

**Brochure
Form ADV Part 2A**



CRD# 164456

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March 29, 2019

This Brochure provides information about the qualifications and business practices of Lifestyle Planning Solutions, LLC. If you have any questions about the contents of this Brochure, please contact Chief Compliance Officer Amelia B. Wood by telephone at (678) 867-7050 or email at compliance@meritfa.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Lifestyle Planning Solutions, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Please note that the use of the term "registered investment adviser" and any description of Lifestyle Planning Solutions, LLC and/or our associates as being "registered," does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and its employees.

Item 2. Material Changes

This Brochure is prepared in the revised format required beginning in 2011. Registered Investment Advisers are required to use this format to inform clients of the nature of advisory services provided, types of clients served, fees charged, potential conflicts of interest and other information. The Brochure requirements include the annual provision of a Summary of Material Changes reflecting any material changes to our policies, practices, or conflicts of interest made since our last required "annual update" filing. In the event of any material changes, such summary is provided to all clients as Exhibit B accompanying this brochure. There have been no material changes to this brochure since Lifestyle Planning Solutions, LLC last updated this Brochure for its annual amendment on March 29, 2018, but we recently began offering additional services in addition to financial planning. Clients and prospective clients should review the entirety of this Brochure for revisions applicable to these new offerings.

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Item 4. Advisory Business

About our Firm

Lifestyle Planning Solutions, LLC (hereinafter “LPS,” the Firm,” “we,” “our,” or “us” refer to LPS and the words, “you,” “your,” or “client” refer to you as either a client or prospective client of our firm) was established as a registered investment advisory firm in 2012. LPS provides advice to help advisory clients achieve their financial goals through professional wealth management. We provide our clients with an array of advisory services, including: asset management, financial planning, retirement plan advice, and participant consulting. Prior to October 2018, we provided only financial planning and consulting services.

LPS is a wholly owned subsidiary of Merit Financial Group, LLC, an SEC registered investment advisory firm. Merit Financial Group, LLC, is the principal owner of LPS. Merit Financial Inc., and Rick L. Kent, the Firm’s Chief Executive Officer and Founder are the sole principal owner of Merit Financial Group, LLC. In addition, Financial Development Systems, LLC (owned by Joseph “Jody” L. Owenby and Gregory V. Gerhard) and Wisdom Theory Financial Holdings, LLC (owned by Kay Lynn Mayhue) are also owners of Merit Financial Group, LLC.

LPS intends to establish a network of offices that provide advisory services under local *doing business as* (“DBA”) names. LPS provides investment advisory services to clients through licensed individuals who are Investment Adviser Representative of LPS (referred to as your “investment adviser representative” throughout this brochure). Your investment adviser representative is usually an independent contractor of LPS. Investment adviser representatives may have their own legal business entities whose business names and/or trademarks may appear on marketing materials as approved by LPS, or on client statements as accepted by your account’s custodian. The client should understand that these businesses are legal entities of the investment adviser representative and not LPS or the custodian. A complete list of LPS’s approved DBA names can be found by searching for Lifestyle Planning Solutions, LLC, CRD# 164456 at www.adviserinfo.sec.gov.

As of December 31, 2018, our total discretionary assets under management were \$6,084,895.

Asset Management

Direct Asset Management Services

We generally follow an established investment management process with a long-term orientation. For most clients, we believe that a long-term diversified approach is the most suitable investment strategy. As part of our asset management services, we may create a portfolio consisting of individual stocks or bonds, exchange traded funds (“ETFs”), options, or mutual funds. We may also rely on our affiliate that manages a select group of model asset allocation portfolios (“Merit Model Portfolios”) which can be used to manage LPS’s client accounts, when appropriate.

Each portfolio is designed to meet the client's particular investment goals, risk tolerance and financial circumstances. The client’s individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned strategies and securities. Once a

suitable portfolio has been determined, we review the portfolio periodically or as often as necessary, and will rebalance and/or recommend modifications to the portfolio as needed.

We will manage the client's investment portfolio on a discretionary or a non-discretionary basis. As a discretionary investment adviser, we will have the authority to supervise and direct the portfolio without prior consultation with the client. Under a non-discretionary arrangement, clients must be contacted prior to the execution of any trade in the account(s) under management. This can result in a delay in executing recommended trades, which could adversely affect the performance of the portfolio. This delay also normally means the affected account(s) will not be able to participate in block trades, a practice designed to enhance the execution quality, timing and/or cost for all accounts included in the block. In a non-discretionary arrangement, the client retains the responsibility for the final decision on all actions taken with respect to the portfolio.

Clients may impose certain written restrictions in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments in an investment portfolio or prohibiting the sale of certain investments held in the account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client's investment portfolio. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with those of similar clients.

Clients may elect to pay management fees to us separately from the brokerage expenses of the account. Accordingly, such clients would pay a management fee, plus the cost of transactions in the account. However, we provide services through our wrap program (the "Wrap Program" or the "Program") in order to simplify the payment of management fees and brokerage expenses. The Wrap Program fee includes the brokerage expenses (i.e., commissions, ticket charges, etc.) of the account as well as our management fee. Clients may pay more or less by participating in the Wrap Program than if they arranged to receive the same or similar services in a non-wrap fee arrangement. While we believe that the cost of the Program is competitive with other advisory account offerings, clients are responsible for determining whether the Program is appropriate for them. Our wrap fee program is further described in **Appendix 1, Wrap Fee Program Brochure**, which is provided to the client at or before the time of establishing a wrap fee account. Because we pay the transaction and execution costs associated with client accounts, this creates a disincentive for us to trade securities in wrap accounts. In order to mitigate this potential conflict of interest our Firm will periodically test the impact of the Program fees on their clients' accounts.

Separate Account Managers

When appropriate and in accordance with the Investment Plan for a client, we may recommend the use of one or more Separate Account Managers, each a "Manager". Having access to various Managers offers a wide variety of management styles, and offers clients the opportunity to utilize more than one Manager if necessary to meet the needs and investment

objectives of the client. We will select or recommend the Manager(s) we deem most appropriate for the client. Factors that we consider in recommending/selecting Managers generally include the client's stated investment objective(s), management style, performance, risk level, reputation, financial strength, reporting, pricing, and research.

The Manager(s) will generally be granted discretionary trading authority to provide investment supervisory services for the portfolio. Under certain circumstances, the Firm retains the authority to terminate the Manager's relationship or to add new Managers without specific client consent. In other cases, the client will ultimately select one or more Managers recommended by us. Fees paid to such Manager(s) are separate from and in addition to the fee assessed by the Firm.

In any case, with respect to assets managed by a Manager, the Firm's role will be to monitor the overall financial situation of the client, to monitor the investment approach and performance of the Manager(s), and to assist the client in understanding the investments of the portfolio.

Financial Planning

We provide a variety of financial planning services to individuals, families and other types of clients regarding the management of their financial resources. Our comprehensive planning services involve analysis of the client's overall financial situation, goals and objectives and typically addresses multiple financial planning topics based on the client's individual needs and circumstances. Comprehensive planning services clients usually receive a full written financial plan. We also offer more limited-focus planning advice that covers only those specific areas of concern mutually agreed upon by us and the client.

Planning advice may encompass one or more of the following areas, but not limited to: Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Cost Segregation Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, Business and Personal Financial Planning.

Our planning advice generally includes financial recommendations for a course of activity or specific actions to be taken by the client. For example, recommendations may be made that the client begins or revises investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs.

In some situations, the client can elect to receive a verbal summary of our review, conclusions and recommendations. However, when financial planning services are comprehensive in nature, we typically prefer to prepare a written financial plan. The client's Financial Planning Agreement with us will set forth the type of report the client will receive.

It should be noted that we may refer clients to an accountant, attorney or other specialist, as necessary for non-advisory related services. Implementation of the recommendations will be at the discretion of the client and we will not be responsible for the selection of the service provider or any liability arising from the selection of any service provider.

Retirement Plan Advisory Services

Establishing a sound fiduciary governance process is vital to good decision-making and to ensuring that prudent procedural steps are followed in making investment decisions. We will provide Retirement Plan consulting services to Retirement Plans and Retirement Plan Fiduciaries as described below. The particular services provided will be detailed in our written agreement. Retirement Plan Fiduciary(ies) designated in the Retirement Plan documents (e.g., the Plan sponsor or named fiduciary) will (i) make the decision to retain our firm; (ii) agree to the scope of the services that we will provide; and (iii) make the ultimate decision as to accepting any of the recommendations that we may provide. The Retirement Plan Fiduciaries are free to seek independent advice about the appropriateness of any recommended services for the Retirement Plan. Retirement plan consulting services may be offered individually or as part of a comprehensive suite of services.

The Employee Retirement Income Security Act of 1974 ("ERISA") sets forth rules under which Retirement Plan Fiduciaries may retain investment advisers for various types of services with respect to Plan assets. For certain services, we will be considered a fiduciary under ERISA. For example, we will act as an ERISA § 3(21) fiduciary when providing non-discretionary investment advice to the Retirement Plan Fiduciaries by recommending a suite of investments as choices among which Retirement Plan Participants may select. Also, to the extent that the Retirement Plan Fiduciaries retain us to act as an investment manager within the meaning of ERISA § 3(38), we will provide discretionary investment management services to the Plan.

With respect to any account for which we meet the definition of a fiduciary under Department of Labor rules, we acknowledge that both the Firm and its related persons are acting as fiduciaries. Additional disclosure may be found elsewhere in this Brochure or in the written agreement between us and the client.

Fiduciary Consulting Services

- **Investment Selection Services:** We will provide Retirement Plan Fiduciaries with recommendations of investment options consistent with ERISA section 404(c). Retirement Plan Fiduciaries retain responsibility for the final determination of investment options and for compliance with ERISA section 404(c).
- **Non-Discretionary Investment Advice:** We will provide Retirement Plan Fiduciaries and Retirement Plan Participants general, non-discretionary investment advice regarding asset classes and investments.
- **Investment Monitoring:** We will assist in monitoring the retirement plan's investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformation to the guidelines set forth in the investment policy statement and make recommendations to maintain or remove and replace investment options. The details of this aspect of service will be enumerated in the engagement agreement between the parties.

Fiduciary Management Services

- **Discretionary Management Services:** When retained as an investment manager within the meaning of ERISA § 3(38), we will provide continuous and ongoing supervision over the designated retirement plan assets. We will actively monitor the designated retirement plan assets and provide ongoing management of the assets. When applicable, we will have discretionary authority to make all decisions to buy, sell or hold securities, cash or other investments for the designated retirement plan assets in our sole discretion without first consulting with the Retirement Plan Fiduciaries. We will also have the power and authority to carry out these decisions by giving instructions, on your behalf, to brokers and dealers and the qualified custodian(s) of the Retirement Plan for our management of the designated retirement plan assets.
- **Investment Management via Model Portfolios:** We will provide discretionary management of Model Portfolios among which the participants may choose to invest as retirement plan options. Retirement Plan Participants will also have the option of investing only in options that do not include Model Portfolios (i.e., the Retirement Plan Participants may elect to invest in one or more of the mutual fund options made available in the Retirement Plan, and choose not to invest in the Model Portfolios at all).

Non-Fiduciary Services

- **Participant Education:** We will provide education services to Retirement Plan Participants about general investment principles and the investment alternatives available under the Retirement Plan. Education presentations will not take into account the individual circumstances of each Retirement Plan Participant and individual recommendations will not be provided unless a Retirement Plan Participant separately engages us for such services. Retirement Plan Participants are responsible for implementing transactions in their own accounts.
- **Participant Enrollment:** We will assist with group enrollment meetings designed to increase retirement plan participation among employees and investment and financial understanding by the employees.

Item 5. Fees and Compensation

General Fee Information

Our fees are separate and distinct from the internal fees and expenses charged by third party asset managers, mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund's prospectus or offering materials). However, clients will not incur additional fees where we engage the services of our affiliate, Merit Financial Group, LLC to assist with managing client accounts. It is also important to note that it is possible different investment advisor representatives may charge different fees for providing the same types and level of service to clients. The specific level of services you will receive and the fees you will be charged will be specified in your Asset Management Agreement. The annual fee is divided

and paid quarterly in advance through a direct debit to your account. The client should review our fees and the fees charged by managers, funds, brokers, and others to fully understand the total amount of fees paid by the client for investment and financial-related services. Please see **Item 12 - Brokerage Practices** for additional information.

Asset Management Fees

Direct Asset Management Fees

The annual investment advisory fee charged ranges up to a maximum of 1.5% of the assets held in the account. Asset Management Fees are negotiable depending on the representative providing the management services, the market value of the account, asset types, complexity of the client's portfolio, the client's financial situation, level of portfolio trading activity, anticipated future assets, the relationship of the client to the advisor and additional services requested or performed. Fee waivers or discounts can be offered to Owners, Directors, Officers and Associated Persons of LPS and our related companies in addition to family members and friends of associated persons of LPS which are not available to Clients.

Annual Fees are billed pro-rata on a quarterly basis in advance and are based on the value of your account on the last day of the previous quarter. Adjustments are made for deposits and withdrawals in certain circumstances.¹ Our fees may be negotiable, and in certain circumstances, a tiered fee schedule may be provided.

Fees are generally automatically deducted from the client's managed account in accordance with the authority granted by the client pursuant to the executed Asset Management Agreement. Clients will receive account statements from the custodian, at least quarterly, reflecting the value of their account holdings, and all deposits and disbursements from their account(s), including the amount of the advisory fees paid to LPS.

Some investment advisers require that clients pay management fees in addition to the brokerage expenses of the account. Accordingly, clients of those investment advisers would pay a management fee, plus the cost of transactions in the account. However, we provide services through our Wrap Program in order to simplify the payment of management fees and brokerage expenses. The Wrap Program fee includes the brokerage expenses (i.e., commissions, ticket charges, etc.) of the account as well as our management fee. Clients may pay more or less by participating in the Wrap Program than if they arranged to receive the same or similar services in a non-wrap fee arrangement. While we believe that the cost of the Program is competitive with other advisory account offerings, clients are responsible for determining whether the Program is appropriate for them. Our wrap fee program is further described in **Appendix1, Wrap Fee Program Brochure**, which is provided to the client at or before the time of establishing a wrap fee account. Because we pay the transaction and execution costs associated with client accounts, this creates a disincentive for us to trade securities in wrap accounts. In order to mitigate this potential conflict of interest the Firm will periodically test the impact of the Program fees on our clients' accounts.

¹ For accounts maintained at TD Ameritrade (or its affiliates), fees will only be prorated for intra-quarter deposits or withdrawals of \$100,000 or greater.

Billing Cycle

We bill the annual advisory fee on a quarterly basis and in advance, at the beginning of the calendar quarter for accounts maintained at TD Ameritrade or its affiliates. Fees are based on the value of the account on the last business day of the previous quarter. If asset management services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in arrears at the same time as the next full billing period's fee is billed. In the event that a deposit in excess of \$100,000 occurs during a billing period after the fee calculation, the fee for the billing period will be recalculated at the end of the billing period and MFG will bill you a second fee pro-rata, in arrears, on the additional deposits. In the event that a withdrawal in excess of \$100,000 occurs during a billing period after the fee calculation, the fee for that billing period will be recalculated at the end of the billing period and you will be refunded the pro-rata fee that was attributable to the amount of the withdrawal. The Custodian will send client statements at least quarterly, showing all payouts from the account including the advisory fee, if deducted from the account.

In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. Upon notification of termination or within a reasonable time after learning of your termination of our services, we will seek to return pro-rata, a refund of unearned advisory fees.

Separate Account Manager Fees

We are compensated by Managers for services rendered on Separately Managed Accounts ("SMAs"). The compensation paid to us is typically the same as our stated investment advisory fee percentage. The Manager will also have an agreed upon fixed fee that will be disclosed and charged to the client in addition to our advisory fee. The fee paid to the Manager can be higher or lower than our fee depending on the type of investment strategy utilized within the account. The terms and conditions under which the client shall engage the Manager shall generally be set forth in a tri-party agreement between the client, our firm and the designated Manager.

Financial Planning Fees

We generally charge a flat fee for financial planning services. The total estimated fee, as well as the ultimate fee that we charge you, is based on the scope and complexity of our engagement with you and typically will not exceed \$50,000. In more complex planning engagements, we may impose an hourly based fee not to exceed \$500 per hour. Clients may be required to deposit a retainer prior to our commencement of planning services. The retainer will be applied to the client's final charge. The financial planning fee arrangement and retainer requirement is detailed in the client's Financial Planning Agreement with us.

In most instances, these services automatically renew on an annual basis. Either party may terminate services at any time upon notice to the other party. Termination will be effective immediately upon receipt of notice. The client will be responsible for the time expended to the date notice of termination was received. We will provide a statement detailing the time expended by the client's financial advisor and the pro-rated amount refunded to or due from the client.

Retirement Plan Advisory Service Fees

Retirement plan advisory fees are individually negotiated with the Fiduciary(ies) of each Retirement Plan and may take the form of an asset-based, fixed and/or hourly fee arrangement. Factors considered when determining the fee may include, without limitation, the size of the Retirement Plan and number of Retirement Plan Participants, the scope and complexity of services to be provided, and whether the selected services will be ongoing or periodic in nature. The Retirement Plan's specific fee arrangement will be detailed in the Retirement Plan's contract with us.

Other Compensation

Some of our investment adviser representatives are licensed insurance agents and are also associated with LPL Financial as registered representatives of a broker-dealer ("Dually Registered Persons"). As such, they are entitled to receive commissions or other remuneration on the sale of securities and insurance products, including distribution or service ("trail") fees from the sale of mutual funds in non-advisory accounts. The recommendation that a client purchase a commission product from LPS' Dually Registered Persons presents a conflict of interest, as the receipt of commissions provides an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from LPS' Dually Registered Persons. To mitigate this conflict of interest, our Dually Registered Persons are supervised by both LPL Financial and our Firm's compliance programs. LPS' Chief Compliance Officer Amelia B. Wood, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.

As a result of this relationship, LPL Financial may have access to certain confidential information (e.g., financial information, investment objectives, transactions, and holdings) about our clients, even if the client does not establish any account through LPL Financial. If you would like a copy of LPL Financial's privacy notice, please contact us.

Item 6. Performance-Based Fees and Side-By-Side Management

The Firm does not have any performance-based fee arrangements. "Side-by-Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because we have no performance-based fee accounts, we have no side-by-side management.

Item 7. Types of Clients

We serve individuals, high net worth individuals, pension and profit-sharing plans, corporations, trusts, estates and charitable organizations. We may impose a minimum fee or minimum account balance for our asset management services, as set forth in the Asset Management Agreement.

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

Methods of Analysis

In accordance with each client's investment plan, we will generally invest in mutual funds, ETFs, common stock, and individual bonds.

Mutual funds and ETFs are generally evaluated and selected based on a variety of factors, including, as applicable and without limitation, past performance, fee structure, portfolio manager, fund sponsor, overall ratings for safety and returns, and other factors.

Our primary method of evaluating equities is the use of fundamental analysis. Fundamental analysis attempts to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements.

We may also incorporate technical (charting) and/or cyclical analysis. Technical analysis involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends. Cyclical analysis is a type of technical analysis that involves identifying recurring price patterns and trends.

Fixed income investments may be used as a strategic investment, as an instrument to fulfill liquidity or income needs in a portfolio, or to add a component of capital preservation. LPS will generally evaluate and select individual bonds or bond funds based on a number of factors including, but not limited to: rating, yield, and duration.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that we may debit advisory fees for certain services. We charge fees on these allocations.

Investment Strategies

The Firm's strategic approach is to invest each portfolio in accordance with the investment plan that has been developed specifically for each client. This means that the following strategies may be used in varying combinations over time for a given client, depending upon the client's individual circumstances.

Long Term Purchases – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Short Term Purchases – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short term price fluctuations.

Options Trading/Writing: a securities transaction that involves buying or selling (writing) an option. If you write an option, and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the exercise of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option.

Our firm's primary investment strategy is advising long term purchases (securities held at least a year). To a lesser extent, we may also recommend short term purchases with the expectation that the security will be sold within a relatively short period of time, generally less than one year. We may also advise other strategies based on the complexity and scope of a client's portfolio.

We manage portfolios on a client-custom basis utilizing a host of techniques. In addition, we may structure client portfolios around one or more portfolio models managed by our affiliate designed to build long-term wealth while maintaining risk tolerance and loss threshold levels acceptable to you. The Merit Model Portfolios are primarily comprised of mutual funds, exchange traded funds and to a lesser extent, individual bonds and stocks. The model portfolios have different "target" allocations among various asset classes, thus diversifying a client's investment dollars across a host of investments and spreading risks in a more prudent manner.

Sub-Advisory Services

LPS may recommend products or services managed or offered by other investment advisers or third parties that may or may not be affiliated with our Firm. Such products or services are customarily referred to as "sub-advisory accounts." A sub-advisory account is essentially a traditional brokerage account managed by another investment adviser. In the context of LPS' services, we may refer our clients to our affiliated investment adviser, Merit Financial Group, LLC who would perform specific investment advisory or portfolio management services for client accounts. Merit Financial Group, LLC does not serve as the primary adviser to the client. LPS contracts directly with Merit Financial Group, LLC to provide the client investment advisory services. The selection of investment managers may be provided on a discretionary or non-discretionary basis where LPS has the authority to hire or fire the investment manager. The decision to hire or fire a particular investment manager will be based upon continued suitability and performance of a client's account.

Merit Model Portfolios

MFG manages six model portfolios, referred to as "Merit Sleeves." The sleeves will vary in risk and composition. All sleeves primarily invest in relevant ETFs and mutual funds. Selection is based primarily on sector exposure and fund expense. Clients may fully invest into a single Merit Sleeve or a blend of multiple sleeves, based on risk tolerance and time horizon. The remaining sleeves may be utilized as supplemental additions or standalone portfolios from the Core Sleeves.

Core Equity

The Core Equity Sleeve is a broadly diversified equity strategy that represents MFG's highest conviction equity investments for the current economy and financial markets. The primary objective is long-term capital appreciation. The sleeve composition may typically include U.S. large cap equities, U.S. small-mid cap equities and developed and emerging market equities.

The sleeve may overlap strategies with the Low Volatility Equity and Opportunistic Equity Sleeves, based on MFG's outlook.

Core Fixed Income

The Core Fixed Income Sleeve is a broadly diversified fixed income strategy that represents MFG's highest conviction fixed income investments for the current economy and financial markets. The primary objective is a positive total return in excess of inflation and fees. The sleeve composition may typically include short to intermediate-term fixed income, mortgage bonds, corporate bonds, below investment-grade bonds, as well as some income alternatives. The sleeve may overlap strategies with the Capital Preservation and Alternative Income Sleeves, based on MFG's outlook.

Capital Preservation

The Capital Preservation Sleeve is a broadly diversified fixed income strategy. The primary objective is preservation of capital with income as a secondary objective. The purpose of the sleeve is to provide a positive return by minimizing credit and duration risk. The sleeve composition may typically include nearly 100% short-term bonds, over 80% investment-grade fixed income, and certain laddered bond strategies.

Low Volatility Equity

The Low Volatility Equity Sleeve is a broadly diversified equity strategy. The primary objective is capital appreciation with downside protection. The purpose of the strategy is a majority exposure to equities that includes over-weight to defensive equity sectors and reduced downside during periods of increased market volatility. Sleeve composition may typically include dividend-focused equity strategies, defensive sector equities, and optimized minimum volatility strategies.

Opportunistic Equity

The Opportunistic Equity Sleeve is a broadly diversified equity strategy. The primary objective is long-term capital appreciation. The purpose is to provide a higher expected risk and return as compared to the Core Equity Sleeve. Sleeve composition may include U.S. equities developed and emerging market equities, foreign small-cap equities, master limited partnerships, and concentrated sector allocations.

Alternative Income

The Alternative Income Sleeve is a broadly diversified income strategy. The primary objective is to maximize current income. The purpose of this strategy is to place higher focus on income production rather than capital appreciation. Sleeve composition may typically include mortgage bonds, corporate bonds, below investment-grade bonds, foreign bonds, income producing closed-end funds, master limited partnerships, and dividend-paying equities.

Risk of Loss

While LPS seeks to diversify clients' investment portfolios across various asset classes consistent with their Investment Plans in an effort to reduce risk of loss, all investment portfolios are subject to risks. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money.

Below is a description of several of the principal risks that client investment portfolios face.

Management Risks. While the Firm manages client investment portfolios, or recommends one or more Managers, based on experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that we or a Manager allocates client assets to individual securities and/or asset classes that are adversely affected by unanticipated market movements, and the risk that our specific investment choices could underperform their relevant indexes.

Risks of Investments in Mutual Funds, ETFs and Other Investment Pools. As described above, the Firm or a Manager may invest client portfolios in mutual funds, ETFs and other investment pools (“pooled investment funds”). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds’ success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

ETF Liquidity Risks. While the risks of owning shares of an ETF generally reflect the risks of owning the underlying investments of the ETF, lack of liquidity in an ETF can result in its value being more volatile than the underlying portfolio investments. Trading in shares may be halted because of market conditions, or for reasons that, in the view of a particular exchange, make trading in ETF shares presently inadvisable. In addition, trading in shares is subject to trading halts caused by extraordinary market volatility pursuant to “circuit breaker” rules. There can be no assurance that the requirements necessary to maintain the listing of the shares of the Fund will continue to be met or will remain unchanged.

Equity Market Risks. The Firm and any Manager(s) will generally invest portions of client assets directly into equity investments, primarily stocks, or into pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security’s prospects.

Fixed Income Risks. The Firm and any Manager(s) may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

Foreign Securities Risks. The Firm and any Manager(s) may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

Options Risk. A small investment in options could have a potentially large impact on an investor's performance. The use of options involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value, and there is the risk that a hedging technique will fail if changes in the value of a derivative held by an investor do not correlate with the securities being hedged.

Item 9. Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of the Firm or the integrity of our management. We have no disciplinary events to report.

Item 10. Other Financial Industry Activities and Affiliations

Broker-Dealer and Insurance Activities

As mentioned above, our firm's advisory representatives may also be registered representatives of LPL Financial, a broker-dealer and member FINRA/SIPC. Additionally, our advisory representatives may be licensed insurance agents. These activities present a conflict of interest to the extent that the representatives may recommend that a client invest in a security or purchase a product which results in a commission being paid to him/her. In order to mitigate this conflict, we disclose such commission arrangements to our clients before the client purchases any such products. Further, our representatives, as fiduciaries, are required to act in clients' best interests at all times.

Seminars

From time to time, we provide financial seminars on investing topics at no cost to clients and prospective clients of the Firm. Certain expenses associated with a seminar (e.g., refreshments, presentation materials, venue costs, etc.) may be paid for by a mutual fund company, ETF provider, insurance company or other investment firm. Due to receipt of the foregoing benefits, we have a conflict of interest if we recommend such companies' products and services. We address this issue by providing the seminar attendees disclosure of these arrangements when applicable.

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

The Firm has established a Code of Ethics (“the Code”) which applies to all associated persons. As a registered investment advisory firm, we have a fiduciary duty to all clients and must provide fair and full disclosure of all material facts, and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is the core underlying principle of our Code, which also includes Insider Trading and Personal Securities Transactions Policies and Procedures.

We require all associated persons to conduct business with a high level of ethical standards, in an honest and fair manner and comply with federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all associated persons sign an acknowledgement that they have read, understand, and agree to comply with our Code. This disclosure is provided to give clients a summary of our Code. However, if a client or a potential client wishes to review our Code in its entirety, a copy will be provided promptly upon request.

We believe that if investment goals are similar for clients and associated persons of the Firm, it is logical and even desirable that there be common ownership of some securities. We have adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code’s personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of such trading and pre-clearance of certain types of personal trading activities. These policies are designed to discourage and prohibit personal trading that would disadvantage clients. In the event of any identified potential trading conflicts of interest, our goal is to place client interests first. The Code also provides for disciplinary action as appropriate for violations.

Finally, when possible, related persons’ accounts will be included in a block trade with client accounts to ensure the same timing and pricing of the security. If a block trade cannot be done, our related persons must wait until the next day to buy or sell for themselves the same securities as our clients.

Item 12. Brokerage Practices

We seek to recommend a custodian/broker-dealer who will hold your assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, which may include, but is not limited to the following:

- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Financial condition

- Business reputation
- Quality of services

While our firm recommends that clients establish brokerage accounts with certain broker-dealers, clients are advised that they are under no obligation to implement our recommendations and can choose a broker-dealer at their discretion. Clients may pay commissions or fees that are higher or lower than those that may be obtained elsewhere for similar services.

TD Ameritrade Institutional

LPS participates in the institutional advisor program (the “TD Program”) offered by TD Ameritrade Institutional, Division of TD Ameritrade Inc., member FINRA/SIPC (“TD Ameritrade”). TD Ameritrade offers its TD Program to independent investment advisers. The TD Program includes such services as custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from TD Ameritrade through our participation in the TD Program. LPS is independently owned and operated and is not affiliated with TD Ameritrade.

The Firm recommends TD Ameritrade to clients for custody and brokerage services. While there is no direct link between LPS’ participation in the TD Program and the investment advice it gives to its clients, through its participation in the TD Program we receive economic benefits that are typically not available to TD Ameritrade retail investors. These benefits generally include, without limitation, the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving TD Program participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to 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 and ETFs with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by LPS’ related persons. These services may be considered soft dollar arrangements, and are also a part of the institutional platform offered by TD Ameritrade

Some of the products and services made available by TD Ameritrade through the TD Program may benefit LPS but may not directly benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help the Firm manage and further develop its business enterprise. The benefits received by LPS or our personnel through participation in the TD Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. LPS seeks to obtain “best execution” of client transactions, but clients should be aware, however, that the receipt of economic benefits by the Firm or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

LPL Financial

The Firm may also recommend that clients establish brokerage accounts with LPL Financial, a FINRA registered broker-dealer, member SIPC, as the qualified custodian to maintain custody of clients' assets. We receive support services and/or products from LPL Financial, many of which assist us to better monitor and service program accounts maintained at LPL Financial. These support services and/or products may be received without cost, at a discount, and/or at a negotiated rate. Where such services are provided by a third party vendor, LPL Financial will either make a payment to us to cover the cost of such services, reimburse us for the cost associated with the services, or pay the third party vendor directly on our behalf. The products and support services we receive include:

- 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
- Consulting services
- Attendance at conferences, meetings, and other educational and/or social events
- Marketing support
- Other products and services used by the Firm in furtherance of its investment advisory business operations

The products and services described above are provided to us as part of our overall relationship with LPL Financial. While as a fiduciary we endeavor to act in our clients' best interests, the receipt of these benefits creates a conflict of interest because our recommendation that clients custody their assets at LPL Financial is based in part on the benefit to us of the availability of the foregoing products and services and not solely on the nature, cost, or quality of custody or brokerage services provided by LPL Financial. These services are not soft dollar arrangements, but are part of the institutional platform offered by LPL Financial.

LPL Financial does not participate in, or influence the formulation of the investment advice we provide, even though we have certain Dually Registered Persons. Dually Registered Persons are restricted by certain FINRA rules and policies from maintaining client accounts at another custodian or executing client transactions in such client accounts through any broker-dealer or custodian that is not approved by LPL Financial. LPL Financial charges a fee for its oversight of activities conducted through these other broker-dealers and custodians. This arrangement presents a conflict of interest because we have a financial incentive to recommend that you maintain your account with LPL Financial rather than with another broker-dealer or custodian to avoid incurring the oversight fee.

LPL Financial provides various benefits and payments to Dually Registered Persons that are new to the LPL Financial platform to assist the representative with the costs (including foregone revenues during account transition) associated with transitioning his or her business to the LPL Financial platform (collectively referred to as "Transition Assistance"). The proceeds of such Transition Assistance payments are intended to be used for a variety of purposes, including but not necessarily limited to, providing working capital to assist in funding the Dually Registered Person's business, satisfying any outstanding debt owed to the Dually Registered Person's prior firm, offsetting account transfer fees (ACATs) payable

to LPL Financial as a result of the Dually Registered Person's clients transitioning to LPL Financial's custodial platform, technology set-up fees, marketing and mailing costs, stationary and licensure transfer fees, moving expenses, office space expenses, staffing support and termination fees associated with moving accounts.

Transition payments are generally based on the size of the Dually Registered Person's business established at the prior firm and/or assets under custody on the LPL Financial platform. Such payments typically range from 15 - 30% of the Dually Registered Person's compensation at the prior firm and may be more in some instances. Please refer to the relevant Part 2B brochure supplement for more information about any specific Transition Payments your investment adviser representative may have received. The receipt of Transition Assistance by a Dually Registered Persons creates conflicts of interest relating to our advisory business because it creates a financial incentive for our investment adviser representatives to recommend that clients maintain their accounts with LPL Financial.

We attempt to mitigate these conflicts of interest by evaluating and recommending that clients use LPL Financial's services based on the benefits that such services provide to our clients, rather than the Transition Assistance earned by any particular Dually Registered Person.

Directed Brokerage

We do not generally allow directed brokerage accounts.

Aggregated Trade Policy

We may enter trades as a block where possible and when advantageous to clients whose accounts have a need to buy or sell shares of the same security. This method permits the trading of aggregate blocks of securities composed of assets from multiple client accounts. It allows us to execute trades in a timely, equitable manner, and may reduce overall costs to clients.

We will only aggregate transactions when we believe that aggregation is consistent with our duty to seek best execution (which includes the duty to seek best price) for our clients, and is consistent with the terms of our Asset Management with each client for which trades are being aggregated. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for that specific transaction in a given security at their custodian. Accounts may be excluded from a block due to tax considerations, client direction or other factors making the account's participation ineligible or impractical.

We maintain procedures to ensure that transactions at different account custodians are treated fairly and equitably.

We will prepare, before entering an aggregated order, a written statement ("Allocation Statement") specifying the participating client accounts and how we intend to allocate the order among those clients. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the Allocation Statement. If the order is partially filled, it will generally be allocated pro-rata, based on the Allocation Statement, or randomly in certain circumstances. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment, and the reason for different allocation is explained in writing and is approved by

an appropriate individual/officer of the Firm. Our books and records will separately reflect, for each client account included in a block trade, the securities held by and bought and sold for that account. We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation.

Item 13. Review of Accounts or Financial Plans

For clients subscribing to our asset management services, we review accounts on an ongoing basis. We strive to meet with clients annually or as often as necessary to review their portfolios. The nature of these reviews is to learn whether the client's accounts are in line with the client's investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Only our investment adviser representatives conduct these reviews.

Depending on the arrangement the clients have with the financial adviser servicing their accounts, the client may receive periodic written reports, which may contain, among other things, performance reporting.

We provide ongoing services to financial planning clients and meet with such clients to discuss updates to their plans, changes in their circumstances, etc. Financial planning clients receive reviews of their written plans at least annually.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

Item 14. Client Referrals and Other Compensation

As noted above, we receive economic benefits from LPL Financial and TD Ameritrade in the form of support products and services they make available to us and other independent investment advisors whose clients maintain accounts at LPL Financial and TD Ameritrade. LPL Financial also provides other compensation to our Dually Registered Persons, including but not limited to, bonus payments, repayable and forgivable loans, stock awards and other benefits. These products, services and compensation, how they benefit the Firm and its related persons, and the related conflicts of interest are described in ***Item 12 - Brokerage Practices***.

The availability of LPL Financial and TD Ameritrade's products and services is based solely on our participation in their programs and not in the provision of any particular investment advice. There are no commitments made by us to TD Ameritrade, LPL Financial or any other institution because of our receipt of the additional support products and services that they make available to us. Neither LPL Financial, TD Ameritrade nor any other party is paid to refer clients to the Firm.

Item 15. Custody

TD Ameritrade is the custodian of nearly all our client accounts. From time to time however, clients may select an alternate broker to hold accounts in custody. In any case, it is the custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information

carefully, and to notify us of any questions or concerns. Clients are also asked to promptly notify us if the custodian fails to provide statements on each account held.

All of our clients receive at least quarterly account statements directly from their custodian(s). We encourage our clients to raise any questions with us about the custody, safety, or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

Item 16. Investment Discretion

As described in **Item 4 - Advisory Business**, we will accept clients on either a discretionary or non-discretionary basis. For discretionary accounts, a Limited Power of Attorney (“LPOA”) is executed by the client, giving us the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of advisory fees directly from the account. We then direct investment of the client’s portfolio using our discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client’s investment advisory agreement with us and the requirements of the client’s custodian.

For non-discretionary accounts, the client also generally executes an LPOA, which allows us to carry out trade recommendations and approved actions in the portfolio. However, in accordance with the asset management agreement between us and the client, we will not implement trading recommendations or other actions in the account unless and until the client has approved the recommendation or action. As with discretionary accounts, clients may limit the terms of the LPOA, subject to our agreement with the client and the requirements of the client’s custodian.

Item 17. Voting Client Securities

As a policy and in accordance with LPS’ client agreement, we do not vote proxies related to securities held in client accounts. The custodian of the account will normally provide proxy materials directly to the client. Clients may contact us with questions relating to proxy procedures and proposals; however, we generally do not research particular proxy proposals.

Item 18. Financial Information

We do not require nor solicit prepayment of more than \$1200 in fees per client, six months or more in advance, and therefore have no disclosure with respect to this item.