

**Item 1 – Cover Page**

**RETIREMENT PLANNING SPECIALISTS, INC.**

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Phone: (541) 482-0138  
Web: [www.retirementplanningspecialists.com](http://www.retirementplanningspecialists.com)

August 20, 2019

This brochure provides information about the qualifications and business practices of S & P Financial Inc., *dba* Retirement Planning Specialists, Inc. (“Retirement Planning Specialists”). If you have any questions about the contents of this brochure, please contact us at (541) 482-0138 or by e-mail to [chad@rpsemail.com](mailto:chad@rpsemail.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Retirement Planning Specialists is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Retirement Planning Specialists is 139358.

Please note that the use of the term “registered investment advisor” and description of our firm and/or our associates as “registered” does not imply a certain level of skill or training. Clients are encouraged to review this brochure and any brochure supplements (“brochure supplements”) for more information on the qualifications of our firm and our associates.

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## Item 2 – Material Changes

Since the filing of its most recent annual updating amendment to this firm brochure dated March 31, 2019, Retirement Planning Specialists has made the following material changes to this brochure:

- Item 4: We have amended the descriptions of our various services to provide a more comprehensive disclosure of the nature of our services. In particular, our brochure now discloses that unless we agree otherwise, all new Comprehensive Investment Management accounts require that you grant us discretionary authority. All new Comprehensive Investment Management accounts are further required to engage the brokerage services of TD Ameritrade Institutional, a division of TD Ameritrade, Inc., an unaffiliated SEC registered broker-dealer firm and member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation.
- Item 5: We have amended this item to clarify the nature of the fees for our various services, including our policies with respect to invoicing and direct fee deduction. We have also clarified that for Comprehensive Investment Management accounts, our advisory fees cover the costs of our advisory services in addition to all transaction-based charges incurred within the client's account at the custodian. The client is still responsible for all custody and service fees charged by the custodian.
- Item 12: We have inserted language concerning our brokerage practices as they relate to your use of TD Ameritrade Institutional as the qualified custodian of your account(s).

We will ensure that all current clients receive a Summary of Material Changes to this and subsequent brochures within 120 days of the close of our business' fiscal year. A Summary of Material Changes is also included with our brochure on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for RPS is 139358. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new brochure as necessary based on changes or new information, at any time, without charge.

Currently, our brochure may be requested by contacting Chad M. Smith, Chief Compliance Officer, at (541) 482-0138 or by e-mail to [chad@rpsemail.com](mailto:chad@rpsemail.com). Our brochure is provided free of charge.

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**Item 4 – Advisory Business**

- A**     **Our Firm.** Retirement Planning Specialists is an Oregon corporation founded in 2014. The firm is registered as an investment advisor with the SEC. It is owned by Chad M. Smith and Chris Patterson and maintains its sole offices in Ashland, Oregon.

The information contained in this brochure describes our investment advisory services, practices, and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our services to the needs of our clients. As used throughout this firm brochure, the words “we,” “our,” “firm,” “RPS” and “us” refer to Retirement Planning Specialists, and the words “you,” “your,” and “client” refer to you as either a client or prospective client of our firm.

- B C**   **Our Services.** We offer a variety of investment advisory services to our clients.

Prior to forming an investment advisor-client relationship with you, we may offer a complimentary general consultation to prospective clients to discuss the nature of the firm’s services and to determine the possibility of a potential advisory relationship. Investment advisory services begin only after the prospective client and RPS formalize their relationship in a signed written advisory agreement.

A description of the investment advisory services offered by our firm is set forth below.

**Comprehensive Investment Management Services.** Our firm offers broad-based financial planning services coupled with ongoing portfolio management services that are tailored to the client’s unique financial circumstances and investor profile.

Through periodic consultations with you and/or your completion of certain written questionnaires, we will gather information regarding your financial goals, investment objectives, risk tolerance, and the time horizon for your investments. The information we typically request in this process will include your current and expected income level, tax information, investment experience, current portfolio construction/asset allocation, and expected expenses, among other items. Based on our analysis of these factors we will develop, design, and implement a customized investment portfolio and prepare and periodically update a written financial plan that is intended to align with your unique financial circumstances. You must promptly notify us if your financial circumstances, goals, objectives or needs change at any time during the course of our engagement.

- Ongoing Financial Planning – Our financial planning services will encompass some or all of the following topics, depending on your needs: (1) financial, budgeting and cash management; (2) risk management, insurance planning, and analysis; (3) educational funding; (4) estate planning; (5) tax planning; (6) retirement planning; and (7) financial planning for small business.

Following delivery of our initial written financial plan, we will meet with you periodically thereafter to (i) track our progress toward your financial goals (2) review the performance of your investments, and (iii) consider any updates to your written financial plan and investment portfolio as needed or appropriate, in consideration of current economic conditions, our market opinions and assumptions, and any changes in your individual financial circumstances and goals.

- Discretionary Portfolio Management – Following implementation of your initial investment portfolio, we will monitor the performance of your account on an ongoing basis and implement changes within your account as needed or appropriate, in consideration of current economic conditions, our market opinions and assumptions, and your individual financial circumstances and goals.

Our investment strategies have generally been designed for investors with varying degrees of risk tolerance ranging from a more aggressive investment strategy to a more conservative approach. Client portfolios are typically constructed utilizing a diversified combination of open and closed end mutual funds, exchange traded funds (“ETFs”), individual bonds, stocks, fixed and variable annuities, and other instruments, as appropriate. In some circumstances, we may recommend the use of separately managed accounts managed by independent third party sub-advisors. You authorize our use of such sub-advisors in our written advisory agreement and/or in the account opening documents provided by the independent qualified custodian (“Custodian”) of your account. Irrespective of the use of any sub-advisors, we always maintain the advisor-client relationship directly with you.

Effective January 1, 2019, we now require that you grant us *discretionary* authority to implement our investment recommendations directly within your account. Stated plainly, this means that you grant us the authority to (i) select the securities to buy and sell; (ii) the amount of securities to buy and sell; (iii) determine when to buy and sell securities; (iv) to hire and fire sub-advisers; and (iv) take all other actions necessary or incidental to the execution of such transactions -- all for your account and risk -- and without obtaining your specific consent for each transaction. This authorization is provided to us in a written advisory agreement you will enter with our firm and/or the account opening documents you will execute with the Custodian of your account.

As a condition of participation in our Comprehensive Investment Management Services, clients are required to engage the brokerage and custody services of TD Ameritrade Institutional (“TDI”), a division of TD Ameritrade, Inc., an unaffiliated SEC registered broker-dealer firm and member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). Please see more information about our brokerage practices at Item 12 of this brochure.

NOTE: Certain client accounts opened prior to January 1, 2018 may receive our Comprehensive Investment Management Services on a non-discretionary basis. Non-discretionary services are generally no longer offered by our firm. In a non-discretionary account, the client always maintains the sole discretion as to whether to implement any of our investment recommendations. In a non-discretionary account, we will not take any action within the client's account without the client's prior approval.

You shall have the ability to impose reasonable restrictions on our management of your account, including the ability to instruct us not to purchase certain specific securities, industry sectors, and/or asset classes. All such requests must be provided to us in writing. While we generally attempt to accommodate your restrictions, we reserve the right to reject such requests if they would frustrate our management of your account, or for any other reason.

Stand-Alone Financial Planning. Our firm offers Stand-Alone Financial Planning Services that, at the option of the client, may address some or all of the following topics: (1) financial, budgeting and cash management; (2) investment planning and portfolio management; (3) risk management, insurance planning, and analysis; (4) educational funding; (5) estate planning; (6) tax planning; (7) retirement planning; and (8) financial planning for small business. We will meet with you to assist you in identifying areas of potential financial concern and provide you with a discrete set of short and/or long-term financial goals and actions designed to address such concerns. Our recommendations will take the form of a written report delivered to you, designed to help you achieve your stated financial goals and objectives.

Our Stand-Alone Financial Planning Services are provided exclusively on a non-discretionary basis. Stated plainly, this means that you always maintain the sole discretion to accept or reject any of our recommendations and to determine the manner and service providers to be used for implementation of the same. Implementation of our recommendations may be completed by our firm, at your option, subject to the payment of additional fees. You are never obligated to use our firm to implement any of our advice.

Assuming that all the information and documents requested from the client are provided to us promptly, our stand-alone financial planning engagements are typically completed within 45-90 days of execution of our written advisory agreement. Once we have delivered our written financial plan to you we will only update the same upon your specific request and upon your specific request, subsequent engagement of our firm, and payment of additional advisory fees.

Our written financial plan is based on the financial information you provide to us in the course of our consultation(s). You must promptly notify us if your financial circumstances, goals, objectives or needs change at any time during the course of our engagement.

As part of our Stand-Alone Financial Planning Services, we may recommend the use of certain third-party professionals including, without limitation, attorneys, certified public

accountants, and insurance agents. You are advised that RPS is not a law firm, accounting firm or insurance agency, and further that no portion of our advice should be construed as legal, tax, or accounting advice. Clients may elect to engage such recommended third-party professionals at their own discretion and risk. We are not liable for the acts, errors or omissions of any recommended third-party providers. We do not receive any referral fees from recommended third-party professionals.

**D**     No Wrap Fee Program; Types of Investments Recommended. We do not offer or sponsor a wrap fee program.

While we do not recommend one particular type of investment or asset class over any other, we primarily advise our clients regarding investments in equity securities, corporate debt securities (i.e., corporate bonds), mutual funds, ETFs and variable products (life insurance and annuities). Depending on the client's financial circumstances, our investment advice may also concern other instruments not listed above including, without limitation, municipal securities, exchange traded notes, money market accounts, and U.S. government securities, among others. We may also provide advice on any type of investment held in the client's portfolio at the inception of our advisory relationship ("Legacy Assets").

Please see Item 8 of this brochure or a description of the investment strategy(ies) we typically implement in client accounts.

**E**     As of July 31, 2018, we manage \$19,948,186 of client assets on a discretionary basis and \$194,793,814 of client assets on a non-discretionary basis.

## **Item 5 – Fees and Compensation**

**A**     **Our Fees.**

Fees for Comprehensive Investment Management Services. RPS typically charges an annual asset-based advisory fee equal to 1.00% of the market value of your account held at the Custodian in connection with its provision of Comprehensive Investment Management Services. These fees cover the costs of our investment advice and the costs of all transaction based charges and commissions incurred in your account. Our advisory fees may be negotiated on a per client basis, and some clients may pay advisory fees at a higher or lower rate than that stated above. The advisory fee applicable to your account may be amended from time to time in our sole discretion, upon 30 days' written notice to you.

Our advisory fees are calculated and payable quarterly, in advance (for example, ¼ of 1.00% per quarter), based on the value of your portfolio (including any cash balances) as of the last day of the prior quarter. The initial advisory fee applicable to your account will be based on the opening value of your account as of the date on which we begin to provide services and shall be pro-rated for partial periods. Subject to our sole discretion, we may agree to exclude the value of certain Legacy Assets held in your account for purposes of



calculating our advisory fees. Any Legacy Assets to be excluded from our fee calculations will be set forth in our written advisory agreement.

Clients may make additions or withdrawals from their account at any time. While we typically do not adjust our advisory fees on account of mid-period additions or withdrawals, we reserve the right in our sole discretion to make such adjustments. Clients should note that some or all of the investments in their account may be intended as long-term investments and withdrawals of cash and premature liquidations of securities positions may impair the achievement of your investment objectives. For this reason, we recommend that you advise us in advance of any expected deposits or withdrawals from your account in excess of \$10,000.

All security pricing is performed by the Custodian. We will rely on this pricing in determining the advisory fees attributable to your account(s). The Custodian may use various pricing services such as Reuters and Standard & Poor's to price securities held in your account. For actively traded securities, these services use the actual last reported sale price. For less actively traded securities such as bonds, these services will use the appropriate valuation methodology to determine the value of the security.

Fees for Stand-Alone Financial Planning Services. RPS charges hourly fees ranging from \$200 - \$300/hour or flat fees typically ranging from \$1,000 - \$2,500 in connection with its provision of Stand-Alone Financial Planning Services. These fees are negotiable. The total amount of any fixed fees are determined at the time you execute our written advisory agreement. In the case of an hourly arrangement, we will provide you with our estimate of fees at the time you execute our written advisory agreement. In all cases, our fees for Stand-Alone Financial Planning Services will vary based on our expectation of the complexity, time, research, and resources required to complete the financial planning services requested by the client, the personnel involved in the planning activities, and various other factors. In the case of an hourly engagement, you will be billed 50% of the estimated charges at the time you execute our written advisory agreement, with any balance invoiced to your and due upon delivery of your written financial plan. In the case of a fixed fee engagement, you will be invoiced the entire flat fee at the time you execute our written advisory agreement.

**B** **Our Billing Procedures.** Fees for Comprehensive Investment Management Services are paid directly to us from your account(s) held at the Custodian upon your written approval of such arrangement and our periodic submission to you and the Custodian of a written invoice reflecting the amount of advisory fees to be charged to your account. We will liquidate money market shares or use cash balances from your account to pay our advisory fee, however, if money market shares or cash value are not available, other investments may be liquidated. Please note that unexpected or premature liquidation of investments to pay our advisory fees may impair the performance of your account.

The Custodian will independently send an account statement to you on a monthly basis identifying the amount of funds and each security in the account at the end of the period and setting forth all transactions in the account during that period, including the amount of



any advisory fees paid directly to us. *We encourage you to review our reports and the Custodian's account statements carefully and promptly upon receipt.* If you believe we have miscalculated the advisory fees applied to your account or if there is any other issue with your account, you should contact us immediately at the phone number and e-mail address listed on the cover page of this brochure.

Fees for Stand-Alone Financial Planning Services are invoiced at the time of executing our written advisory agreement. In the case of an hourly engagement, any fees due at the conclusion of the engagement will be invoiced together with our delivery of your written financial plan. All hourly and fixed financial planning fees are due upon receipt of our invoice.

- C** **Additional Fees and Expenses.** As part of our services, we may recommend that you invest in mutual funds and ETFs. The fees that you pay to our firm are separate and distinct from the internal management fees and other expenses that may be charged by mutual funds and/or ETFs to their shareholders.

For Comprehensive Investment Management accounts, while our advisory fees cover the transaction based fees and trading commissions in your account at the Custodian, you will be separately responsible to pay the Custodian any related custodial and service fees. Stand Alone Financial Planning clients are responsible for all transaction based fees, custodial fees and service charges incurred in their account at the Custodian. To the extent your account is managed through the use of any sub-advisors, you will also pay separate management fees to such sub-advisors for their services. We do not share in any portion of the foregoing additional fees and expenses. To fully understand the total cost you will incur you should review the prospectus of each mutual fund, ETF, and or separately managed account/sub-advisory program in which you are invested and the contractual arrangement with the Custodian of your account. For information on our brokerage practices, please refer to Item 12 of this brochure.

While we believe our advisory fees to be reasonable for the services provided, lower fees for comparable services may be available from other sources.

- D** **Our Termination Policies.** Our Comprehensive Investment Management Services may be terminated at any time by either party, without penalty or cost, on five (5) days written notice to the non-terminating party. In the event of termination, our advisory fees shall be pro-rated based on the number of days in the terminating period during which services were provided. A refund of any excess pre-paid advisory fees shall be refunded to the client.

Our Stand-Alone Financial Services may be terminated at any time by either party, without penalty or cost, on five (5) days written notice to the non-terminating party. Upon the early termination of an hourly engagement, we shall be compensated for the portion of the financial planning services actually completed through the date of termination. Any pre-paid but unearned fees will be refunded to the client and any accrued but unpaid fees will be invoiced to the client and shall be payable upon receipt. Upon the early termination of a flat fee engagement, we shall be compensated based upon our good faith estimate of the

total percentage of work conducted towards the completion of the engagement at the time of termination. Any pre-paid but unearned fees will be refunded to the client.

**E Compensation for Sale of Insurance Products or Securities.** Neither our firm nor our personnel receive any compensation for the sale of any securities.

Certain personnel affiliated with our firm are licensed in their individual capacities to sell insurance in one or more states and may sell such products to clients and receive commissions related to such sales. Clients are advised that the fees paid to RPS for investment advisory services are separate and distinct from the commissions earned by any individual in connection with the sale of any insurance products to clients. If requested by a client, we will disclose the amount of commission expected to be paid.

The receipt of commissions by an individuals associated with the firm in connection with sales of insurance products to clients presents a conflict of interest. As fiduciaries, we must act primarily for the benefit of our investment advisory clients. As such, we will only transact insurance related business with clients when fully disclosed, suitable, and appropriate. Further, we must determine in good faith that any commissions paid to our personnel are appropriate. Clients are informed that they are under no obligation to purchase insurance products or services from any individual associated with RPS. Clients may use any insurance firm or agent they choose.

Individual Retirement Account Rollover Disclosure. As part of our advisory services to you, we may recommend that you withdraw or “roll over” assets from an employer’s retirement plan to an individual retirement account (“IRA”) that we may advise on and which may therefore result in additional advisory fees payable to us. This type of recommendation represents a conflict of interest for our firm. If we make this type of recommendation you are under no obligation to follow such advice. Alternatively, you may have the options of (1) maintaining your retirement plan as is, (2) rolling over your account to the employer’s new retirement plan, (3) taking a taxable distribution, or (4) rolling over your account to a new IRA. It is important to understand the advantages and disadvantages of each approach, which will depend on individual financial circumstances. Prior to proceeding with any such action, we encourage you to contact us and your independent legal and/or tax professionals for more information.

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

We do not charge any performance-based fees for our services or engage in side-by-side management of accounts.

RPS and individuals associated with our firm may manage accounts which belong either to themselves, individually, or to their family or their affiliates (collectively, “Proprietary Accounts”) while simultaneously managing client accounts. It is possible that orders for Proprietary Accounts may be entered in advance of or opposite to orders for client accounts, pursuant to, for instance, a neutral allocation system, a different trading strategy, or trading at a different risk level. The

management of any Proprietary Account is subject to our Code of Ethics and the duty of our firm and its personnel to exercise good faith and fairness in all matters affecting client accounts.

### Item 7 – Types of Clients

We provide investment advice to individuals, high net worth individuals, 401(k), pension and profit sharing plans and their participants, estates and trusts, partnerships, corporations and other business entities. Because each client is unique, they must be willing to be involved in the planning and ongoing processes of our management of their account. Such involvement does not have to be time consuming, however we want our clients to remain informed and have a sense of security about their investments.

We require a minimum account balance of \$250,000 to participate in our Comprehensive Investment Management Services. We may waive this account minimum at our sole discretion. We do not have any minimum advisory fees.

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

#### A Our Methods of Analysis and Investment Strategies

The types of investments we typically recommend are discussed in Item 4 of this brochure.

We may use some or all of the following methods of analysis in providing investment advice to you:

Fundamental Analysis. Fundamental Analysis. In using fundamental analysis, we attempt to determine the intrinsic value of target securities through a review of, among other things, company specific financial disclosures, the strength and track record of management personnel, industry sector financial health, and at a macro level, the overall direction of the economy at large. We use this information as a basis to determine if such securities are underpriced or overpriced relative to current market prices and then to make a buy or sell recommendation to you.

Relying on this type of analysis leaves open the risk that the price of a security may move along with the overall direction of the market, irrespective of the economic and financial factors which may have indicated that an opposite movement would have been expected. The main sources of information we rely upon when researching and analyzing securities using fundamental analysis include research materials prepared by others, annual reports, corporate rating services, prospectuses, and company press releases.

Asset Allocation. Rather than focusing on selecting the particular securities or other assets to invest for your account, we attempt to identify an appropriate ratio of various types of investments (for example, securities, fixed income, and cash) suitable to investment goals, time horizon, and risk tolerance. A risk of asset allocation is that you may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market

movements and, if not corrected, will no longer be appropriate to meet with your investment goals.

Mutual Fund and ETF Selection and Analysis. We evaluate and select mutual funds and/or ETFs for your account based on several factors which may include, without limitation, (1) the experience and track record of the underlying portfolio manager(s), (2) the performance of the mutual fund or ETF over time and through various market conditions; (3) expected market conditions that might impact the underlying holdings of the mutual fund or ETF or applicable market sector; and (4) whether and to what extent the underlying holdings of the mutual fund or ETF overlap with other assets held in your account. We also monitor the mutual fund or ETF in an attempt to determine if the fund is continuing to follow its stated investment strategy.

A risk of mutual funds and ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A fund manager's past track record of success cannot be relied upon as a predictor of success in the future. In addition, the underlying holdings of the fund are determined by independent fund managers and may change overtime without advance warning, creating the potential for overlap with other investments held in your account. This increase in the correlation of your holdings will increase the risk of loss where the value of any overlapping holdings should decrease. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the mutual fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

We typically use the following investment strategies in managing client accounts:

Long-term Purchases. We primarily take a long term, passive, "buy and hold" approach to investing client assets. In this type of investment strategy, we suggest the purchase of securities with the idea of holding them in a portfolio for a year or longer. Typically, we employ this strategy when (1) we believe the securities to be currently undervalued, and/or (2) we want the portfolio to have exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the recommendation to sell.

Short-term purchases. When utilizing this strategy, we may suggest the purchase of securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we recommend for purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this

strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

- B** We use our best judgment and good faith efforts in rendering investment advice to our clients. We cannot warrant or guarantee any particular level of account performance, or that an account will be profitable over time. Not every investment recommendation we make will be profitable. Investing in securities involves risk of loss that clients should be prepared to bear. You assume all market risk involved in the investment of your account assets. Investments are subject to various market, currency, economic, political, and business risks.

Except as may otherwise be provided by law, we are not liable to you for:

- any loss that you may suffer by reason of any investment recommendation we made with that degree of care, skill, and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; or
- any independent act or failure to act by a custodian of your account(s).

- C** Summary of Investment Risks. While all investing involves risks and losses can and will occur, we generally recommend a broad and diversified allocation of mutual funds and other securities intended to reduce the specific risks associated with a concentrated or undiversified portfolio. Nonetheless, you should consider the following high-level summary of investment risks. **This list is not intended to be an exhaustive description of all risks you may encounter in engaging our firm for advisory services. We encourage you to inquire with us frequently about the risks related to any investments in your account.**

Risk of Loss. Securities investments are not guaranteed, and you may lose money on your investments. As with any investment manager that invests in common stocks and other equity securities, our investment recommendations are subject to market risk—the possibility that securities prices will decline over short or extended periods of time. As a result, the value of your account(s) will fluctuate with the market, and you could lose money over short or long periods of time. You should recognize whenever you determine to invest in the securities markets your entire investment is at risk. Clients should not invest money if they are unable to bear the risk of total loss of their investments.

Risks Related to Analysis Methods. Our analysis of securities relies in part on the assumption that the companies whose securities we recommend for purchase and sale, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Securities Transactions at the Direction of Clients. While we typically provide portfolio management services only on a discretionary basis, the client maintains the concurrent

ability to make transactions within the account held at Custodian. Our firm is not responsible for the consequences of the client's self-directed investment decisions.

Interim Changes in Client Risk Tolerance and Financial Outlook. The particular investments recommended by our firm are based solely upon the investment objectives and financial circumstances disclosed to us by the client. While we strive to meet with clients at regular intervals (generally, at least annually or semi-annually) to discuss any changes in the client's financial circumstances, the lack of constant and continuous communication presents a risk insofar as your liquidity, net worth, risk tolerance and/or investment goals could change abruptly, with no advance notice to our firm, resulting in a mis-aligned investment portfolio and the potential for losses or other negative financial consequences.

**It is your continuing and exclusive responsibility to give us complete information and to notify us of any changes in your financial circumstances, income level, investment goals or employment status. We encourage you to contact us regularly and promptly to discuss any such changes.**

### Item 9 – Disciplinary Information

RPS is required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm, or the integrity of our management. No principal or person associated with RPS has any information to disclose which is applicable to this Item

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

Sale of Insurance Products. As disclosed in Section 5, certain personnel affiliated with our firm are also licensed as insurance agents in one or more states, either through a licensed general insurance agency or as direct agent representative of a specific insurance company. The conflicts of interest associated with the above arrangements and how these conflicts are addressed are described in Section 5 of this brochure.

### Item 11 – Code of Ethics, Participation or Interest in Client Transaction & Personal Trading

**A** **Our Code of Ethics.** We disclose to clients material conflicts of interest which could reasonably be expected to impair our rendering of unbiased and objective advice. RPS has a Code of Ethics ("Code") which all employees are required to follow. The Code outlines proper conduct related to all services provided to clients and will be made available to you, free of charge, upon request. Prompt reporting of internal violations is mandatory. RPS's Chief Compliance Officer, Chad M Smith, regularly evaluates employee performance to ensure compliance with the Code.

**B-D** **Personal Trading; Participation or Interest in Client Transactions.** Our firm and individuals associated with our firm do not have any proprietary or material interests in or any role in the management of any companies or investments that we recommend to our clients.



As discussed in Item 6, RPS and individuals associated with our firm may trade Proprietary Accounts. Such Proprietary Accounts may make investments in the same securities we recommend and transact in for our clients. It is possible orders for securities for Proprietary Accounts may be entered in advance of or opposite to orders for client accounts, pursuant to, for instance, a neutral allocation system, a different trading strategy, or trading at a different risk level. The management of any Proprietary Accounts is subject to the duty of our firm and our personnel to exercise good faith and fairness in all matters affecting its clients' accounts. Specifically, our Code is designed to assure that the personal securities transactions will not interfere with decisions made in the best interest of advisory clients while at the same time, allowing employees to invest in their own accounts.

RPS will disclose to advisory clients any material conflict of interest relating to us, our representatives, or any of our employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

As any advisory situation could present a conflict of interest, we have established the following restrictions to ensure our fiduciary responsibilities:

1. A director, officer, associated person, or employee of RPS shall not buy or sell securities for his personal portfolio where his decision is substantially derived, in whole or in part, by reason of his employment unless the information is also available to the investing public on reasonable inquiry. No person associated with RPS shall prefer his or her own interest to that of any advisory client.
2. RPS maintains a list of all securities holdings for itself and for anyone associated with its advisory practice that has access to advisory recommendations. An appropriate officer of RPS reviews these holdings on a regular basis.
3. Any individual not in observance of the above may be subject to disciplinary action, up to and including termination.

## Item 12 – Brokerage Practices

- A    Our Broker-Dealer, Soft Dollar, and Block Trading Practices.** Except for certain legacy accounts, our firm typically has the authority to determine the particular securities to be bought or sold, the amount of the securities to be bought or sold, and the broker or dealer to be used in all such transactions for your account. As described in Item 5 above, clients who participate in our Comprehensive Investment Management Services, are required to maintain their brokerage account(s) with TDI.

In recommending broker-dealers, including TDI, we seek to obtain “best execution,” for our clients, meaning that we seek to execute securities transactions for clients so that the total costs or proceeds in each transaction are the most favorable under the circumstances. The factors we consider when evaluating for best execution include:



- Execution capability;
- Transaction fee rate;
- Financial responsibility;
- Responsiveness;
- Custodian capabilities;
- The value of any research services/brokerage services provided; and
- Any other factors that we consider relevant.

Generally speaking, we will recommend that clients establish brokerage accounts with TDI, so long as they continue to meet the above criteria. We have selected TDI for administrative convenience and also because they provide good value to our clients for the transaction costs and other costs incurred.

Research and Economic Benefits. Clients should be aware that there is no direct link between TDI and RPS in connection with the advice RPS gives to clients. RPS is required to disclose that it receives economic benefits through the custody and operating relationships it has with TDI that are not typically available to retail investors. These benefits include the following products and services, provided by TDI and/or its affiliates without cost or at a discount: duplicate client statements and confirmations, research related products and tools, consulting services, access to a trading desk serving representatives, access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares directly to or from client accounts), the ability to have advisory fees deducted directly from client accounts, access to an electronic communications network for client order entry and account information, access to mutual funds with no transaction fees, and discounts or no fees on compliance, marketing, research, technology, and practice management products and services provided by third-party vendors.

TDI may also pay for business consulting, professional services, and research received by RPS affiliated persons and may also pay or reimburse expenses (travel, lodging, meals, and entertainment expenses) for RPS personnel to attend conferences or meetings relating to their service platforms or to their advisor custody and brokerage services generally. Some of these products and services made available by TDI, may benefit RPS, but may not benefit its clients. Such other services made available by TDI are intended to help RPS manage and further develop its business enterprise, and such services may or may not depend on the amount of brokerage transactions directed to them.

Clients should be aware that the receipt of economic benefits by RPS described above, in and of itself, creates a potential conflict of interest and may directly or indirectly influence RPS's recommendation of TDI for custody and brokerage service.

Other than the services described above, RPS and its representatives do not direct transactions and the commissions they generate (soft dollars) to brokerage firms or other parties to receive research or other benefits.

RPS does not process transactions through TDI in return for TDI referring new clients to RPS.

Directed Brokerage. As described above, we require our Comprehensive Investment Management clients to maintain their accounts at TDI. Clients are advised that not all investment advisors require, as a condition of their advisory agreements that clients use a particular broker-dealer. Additionally, although we believe the commissions expected to be charged by TDI to be reasonable and their execution services to be competitive, the use of any one broker-dealer exclusively may result in our firm being unable to achieve for its clients the most favorable execution at the best price available, and accordingly, may cost Clients more money than other arrangements.

- B** Trade Aggregation. In light of our typically passive investment style and the highly customized nature of our investment recommendations to clients, opportunities to aggregate trades across various clients' account are rarely presented. For these reasons, we do not aggregate the purchase or sale of securities for more than one client account (i.e., "block trading"). Our practice of not combining multiple clients' buy and sell orders in this manner may result in our firm being unable to achieve for its clients the most favorable execution at the best price available, and accordingly, may cost clients more money than other arrangements.

### Item 13 – Review of Accounts

- A** Account Review Policy. Client accounts are generally reviewed by RPS's principal, Chad M. Smith, who is responsible for overseeing all investment advisory activities for the firm, on a regular basis. However, individuals conducting reviews may vary from time to time, as personnel join or leave our firm. The frequency of reviews is determined based on the each client's investment objectives, investment profile, and the frequency of client requests for such reviews. Accounts are generally reviewed at least quarterly, but in any event, no less than annually.

Updates of written financial plans are only included for clients of our Comprehensive Investment Management Services. For clients of our Stand-Alone Financial Planning Services, updates of written financial plans are not part of the contracted services and will only be conducted upon specific request from the client, subject to a subsequent written financial planning agreement and payment of an additional advisory fee. All such reviews and updates shall be subject to the then agreed upon fees.

- B** More Frequent Account Reviews. More frequent reviews of Comprehensive Investment Management accounts may be triggered by a change in Client's investment objectives; risk/return profile; tax considerations; large contributions and/or withdrawals; large sales or purchases; security specific events; or changes in the economy more generally.
- C** Reporting to Clients. Clients will receive standard account statements and trade confirmations directly from TDI on a monthly basis. TDI's account statements will be delivered in paper and/or electronic copy (as the client may request) and shall reflect the

total value of your account at the beginning and end of the period and itemize all transactions and security positions held in your account, including any advisory fees paid to us from your account. On a quarterly basis, you will also receive a written report independently prepared by RPS. We will further provide you with additional written reports as you may reasonably request.

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

We have no arrangements, written or oral, in which we compensate others or are compensated for client referrals.

#### **Item 15 – Custody**

With the exception of our ability to directly debit fees as outlined in Item 5, we do not hold, directly or indirectly, client funds or securities, or have any authority to obtain possession of them. All client assets are held at the qualified Custodian.

We shall have no liability to you for any loss or other harm to any property in the account, including any harm to any property in the account resulting from the insolvency of the Custodian or any acts of the agents or employees of the custodian and whether or not the full amount of such loss is covered by the SIPC or any other insurance which may be carried by the Custodian. Clients understand that SIPC provides only limited protection for the loss of property held by a Custodian.

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

Clients of our Comprehensive Investment Management Services grant our firm ongoing and continuous discretionary authority to execute its investment recommendations without the client's prior approval of each specific transaction. Under this discretionary authority, you allow us to purchase and sell securities and instruments in your account(s), arrange for delivery and payment in connection with the foregoing, select and retain sub-advisors, and act on behalf of the client in matters necessary or incidental to the handling of the account, including monitoring certain assets.

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

We do not have authority to vote and therefore do not vote Client securities. Additionally, we do not provide advice to Clients on how the Client should vote. Clients will receive proxies and other solicitations directly from the custodian or transfer agent. If any proxy materials are received on behalf of a Client, they will be sent directly to the Client or a designated representative of the Client, who is responsible to vote the proxy.

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

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

- B** RPS does have discretionary authority over client funds and securities, but we have no financial commitments that would impair our ability to meet contractual and fiduciary commitments to our clients.
- C** Neither RPS nor any of the principals, have been the subject of a bankruptcy petition at