

INFORMATIONAL BROCHURE

LANE AND ASSOCIATES LLC
D/B/A



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Thomas A. Lane, Jr.
October 31, 2024

This brochure provides information about the qualifications and business practices of Lane and Associates LLC d/b/a Lane Hipple – Wealth Management Group (“Lane Hipple”). If you have any questions about the contents of this brochure, please contact us 856-638-1855. 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. Lane and Associates LLC is a registered investment adviser. Registration as an investment adviser does not imply any special degree of skill or training, or any sort of approval by any regulatory authority of an adviser’s investment methods.

Additional information about Lane and Associates LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Statement of Material Changes

There have been the following material changes to this Brochure since the last ADV Part 2A update on February 23, 2024.

The firm has added the custodian, Betterment. (Item 12)

Item 3: Table of Contents

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Item 4: Advisory Business

While Lane and Associates LLC d/b/a Lane Hipple – Wealth Management Group (“Lane Hipple” or the “Firm”) was founded in 2003, the firm’s principal and advisors have over 50 years of combined experience in the finance industry. Thomas A. Lane, Jr. is the firm’s principal. Andrew Hipple and Thomas A. Lane, III are also partners in the Firm.

Lane Hipple provides personalized financial planning and/or investment management services. Clients advised include individuals, trusts, charitable organizations, and corporations.

Financial Planning

In a financial-planning based engagement, the client will supply to Lane Hipple information including income, income sources, investments, savings, insurance, tax, assets and liabilities, age and many other items that are helpful to the firm in assessing your financial goals. The information is typically provided during personal interviews and supplemented with written information. Once the information is received, we will discuss your financial needs and goals with you and compare your current financial situation with your stated goals. Once these are compared, we will create a financial and/or investment plan to help you meet your goals.

The plan is intended to be a suggested blueprint of how to meet your goals. Not every plan will be the same for every client. Each one is specific to the client who requested it. Because the plan is based on information supplied by you, it is very important that you accurately and completely communicate to us the information we need. Also, your circumstances and needs may change as your engagement with us progresses. It is very important that you continually update us with any changes so that if the updates require changes to your plan, we can make those changes. Otherwise, your plan may no longer be accurate.

If you request, Lane Hipple may recommend the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional. You retain absolute discretion over all such implementation decisions and are free to accept or reject any recommendations from Lane Hipple. If you engage any professional recommended by Lane Hipple, and a dispute arises thereafter relative to such engagement, you agree to seek recourse exclusively from and against the engaged professional.

Asset Management

Lane Hipple requires each client to place at least \$250,000 with the firm. This minimum may be waived in the discretion of Lane Hipple.

Asset management services are provided on a “discretionary” basis. When Lane Hipple is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You will receive written or electronic confirmations from your account custodian after changes are made to your account. You will also receive monthly statements from your account custodian, unless there is zero activity in your account at which point the custodian will provide statements on a quarterly basis. Clients engaging us on a discretionary basis execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as part of the agreements completed with the custodian as well as an Investment Management Agreement that outlines the responsibilities of both the client and Lane Hipple.

We also use a third-party platform to facilitate management of held-away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of client funds since we do not have direct access to client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the client allowing them to connect an account(s) to the platform. Once a client account(s) is connected to the platform, we will review the current account allocations. When deemed necessary, we will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interests ahead of yours.

Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations;
- Never put our financial interests ahead of yours when making recommendations;
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

For more information about our conflicts of interest, please review items 5, 10, 11 and 14 or reach out to us using the contact information on the cover page of this brochure.

As of December 31, 2023, Lane Hipple has total assets under management of \$313,898,043. Of that total, \$292,650,443 is managed on a discretionary basis and \$21,247,600 on a non-discretionary basis.

Item 5: Fees and Compensation

A. Fees Charged

All clients will be required to execute a written agreement that describes the type of services to be provided and the fees, among other items.

Financial Planning

Financial planning fees can be hourly or fixed fee basis. Our hourly charge is \$400 per hour. Fixed fees are generally between \$2,000 and \$10,000 but may be higher or lower depending on the nature of the engagement and the complexity of your plan.

Asset Management through Charles Schwab

Generally, fees vary from 0.40% to 1.25% per annum of the net value of a client's accounts managed by Lane Hipple. Fees on accounts held in custody by Schwab Advisor Services ("Schwab") are billed in advance. The value used to calculate the asset management fee will include any allocation to cash or cash-like instruments, such as money market funds or accounts, of the client's investable assets. Investable cash means cash that is in the client's account as an asset allocation. Cash that is not in investable cash is cash that has been identified by the client as designated for a specific purpose. The fee range stated is a guide. Fees on accounts held at Charles Schwab are negotiable, and may be

higher or lower than this range, based on the nature of the account. Factors affecting fee percentages include the size of the account, complexity of asset structures, and other factors.

All clients, but especially those accounts below the minimum account size of \$250,000, should be advised they may receive similar services from other professionals for higher or lower overall costs.

Asset Management through Betterment

Generally, fees vary from 0.40% to 1.25% per annum of the net value of a client's accounts managed by Lane Hipple. Fees on accounts held in custody by Betterment are billed in arrears. The value used to calculate the asset management fee will include any allocation to cash or cash-like instruments, such as money market funds or accounts, of the client's investable assets. Investable cash means cash that is in the client's account as an asset allocation. Cash that is not in investable cash is cash that has been identified by the client as designated for a specific purpose. Fees on accounts held at Betterment are not negotiable.

All clients, but especially those accounts below the minimum account size of \$250,000, should be advised they may receive similar services from other professionals for higher or lower overall costs.

B. Fee Payment

Fees for financial planning and/or consulting will be billed to each client. When clients are billed hourly or on a fixed fee basis, clients may agree to either pay upon engagement or upon completion. Hourly or fixed fee clients will receive an invoice. If the client terminates the agreement prior to completion of the services, any unearned fees will be returned to the client.

Investment advisory fees will be debited directly from each client's account, according to the calculations outlined below. Once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to Lane Hipple.

Clients provide written authorization to debit advisory fees from their accounts when Lane Hipple sends an invoice to the custodian. The client will also receive a statement from their account custodian showing all transactions in their account, including the fee.

Assets Held at Charles Schwab

For accounts held by Schwab, the advisory fee is paid quarterly, in advance, and the value used for the fee calculation is the net value as of the last calendar day of the previous quarter. This means that if your annual fee is 1.00%, then each quarter we will multiply the value of your account by 1.00% then divide by 4 to calculate our fee.

Assets Held at Betterment

For accounts held by Betterment, the advisory fee is paid monthly, in arrears. We accrue fees beginning one day before the end of the prior month and the accrual of fees ends two days prior to the end of the current month. The fee is calculated pursuant to the formula [sum of the following for each day in the preceding billing period: (the balance in a client's account at the end of the day) * (advisory fee applicable on that day)] and will be deducted from the account three days after the transaction date, following the settlement of the trade(s) made to fund the fee.

Held-Away Assets

Fees related to the management of held-away assets will be assigned to the client's taxable accounts on a pro-rata basis, as it is impossible to directly debit the fees from directly managed held-away accounts, such as 401(k)s. If the client does not have a taxable account, those fees will be billed directly to the client.

A. Other Fees

There are a number of other fees that can be associated with holding and investing in securities, for which you are responsible. These fees include, but are not limited to, custodial fees. Betterment offers custody and trading services through a wrap fee program. That wrap fee is 0.14% of account balances and is charged monthly, in arrears. This fee will be collected by the custodian simultaneously with the advisory fee. Mutual funds charge an annual operating expense fee. The operating expense fee includes, but is not limited to, compensation for investment advisory services, analysis, and administrative services; and is deducted from the value of the shares by the mutual fund manager. For complete discussion of expenses related to each mutual fund, we encourage you to read the prospectus issued by the fund in which your account is invested. Lane Hipple can provide or direct you to a copy of the prospectus for any fund that we recommend to you.

Item 12 of this informational brochure discusses broker-dealer and custodial issues.

B. Pro-rata Fees

If you become a client during a quarter, you will pay a management fee for the number of days left in that quarter.

Once your notice of termination is received, we will refund the unearned fees to you by check to your address of record. Lane Hipple will cease to perform services, including processing trades and distributions, upon receipt of the notice of termination.

Item 6: Performance-Based Fees

Lane Hipple does not charge performance-based fees.

Item 7: Types of Clients

Clients advised may include individuals, trusts, foundations, and corporations. Lane Hipple requires each client to place at least \$250,000 with the firm. This minimum may be waived in the discretion of Lane Hipple.

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

It is important for you to know and remember that all investments carry risks. **Investing in securities involves risk of loss that clients should be prepared to bear.**

Methods of Analysis and Investment Strategies

Each client's portfolio will be invested according to that client's investment objectives. We determine these objectives by interviewing the client and/or asking the client to put these objectives in writing. Once we ascertain your objectives for each account, we will develop a set of asset allocation guidelines. An asset allocation strategy is a percentage-based allocation to different investment types. For example, a client may have an asset allocation strategy that calls for approximately 60% of the

portfolio to be invested in equity securities, with 20% of that allocated to international equities, and the remaining balance in fixed income. Another client may have an asset allocation of 50-60% in fixed income securities and the remainder in equities. The percentages in each type that we recommend are based on the typical behavior of that security type, individual securities we follow, current market conditions, your current financial situation, your financial goals, and your timeframe to attain your goals. In addition, the allocation percentages we recommend represent the maximum percentage we would target at any given time period. There may be market conditions that require more conservative allocation percentages through the use of incorporating a cash allocation into the portfolio. Thus, a client with an allocation strategy that calls for 60% of the portfolio to be invested in equities could have an equity percentage that ranges anywhere from 0% to 60%, depending upon market conditions. Additionally, market conditions may cause divergences from our initial allocation target at times. It will be discussed with the client if it would be prudent to rebalance back to target allocations based upon multiple factors, including but not limited to, taxation and market expectations. Because we develop an investment strategy based on your personal situation and financial goals, your asset allocation guidelines may be similar to or different from another client's. Once we agree on allocation guidelines, risk tolerance, time horizon, and how to achieve these results, we will maintain this course of action unless mutually agreed upon by Lane Hipple and the client.

We periodically recommend securities transactions in your portfolio to meet the guidelines of the asset allocation strategy. It is important to remember that because market conditions can vary greatly, your asset allocation guidelines are not necessarily strict rules. Rather, we review accounts individually, and may deviate from the guidelines as we believe necessary.

The specific securities we recommend for your account will depend on market conditions and our research at the time. Generally, we recommend some combination of stocks, index funds, exchange traded funds, mutual funds, and bonds. Specific funds are chosen based on where its investment objective fits into the asset allocation recommended by Lane Hipple, its risk parameters, past performance, peer rankings, fees, expenses, and any other aspects of the fund Lane Hipple deems relevant to that particular fund. We base our conclusions on predominantly publicly available research, such as regulatory filings, press releases, competitor analyses, and in some cases research we receive from our custodian or other market analyses. We will also utilize technical analyses, which means that we will review the past behaviors of the security and the markets in which it trades for signals as to what might happen in the future.

Additionally, part of the Lane Hipple process includes, where appropriate, involving multiple generations in order to facilitate family financial planning. This can increase the financial education of the later generations and manage expectations. However, potential for conflicts of interest exist with the exchange of intergenerational information. Lane Hipple attempts to minimize these conflicts by treating each household as its own fiduciary relationship. Information can only be shared across generations with each client's consent.

Risk Factors

There are always risks to investing. **Clients should be aware that all investments carry various types of risk including the potential loss of principal that clients should be prepared to bear.** It is impossible to name all possible types of risks. Among the risks are the following:

- **Political Risks.** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **General Market Risks.** Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason and may take some time to recover any lost value. Adding additional securities do not help to minimize this risk since all securities may be affected by market fluctuations.

- **Currency Risk.** When investing in another country using another currency, the changes in the value of the currency can change the value of your security in your portfolio.
- **Regulatory Risk.** Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure, or laws impact the return on these investments.
- **Tax Risks Related to Short-Term Trading:** Clients should note that Lane Hipple may engage in short-term trading transactions. These transactions may result in short-term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long-term strategies. Lane Hipple endeavors to invest client assets in a tax-efficient manner, but all clients are advised to consult with their tax professionals regarding the transactions in client accounts.
- **Risks Related to Investment Term.** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have, had the investment had the opportunity to regain its value.
- **Purchasing Power Risk.** Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.
- **Business Risk.** This can be thought of as certainty or uncertainty of income. Management comes under business risk. Cyclical companies (like automobile companies) have more business risk because of the less steady income stream. On the other hand, fast food chains generally tend to have steadier income streams and therefore, less business risk.
- **Financial Risk.** The amount of debt or leverage determines the financial risk of a company.
- **Default Risk.** This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.
- **Short Sales.** "Short sales" are a way to implement a trade in a security that Lane Hipple feels is overvalued. In a "long" trade, the investor is hoping the security increases in price. Thus, in a long trade, the amount of the investor's loss (without margin) is the amount paid for the security. In a short sale, the investor is hoping the security decreases in price. However, unlike a long trade where the price of the security can only go from the purchase price to zero, in a short sale, the price of the security can go infinitely upwards. Thus, in a short sale, the potential for loss is unlimited and unknown, where the potential for loss in a long trade is limited and knowable. Lane Hipple may utilize short sales only when the client's risk tolerances permit.
- **Margin Risk.** "Margin" is a tool used to maximize returns on a given investment by using securities in a client account as collateral for a loan from the custodian to the client. The proceeds of that loan are then used to buy more securities. In a positive result, the additional securities provide additional return on the same initial investment. In a negative result, the additional securities provide additional losses. Margin therefore carries a higher degree of risk than investing without margin. Any client account that will use margin will do so in accordance with Regulation T. Lane Hipple does not typically recommend the use of margin trading but may utilize margin on a limited basis for clients with higher risk tolerances.

- **Transition Risk.** As assets are transitioned from a client's prior advisers to Lane Hipple there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold in order to reposition the portfolio into the asset allocation strategy selected by Lane Hipple. However, this transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of reasons that may include unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. The inability to transition a client's holdings into recommendations of Lane Hipple may adversely affect the client's account values, as Lane Hipple's recommendations may not be able to be fully implemented.
- **REITs.** Lane Hipple may recommend that portions of client portfolios be allocated to real estate investment trusts, otherwise known as "REITs". A REIT is an entity, typically a trust or corporation, that accepts investments from a number of investors, pools the money, and then uses that money to invest in real estate through either actual property purchases or mortgage loans. While there are some benefits to owning REITs, which include potential tax benefits, income, and the relatively low barrier to invest in real estate as compared to directly investing in real estate, REITs also have some increased risks as compared to more traditional investments such as stocks, bonds, and mutual funds. First, real estate investing can be highly volatile. Second, the specific REIT chosen may have a focus, such as commercial real estate or real estate in a given location. Such investment focus can be beneficial if the properties are successful but lose significant principal if the properties are not successful. REITs may also employ significant leverage for the purpose of purchasing more investments with fewer investment dollars, which can enhance returns but also enhances the risk of loss. The success of a REIT is highly dependent upon the manager of the REIT. Clients should ensure they understand the role of the REIT in their portfolio.
- **International Investing.** Investing outside of the United States, especially in emerging markets, can have special or enhanced risks. The most obvious are political risk (changes in local politics can have a vast impact on the markets in that country as well as regulations affecting given issuers) and currency risk (changes in exchange rates between the dollar and the local denominations can materially affect the value of the security even if the underlying fundamentals and market price are stagnant). There are other risks, including enhanced liquidity risk, meaning that while domestic equities and mutual funds are generally easily liquidated (though there may be a risk of loss due to the timing of the sale), equities in other jurisdictions may be subject to the circumstances of lower overall market volume and fewer companies on an emerging exchange. In addition, there may be less information and less transparency in a foreign market or from a foreign company. Foreign markets impose different rules than domestic markets, which may not be to an investor's advantage. Also, companies in foreign jurisdictions are generally able to avail themselves of local laws and venues, meaning that legal remedies for U.S. investors may not be as easily obtained as in the U.S.
- **Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues.** Our business activities could be materially adversely affected by pandemics, epidemics, and outbreaks of disease in Asia, Europe, North America and/or globally or regionally, such as COVID-19, Ebola, H1N1 flu, H7N9 flu, H5N1 flu, Severe Acute Respiratory Syndrome (SARS), and/or other epidemics, pandemics, outbreaks of disease, viruses and/or public health issues. Specifically, COVID-19 spread rapidly around the world since its initial emergence in China in December 2019 and severely negatively affected (and may continue to materially adversely affect) the global economy and equity markets (including, in particular, equity markets in Asia, Europe and the United States). Although the long-term effects or consequences of COVID-19 and/or other epidemics, pandemics, and outbreaks of disease cannot currently be predicted, previous occurrences of other pandemics, epidemics, and other outbreaks of disease, such as H5N1 flu, H1N1 flu, SARS and the Spanish flu, had a material adverse effect on the economies and markets of those countries and regions in which they were most prevalent. Any occurrence or recurrence (or continued spread) of an outbreak of any kind of epidemic, communicable disease, virus, or major public health issue could cause a slowdown in the levels of economic activity generally (or cause the global economy to enter into a recession or depression), which would adversely affect the business, financial condition, and operations of the

Adviser. Should these or other major public health issues, including pandemics, arise or spread farther (or continue to spread or materially impact the daily lives of persons around the globe), the Adviser could be adversely affected by more stringent travel restrictions, additional limitations on the Adviser's operations or business, and/or governmental actions limiting the movement of people between regions and other activities or operations (or to otherwise stop the spread or continued spread of any disease or outbreak).

- **Geopolitical Risk.** Geopolitical and other events (e.g., war or terrorism) may disrupt securities markets and adversely affect global economies and markets, thereby decreasing the value of an account's investments. Sudden or significant changes in the supply or prices of commodities or other economic inputs, such as oil may have material and unexpected effects on both global securities markets and individual countries, regions, sectors, companies, or industries, which could significantly reduce the value of an account's investments. War, terrorism, and related geopolitical events have led, and in the future, may lead to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets generally.

Item 9: Disciplinary Information

Neither the firm nor any of its employees or principals has any disciplinary information to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Broker-dealer

Neither Lane Hipple nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

B. Relationship with Related Persons

Certain professionals of Lane Hipple are separately licensed as independent insurance agents in certain states. As such, these professionals may conduct insurance product transactions for Lane Hipple clients in their capacity as licensed insurance agents and will receive customary commissions for these transactions in addition to any compensation received in their capacity as employees of Lane Hipple. Commissions from the sale of insurance products will not be used to offset or as a credit against advisory fees. These professionals therefore may have an incentive to recommend insurance products based on the compensation to be received, rather than on a client's needs, though Lane Hipple's policy is to provide the client with insurance products that are most suitable, given the client's specific needs. The receipt of additional fees for insurance commissions is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to engage Lane Hipple or utilize these professionals to implement any insurance recommendations. Lane Hipple attempts to mitigate this conflict of interest by disclosing the conflict to clients and informing the clients that they are always free to purchase insurance products through other agents that are not affiliated with Lane Hipple, or to determine not to purchase the insurance product at all. Lane Hipple also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics their individual fiduciary duty to the clients of Lane Hipple, which requires that employees put the interests of clients ahead of their own.

All insurance product transactions will be processed through Impact Retirement Group, LLC, which is owned by the same principal and partners of Lane Hipple Wealth Management Group.

C. Recommendations of Other Advisers

Lane Hipple has certain client relationships that utilize a third-party manager. All other assets are managed by Lane Hipple.

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

A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.

An employee of Lane Hipple may purchase, for his or her own account, securities also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account.

Item 12: Brokerage Practices

A. Recommendation of Broker-Dealer

Lane Hipple recommends that investment accounts be held in custody by Schwab or Betterment.

Schwab offers enhanced services to independent investment advisors. These services include custody of securities, trade execution platforms, and access to research not available to the general public. Schwab is wholly independent from Lane Hipple. It is expected that most, if not all, transactions in a given client account will be cleared through the custodian of that account in its capacity as a broker-dealer.

Lane Hipple recommends Schwab to clients based on a variety of factors. These include, but are not limited to, commission costs. Schwab has what can be considered discounted commission rates. However, in choosing a broker-dealer or custodian to recommend, we are most concerned with the value the client receives for the cost paid, not just the cost. Schwab adds value beyond commission cost. Other factors that may be considered in determining overall value include speed and accuracy of execution, financial strength, knowledge and experience of staff, research, and service. Schwab also has arrangements with many mutual funds that enable us to purchase these mutual funds for client accounts at reduced transaction charges (as opposed to other broker-dealers). Lane Hipple re-evaluates the use of Schwab at least annually to determine if they are still the best value for our clients.

Schwab provides Lane Hipple with some non-cash benefits (not available to retail customers) in return for placing client assets with them or executing trades through them. Currently, these benefits come in the form of investment research and sponsored attendance at various investment seminars. We may also receive such items as investment software, books, and research reports. These products, services, or educational seminars are items that may play a role in determining how to invest client accounts. Lane Hipple receives a benefit from these services, as otherwise we would be compiling the same research ourselves. This may cause a conflict of interest as we may want to place more client accounts with a broker-dealer/custodian such as Schwab solely because of these added benefits. As such, Lane Hipple may have an incentive to select or recommend a broker-dealer based on interests in receiving the research or other products or services, rather than on clients' interest in receiving the most favorable execution. Lane Hipple attempts to mitigate this potential conflict by performing reviews of execution services and value clients receive to ensure clients are receiving the best possible value for costs paid. However, the value to all of our clients of these benefits is included in our evaluation of custodians. Products and services received will generally be used for the benefit of all clients.

However, it is possible that a given client's trades will generate non-cash benefits that acquire products and/or services that are not ultimately utilized for that same client's account. Non-cash benefits provide additional value and are accordingly considered in determining which broker-dealer or custodian to utilize as part of our best execution analysis.

Lane Hipple recommends Betterment to clients based on a variety of factors. These include, but are not limited to, automated investment management services. Betterment's algorithms automate back-office tasks such as trading, portfolio management, and account rebalancing. Betterment's goal-based investment platform allows Lane Hipple clients to identify multiple investment goals, each with specific portfolio allocations. Betterment's website and mobile application provide a platform for account access and monitoring and delivery of account documentation and notices.

Some of the products, services and other benefits provided by Schwab and Betterment benefit Lane Hipple and may not benefit Lane Hipple's clients' accounts. Lane Hipple's recommendation or requirement that a client place assets in Schwab or Betterment's custody may be based in part on benefits Schwab or Betterment provide to Lane Hipple, or Lane Hipple's agreement to maintain certain Assets Under Management at Schwab or Betterment, and not solely on the nature, cost, or quality of custody and execution services provided by Schwab or Betterment.

However, Lane Hipple places trades for its clients' accounts subject to its duty to seek best execution and its other fiduciary duties. We do not consider whether Schwab, Betterment, or any other broker-dealer/custodian, refers clients to Lane Hipple as part of our evaluation of these broker-dealers.

B. Aggregating Trades

Lane Hipple may aggregate trades in the same security for multiple accounts when we believe aggregating a trade would be in the best interest of the clients. Aggregating trades could be either advantageous or disadvantageous to any one or more particular accounts. When a trade is aggregated, we intend to allocate the executions in a manner that is deemed equitable to the accounts involved in the trade, which includes using the average price of the aggregate trade for each account and prorating the aggregate trade should the entire order not be filled.

Item 13: Review of Accounts

All accounts will be reviewed by one of Lane Hipple's investment adviser representatives on at least an annual basis. However, it is expected that market conditions, changes in a particular client's account, or changes to a client's circumstances will trigger a review of accounts. All clients will receive statements from their account custodian showing transactions and holdings in their accounts. We encourage you to compare the information on any report prepared by Lane Hipple against the information in the statements provided directly from Schwab and Betterment and alert us of any discrepancies.

Item 14: Client Referrals and Other Compensation

A. Economic Benefit Provided by Third Parties for Advice Rendered to Client

Other Products and Services Available to Us from Schwab.

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services described below are generally available on an unsolicited basis (we don't have to request them) and at no charge to us, as long as we keep a total of at least \$10 million of the assets of our firm's advisory clients in accounts at Schwab. The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients. Here is a more detailed description of Schwab's support services:

Services that Benefit You. Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services that May Not Directly Benefit You. Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

Services that Generally Benefit Only Us. Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.

Our Interest in Schwab's Services.

The availability of the services described above (under the caption "Other Products and Services Available to Us from Schwab") from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as we keep a total of at least \$10 million of client assets in accounts at Schwab. The \$10 million minimum described above may give us an incentive to require that you maintain your account with Schwab based on our interest in receiving Schwab's services rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality, and price of Schwab's services. We have adopted policies and procedures designed to ensure, at account opening and thereafter, that our use of Schwab's services is appropriate for each of our clients.

B. Compensation to Non-Advisory Personnel for Client Referrals

Lane Hipple does not directly or indirectly compensate any person for client referrals.

Item 15: Custody

Lane Hipple has custody of client funds; by directly debiting its fees from client accounts pursuant to applicable agreements granting such right. Lane Hipple is permitted by the client/custodian-based standing letter of authorization (“SLOAs”) to initiate distributions from client accounts. The SLOAs permit a client to issue one document that allows Lane Hipple to initiate distributions out of the client’s account(s) that are verified and approved by the custodian. Lane Hipple does not have the authorization to approve distributions from client accounts.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. The client will also receive a statement from their account custodian showing all transactions in their account, including the fee.

We encourage clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information on your quarterly report prepared by Lane Hipple against the information in the statements provided directly by the custodian. Please alert us of any discrepancies.

Item 16: Investment Discretion

Asset management services are provided on a “discretionary” basis. When Lane Hipple is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You will receive written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive monthly statements from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and Lane Hipple.

Item 17: Voting Client Securities

Clients are required to vote proxies related to their investments, or to choose not to vote their proxies. Lane Hipple will not accept authority to vote client securities. Clients will receive their proxies directly from the custodian for the client account. Lane Hipple will not give clients advice on how to vote proxies.

Item 18: Financial Information

Lane Hipple does not require the prepayment of fees six (6) months or more in advance.

Lane Hipple has no financial commitments that may impair our ability to meet our contractual obligations to our clients.