provided, however that at any time that the Registrant has only one Access Person, he or she shall not be required to submit any securities report described above.

- D. The Registrant and/or representatives of the Registrant *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 Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. As indicated above in Item 11.C, the Registrant has a personal

securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Registrant's Access Persons.

## **Item 12 Brokerage Practices**

- A. In the event that the client requests that the Registrant recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct the Registrant to use a specific broker-dealer/custodian), Registrant generally recommends that investment management accounts be maintained at *TD Ameritrade*. Prior to engaging Registrant to provide investment management services, the client will be required to enter into a formal advisory agreement with Registrant setting forth the terms and conditions under which Registrant shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that the Registrant considers in recommending *TD Ameritrade* (or any other broker-dealer/custodian to clients) include historical relationship with the Registrant, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Registrant's clients shall comply with the Registrant's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Registrant determines, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Registrant's investment management fee. The Registrant's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

### **1. Research and Additional Benefits**

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Registrant receives from *TD Ameritrade* (or another broker-dealer/custodian, investment platform, unaffiliated investment manager, vendor, unaffiliated product/fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist the Registrant to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by the Registrant may be 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 support, computer hardware and/or software and/or other products used by Registrant in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that *may* be received may assist the Registrant in managing and administering client accounts. Others do not

directly provide such assistance, but rather assist the Registrant to manage and further develop its business enterprise.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *TD Ameritrade* as a result of this arrangement. There is no corresponding commitment made by the Registrant to *TD Ameritrade* 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.

**The Registrant's Chief Compliance Officer, Linda Moscato, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding conflict of interest such arrangement may create.**

2. The Registrant does not receive referrals from broker-dealers.
3. The Registrant does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

**Please Note:** In the event that the client directs Registrant to effect securities transactions for the client's accounts through United Planners, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant. Higher transaction costs adversely impact account performance. **Please Also Note:** Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

**The Registrant's Chief Compliance Officer, Linda Moscato, remains available to address any questions that a client or prospective client may have regarding the above arrangement**

- B. To the extent that the Registrant provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless the Registrant decides to purchase or sell the same securities for several clients at approximately the same time. The Registrant may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. The Registrant shall not receive any additional compensation or remuneration as a result of such aggregation.



### Item 13      Review of Accounts

- A. For those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's representatives. All investment supervisory clients are advised that it remains their responsibility to advise the Registrant 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, investment objectives and account performance with the Registrant on an annual basis, as applicable.
- B. The Registrant may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Those clients to whom Registrant provides investment supervisory services may also receive a quarterly report from the Registrant summarizing account activity and performance.

### Item 14      Client Referrals and Other Compensation

- A. As referenced in Item 12.A.1 above, the Registrant may receive an economic benefit from *TD Ameritrade*. The Registrant, without cost (and/or at a discount), may receive support services and/or products from *TD Ameritrade*.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *TD Ameritrade* as a result of this arrangement. There is no corresponding commitment made by the Registrant to *TD Ameritrade* 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.

Forgivable Loan: Please review Item 5.E above regarding the forgivable loan issued by *United Planners* to the Registrant upon the affiliation of certain of the Registrant's representatives with *United Planners* as registered representatives. The loan proceeds are intended to assist the Registrant with the economic costs related to the Registrant's transition to an independent registered investment adviser structure. The forgivable loan creates a conflict of interest as these individuals have an incentive to recommend the *United Planners* for commission based transactions.

**The Registrant's Chief Compliance Officer, Linda Moscato, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding conflict of interest any such arrangement may create.**

- B. Registrant does not compensate any non-supervised person for client referrals.

## **Item 15      Custody**

The Registrant shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Those clients to whom Registrant provides investment supervisory services may also receive a quarterly report from the Registrant summarizing account activity and performance.

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

## **Item 16      Investment Discretion**

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

Clients who engage the Registrant on a discretionary basis may, at anytime, impose restrictions, in writing, on the Registrant'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 the Registrant's use of margin, etc).

## **Item 17      Voting Client Securities**

- A. The Registrant 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.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact the Registrant to discuss any questions they may have with a particular solicitation.

## **Item 18      Financial Information**

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

- B. The Registrant 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.
- C. The Registrant has not been the subject of a bankruptcy petition.

**ANY QUESTIONS: The Registrant's Chief Compliance Officer, Linda Moscato, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.**