

# Macke Financial Advisory Group, Inc.

SEC File # 801- 57221

ADV Part 2A, Brochure

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**This Brochure provides information about the qualifications and business practices of Macke Financial Advisory Group, Inc. If you have any questions about the contents of this Brochure, please contact us at 239-275-1122. 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 Macke Financial Advisory Group, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**References to Macke Financial Advisory Group, Inc. as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.**

## **Item 2           Material Changes**

Since the last Annual Amendment filing on March 7, 2023, this Disclosure Brochure has not been materially amended. While not material, certain revisions have been made at Item 4 to enhance disclosure regarding our advisory services.

Macke Financial Advisory Group, Inc.’s Chief Compliance Officer, Kevin P. Jordan, remains available to address any questions about this Brochure.

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

- A. Macke Financial Advisory Group, Inc. (the “Firm”) is a Florida corporation first incorporated in 1996. The Firm has been registered as an investment adviser with the United States Securities and Exchange Commission since February 7, 2000. The Firm is solely owned by Todd Christopher Macke, who is also the Firm’s President.
- B. As discussed below, the Firm offers to its clients (generally: individuals, high net worth individuals, related trusts and estates, pensions and profit-sharing plans) investment advisory services along with financial planning and consulting services upon request.

#### **Comprehensive Financial Planning; Consulting Services; Investment Management**

The Firm may provide its clients with a broad range of comprehensive financial planning and consulting services (including non-investment related matters). The Firm offers comprehensive advisory services such as financial planning, investment advice, risk management, tax planning, cash flow management, insurance evaluation, estate and generational planning and life planning. The Firm maintains strategic partnerships with unaffiliated third parties that may be consulted regarding, or used to supplement, goal setting, life planning and personal coaching services in the financial planning process. In some cases, the Firm may offer concierge type services such as general cash management support to those who request it based on their overall state of health.

The client, upon completion of the initial financial planning services, can subsequently engage the Firm to provide both ongoing comprehensive financial planning and discretionary or non-discretionary investment management on a fee-only basis. For ongoing comprehensive financial planning, the Firm will conduct meetings typically on a quarterly basis, but tailor the frequency to the needs of the client. Each meeting will have a focused area to review. For example, in the first quarter, the Firm may review goals and cash flow/budgets, the second quarter may consist of risk management, insurance and estate planning, the third quarter may consist of investments and long range planning and the fourth quarter might focus on taxes and investments. There are some clients that require quarterly meetings as a result of their holdings and special needs whereas others may only require one meeting per year. Investment management consists of monitoring accounts and making adjustments in client’s holdings based on various factors. These include, but are not limited to, client risk profile and liquidity needs, market valuations, fundamental and technical factors, geopolitical trends, monetary and fiscal policies of the U.S. government and other government bodies, research provided by outside parties and other indicators that may be relevant for future asset valuations and trends.

If the client engages the Firm on a fee-only basis, the Firm shall charge an annual fee for financial planning and investment management services, which fee shall be based upon the percentage of assets under management with the firm and billed quarterly in arrears based upon the market value of the assets under management on the last business day of the previous quarter.

The scope of the ongoing financial planning and/or related consultation services to be rendered by the Firm is intended to generally be limited to reviewing, evaluating, and revising the Firm’s previous recommendations and/or services relative to a change in the client’s financial situation and/or investment objectives.

Before providing investment management services, the Firm ascertains, in conjunction with the client, the client's financial situation and investment objective(s). This is the Initial Comprehensive Financial Plan. The Firm then prepares an initial investment model and implementation schedule for client approval. Once the model is approved, the Firm will allocate the client's investment assets accordingly. The Firm primarily allocates client investment management assets among various individual debt and equity securities (including exchange traded funds ("ETFs")) and mutual fund classes, on a discretionary basis, in accordance with the client's designated investment objectives. Once investment assets are allocated, the Firm provides ongoing monitoring and review of account performance and asset allocation as compared to client investment objectives and may execute account transactions based upon those reviews. Before engaging the Firm to provide investment advisory services, clients are required to enter into an investment advisory agreement with us setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the fee that is due from the client.

### **Pension Consulting Services**

The Firm also offers pension consulting services to employee benefit plans based upon the needs of the plan and the services requested by the plan sponsor or plan fiduciaries. The Firm's services in this regard may include review of plan features, review of investment selection and asset allocation, participant education and consultation with respect to the plan's features and investment options, and services to assist the plan with employee communication and enrollment. The Firm offers regular meetings for the plan fiduciary to discuss investment options, and annual and regular employee education meetings throughout the year as requested by the plan client.

The Firm's pension consulting services are for the benefit of the plan as a client. Plan participants who have investment-related questions pertaining to the suitability of any specific plan investment alternative for their individual investment objective(s) or financial situation are encouraged to consult with the investment professional of their choosing. Accordingly, no plan participant should assume that any general informational materials or educational sessions serve as the receipt of, or as a substitute for, personalized investment advice from the Firm or its representatives.

**Greater Gifts Family Office.** The Firm offers a separate program, known as the Greater Gifts Family Office ("GGFO") that encompasses all of the foregoing investment advisory services, but also includes access to various lifestyle, health and well-being products, services and/or programs made available by unaffiliated third party providers. The GGFO program entails a holistic approach to providing additional resources in the areas of physical, spiritual and mental health, along with solutions for social and financial well-being. The GGFO platform of products and services is designed to supplement our investment advisory offering, allowing for a more robust and complete client engagement. The Firm covers the cost of GGFO services for investment management clients and investment management clients are not charged any additional fees for access to, or participation in, the GGFO program. Certain financial planning clients will be responsible for GGFO program costs as described below at Item 5. GGFO program offerings will typically last for a specific period of time, or until specific services have been provided. Clients who wish to continue their engagement with programs initially offered in connection with GGFO participation may pursue such services independently and at their own expense.

### **Miscellaneous Information about the Firm's Services.**

**Client Obligations.** In performing its services, the Firm shall not be required to verify any information received from the client or from the client's other professionals, and is expressly

authorized to rely thereon. If requested by the client, the Firm may recommend the services of other professionals for implementation purposes. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Firm. It remains each client's responsibility to promptly notify the Firm if there is ever any change in their financial situation or investment objective(s) for the purpose of reviewing, evaluating, or revising the Firm's previous recommendations and/or services.

Limitations of Financial Planning and Non-Investment Consulting/Implementation Services. The Firm shall generally provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Subsequent to the initial financial planning engagement, the Firm will generally provide such consulting services inclusive of its advisory fee set forth at Item 5 below. **Please Note.** The Firm believes that it is important for the client to address financial planning issues on an ongoing basis. The Firm's advisory fee, as set forth at Item 5 below, will remain the same regardless of whether or not the client determines to address financial planning issues with the Firm. The Firm does not serve as an attorney, accountant or insurance agent, and no portion of our services should be construed as legal, accounting or insurance implementation services. Accordingly, the Firm does not prepare estate planning documents or tax returns, nor does it sell or offer insurance products. To the extent requested by a client, the Firm may recommend the services of other professionals for certain non-investment implementation purpose. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Firm and/or its representatives. Neither the Firm nor its investment adviser representatives assist clients with the implementation of any financial plan, unless they have agreed to do so in writing. If the client engages any recommended unaffiliated professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. If, and when, the Firm is involved in a specific matter (i.e. estate planning, insurance, accounting-related engagement, etc.), it is the engaged licensed professionals (i.e. attorney, accountant, insurance agent, etc.), and not the Firm, that is responsible for the quality and competency of the services provided.

The preceding sentence shall not limit or waive any applicable rights under federal or state law, including securities laws and fiduciary obligations that cannot be limited or waived.

Retirement Rollovers - Conflict of Interest. A client or prospective client leaving an employer has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If the Firm recommends that a client roll over their retirement plan assets into an account to be managed by the Firm, the recommendation creates a conflict of interest if the Firm will earn a new (or increase its current) compensation as a result of the rollover. If the Firm provides a recommendation as to whether a client should engage in a rollover or not (whether it is from an employer's plan or an existing IRA), the Firm is acting as a fiduciary 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. No client is under any obligation to rollover retirement plan assets to an account managed by the Firm, whether it is from an employer's plan or an existing IRA. The Firm's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding

the potential for conflict of interest presented by such rollover recommendation.

**Variable Annuity Management.** In the event that the client owns a variable annuity product, the client can engage the Firm to provide investment management services relative to the investment subdivisions that comprise the variable annuity product. The Firm's investment selection shall be limited to those provided by the variable annuity sponsor. If so engaged, the Firm shall charge an ongoing advisory fee based upon the market value of the assets per its fee schedule at Item 5 below. **Please Note:** Neither the Firm, nor any of its employees, offers to sell variable annuity products to its clients. Neither Firm, nor any of its employees, are registered as, or associated with, a broker-dealer or an insurance agency. In the event that the client owns a variable annuity product and/or seeks to purchase a variable annuity product, the Firm shall refer the client to an unaffiliated broker-dealer/insurance agency to advise on same, and if agreed upon by the client, engage the unaffiliated broker-dealer/insurance agency to exchange a current, or purchase a new, variable annuity product. Neither the Firm, nor any of its employees, shall receive any portion of the fees earned by the unaffiliated broker-dealer/insurance agency. The Firm's only compensation shall be limited to the management of the investment subdivisions that comprise the variable annuity product, should the client engage the Firm to do so. The client is under no obligation to engage the Firm to provide such management services, nor is the client under any obligation to consider addressing variable annuity issues with the unaffiliated broker-dealer/insurance agency that may be recommended by the Firm. **Please Also Note:** Because the Firm could earn an advisory fee on the variable annuity assets, a potential conflict of interest arises in the event that the Firm recommends that the client should address variable annuity issues with the unaffiliated broker-dealer/insurance agency. **Please Further Note:** Variable annuities are long-term investment products. Variable annuity product sponsors generally impose financial penalties for early withdrawals as set forth in the variable annuity documents. Thus, the client must consider such potential penalties prior to agreeing to exchange or purchase a variable annuity product.

**Cash Sweep Accounts.** Account custodians generally require that cash proceeds from account transactions or cash deposits be swept into and/or initially maintained in the custodian's sweep account. The yield on the sweep account is generally lower than those available in money market accounts. To help mitigate this issue, the Firm shall generally purchase a higher yielding money market fund available on the custodian's platform with cash proceeds or deposits, unless the Firm reasonably anticipates that it will utilize the cash proceeds during the subsequent 30-day period to purchase additional investments for the client's account. Exceptions and/or modifications can and will occur with respect to all or a portion of the cash balances for various reasons, including, but not limited to, the amount of dispersion between the sweep account and a money market fund, the size of the cash balance, an indication from the client of an imminent need for such cash, or the client has a demonstrated history of writing checks from the account.

**Please Note:** The above does not apply to the cash component maintained within the Firm's actively managed investment strategy (the cash balances for which shall generally remain in the custodian designated cash sweep account), an indication from the client of a need for access to such cash, assets allocated to an unaffiliated investment manager, and cash balances maintained for fee billing purposes. **Please Also Note:** The client shall remain exclusively responsible for yield dispersion/cash balance decisions and corresponding transactions for cash balances maintained in any of the Firm's unmanaged accounts

**Cybersecurity Risk.** The information technology systems and networks that the Firm and its third-party service providers use to provide services to the Firm's clients employ various controls, which are designed to prevent cybersecurity incidents stemming from intentional or unintentional actions

that could cause significant interruptions in the Firm's operations and result in the unauthorized acquisition or use of clients' confidential or non-public personal information. Clients and the Firm are nonetheless subject to the risk of cybersecurity incidents that could ultimately cause them to incur losses, including for example: financial losses, cost and reputational damage to respond to regulatory obligations, other costs associated with corrective measures, and loss from damage or interruption to systems. Although the Firm has established its processes to reduce the risk of cybersecurity incidents, there is no guarantee that these efforts will always be successful, especially considering that the Firm does not directly control the cybersecurity measures and policies employed by third-party service providers. Clients could incur similar adverse consequences resulting from cybersecurity incidents that more directly affect issuers of securities in which those clients invest, broker-dealers, qualified custodians, governmental and other regulatory authorities, exchange and other financial market operators, or other financial institutions.

Please Note: Socially Responsible (ESG) Investing Limitations. Socially Responsible Investing involves the incorporation of Environmental, Social and Governance ("ESG") considerations into the investment due diligence process. ESG investing incorporates a set of criteria/factors used in evaluating potential investments: Environmental (i.e., considers how a company safeguards the environment); Social (i.e., the manner in which a company manages relationships with its employees, customers, and the communities in which it operates); and Governance (i.e., company management considerations). The number of companies that meet an acceptable ESG mandate can be limited when compared to those that do not, and could underperform broad market indices. Investors must accept these limitations, including potential for underperformance. Correspondingly, the number of ESG mutual funds and exchange-traded funds are limited when compared to those that do not maintain such a mandate. As with any type of investment (including any investment and/or investment strategies recommended and/or undertaken by the Firm), there can be no assurance that investment in ESG securities or funds will be profitable, or prove successful. The Firm does not maintain or advocate an ESG investment strategy, but will seek to employ ESG if directed by a client to do so. If implemented, the Firm shall rely upon the assessments undertaken by the unaffiliated mutual fund, exchange traded fund or separate account portfolio manager to determine that the fund's or portfolio's underlying company securities meet a socially responsible mandate.

Independent Managers. The Firm may allocate (and/or recommend that the client allocate) a portion of a client's investment assets among unaffiliated independent investment managers ("Independent Manager(s)") in accordance with the client's designated investment objective(s). In such situations, the Independent Manager(s) will have day-to-day responsibility for the active discretionary management of the allocated assets. The Firm will continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. The Firm generally considers the following factors when recommending Independent Manager(s): the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Manager(s) are exclusive of, and in addition to, The Firm's ongoing investment advisory fee, which will be disclosed to the client before entering into the Independent Manager engagement and/or subject to the terms and conditions of a separate agreement between the client and the Independent Manager(s).

Fee Dispersion. The Firm, in its discretion, may charge a lesser investment advisory fee, charge a flat fee, waive its fee entirely, or charge fee on a different interval, based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, complexity of the engagement, anticipated

services to be rendered, grandfathered fee schedules, employees and family members, courtesy accounts, competition, negotiations with client, etc.). **Please Note:** As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. **ANY QUESTIONS:** The Firm's Chief Compliance Officer, Kevin P. Jordan, remains available to address any questions that a client or prospective client may have regarding advisory fees.

Please Note: Cash Positions. The Firm continues to treat cash as an asset class. As such, unless determined to the contrary by the Firm, all cash positions (money markets, etc.) shall continue to be included as part of assets under management for purposes of calculating the Firm's advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being **no guarantee** that such anticipated market conditions/events will occur), the Firm may maintain cash positions for defensive purposes. In addition, while assets are maintained in cash, such amounts could miss market advances. Depending upon current yields, at any point in time, the Firm's advisory fee could exceed the interest paid by the client's money market fund. **ANY QUESTIONS: The Firm's Chief Compliance Officer, Kevin Jordan, remains available to address any questions that a client or prospective may have regarding the above fee billing practice.**

Trustee Directed Plans. The Firm may be engaged to provide discretionary investment advisory services to ERISA retirement plans, whereby the Firm shall manage Plan assets consistent with the investment objective designated by the Plan trustees. In such engagements, the Firm will serve as an investment fiduciary as that term is defined under The Employee Retirement Income Security Act of 1974 ("ERISA"). The Firm will generally provide services on an "assets under management" fee basis per the terms and conditions of an *Investment Advisory Agreement* between the Plan and the Firm.

Unaffiliated Private Investment Funds. The Firm may recommend that certain qualified clients consider an investment in unaffiliated private investment funds. The Firm's role relative to the private investment funds shall be limited to its initial and ongoing due diligence and investment monitoring services. If a client determines to become a private fund investor, the amount of assets invested in the fund(s) shall be included as part of "assets under management" for purposes of the Firm determining its investment advisory fee per Item 5 below. The Firm's clients are under absolutely no obligation to consider or make an investment in a private investment fund(s). Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may own, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified to invest in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment. If the Firm bills an investment advisory fee based upon the value of private investment funds or otherwise references private investment funds owned by the client on any supplemental account reports prepared the Firm, the value for all private investment funds owned by the client will reflect the most recent valuation provided by the fund sponsor. However, if subsequent to purchase, the fund has not provided an updated valuation, the valuation shall reflect the initial purchase price. If subsequent to purchase, the fund provides an updated valuation, then the statement will reflect that updated value. The updated value will continue to be reflected on the report until the fund provides a further updated value. The current value of any private investment fund could be significantly more or less than the original purchase price or the



price reflected in any supplemental account report. Unless otherwise indicated, Firm shall calculate its fee based upon the latest value provided by the fund sponsor.

Availability of Mutual Funds and Exchange Traded Funds. While the Firm may allocate investment assets to mutual funds and exchange traded funds (“ETFs”) that are not available directly to the public, the Firm may also allocate investment assets to publicly-available mutual funds and ETFs that the client could purchase without engaging the Firm as an investment adviser. However, if a client or prospective client determines to purchase publicly-available mutual funds or ETFs without engaging the Firm as an investment adviser, the client or prospective client would not receive the benefit of the Firm’s initial and ongoing investment advisory services with respect to management of the asset.

Portfolio Activity. The Firm has a fiduciary duty to provide services consistent with the client’s best interest. As part of its investment advisory services, the Firm will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, market conditions, mutual fund manager tenure, style drift, and/or a change in the client’s investment objective. Based upon these factors, there may be extended periods of time when the Firm determines that changes to a client’s portfolio are neither necessary nor prudent. Of course, as indicated below, there can be no assurance that investment decisions made by the Firm will be profitable or equal any specific performance level(s). Clients nonetheless remain subject to the fees described in Item 5 below during periods of account inactivity.

Custodian Charges-Additional Fees. As discussed below at Item 12 below, when requested to recommend a broker-dealer/custodian for client accounts, the Firm generally recommends that Charles Schwab Co., Inc., and its affiliates (“*Schwab*”), serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *Schwab* charge brokerage commissions, transaction, and/or other type fees for effecting certain types of securities transactions (i.e., including transaction fees for certain mutual funds, and mark-ups and mark-downs charged for fixed income transactions, etc.). The types of securities for which transaction fees, commissions, and/or other type fees (as well as the amount of those fees) shall differ depending upon the broker-dealer/custodian (while certain custodians, including *Schwab*, do not currently charge fees on individual equity transactions, others do). **Please Note:** there can be no assurance that *Schwab* will not change its transaction fee pricing in the future. **Please Also Note:** Schwab *may* also assess fees to clients who elect to receive trade confirmations and account statements by regular mail rather than electronically. These fees/charges are in addition to the Firm’s investment advisory fee at Item 5 below. The Firm does not receive any portion of these fees/charges. **ANY QUESTIONS: The Firm’s Chief Compliance Officer, Kevin P. Jordan, remains available to address any questions that a client or prospective client may have regarding the above.**

Margin / Securities Based Loans. Upon client request, the Firm may recommend that a client establish a margin loan or a securities based loan (collectively, “SBLs”) with the client’s broker-dealer/custodian or their affiliated banks (each, an “SBL Lender”) to access cash flow. For example, clients may seek to borrow money on margin to pay bills or other expenses such as financing the purchase, construction, or maintenance of a real estate project. Unlike a traditional real estate-backed loan, an SBL has the potential benefit of: enabling borrowers to access to funds in a shorter period of time, providing greater repayment flexibility, and may also result in the borrower receiving certain tax benefits. Clients interested in learning more about the potential tax benefits of borrowing money on margin should consult with an accountant or tax advisor. The terms and conditions of each SBL are contained in a separate agreement between the client and the SBL

Lender selected by the client, which terms and conditions may vary from client to client. Borrowing funds on margin is not suitable for all clients and is subject to certain risks, including but not limited to: increased market risk, increased risk of loss, especially in the event of a significant downturn; liquidity risk; the potential obligation to post collateral or repay the SBL if the SBL Lender determines that the value of collateralized securities is no longer sufficient to support the value of the SBL; the risk that the SBL Lender may liquidate the client's securities to satisfy its demand for additional collateral or repayment / the risk that the SBL Lender may terminate the SBL at any time. Before agreeing to participate in an SBL program, clients should carefully review the applicable SBL agreement and all risk disclosures provided by the SBL Lender including the initial margin and maintenance requirements for the specific program in which the client enrolls, and the procedures for issuing "margin calls" and liquidating securities and other assets in the client's accounts. If the Firm recommends that a client apply for an SBL instead of selling securities that the Firm manages for a fee to meet liquidity needs, the recommendation presents an ongoing conflict of interest because selling those securities (instead of leveraging those securities to access an SBL) would reduce the amount of assets to which the Firm's investment advisory fee percentage is applied, and thereby reduce the amount of investment advisory fees collected by the Firm. Likewise, the same ongoing conflict of interest is present if a client determines to apply for an SBL on their own initiative. These ongoing conflicts of interest would persist as long as the Firm has an economic disincentive to recommend that the client terminate the use of SBLs. Clients are therefore reminded that they are not under any obligation to employ the use of SBLs, and are solely responsible for determining when to use, reduce, and terminate the use of SBLs. Although the Firm seeks to disclose all conflicts of interest related to its recommended use of SBLs and related business practices, there may be other conflicts of interest that are not identified above. Clients are therefore reminded to carefully review the applicable SBL agreement and all risk disclosures provided by the SBL Lender as applicable, and contact the Firm's Chief Compliance Officer with any questions regarding the use of SBLs.

Third Party Reporting Services. The Firm may provide access to reporting services that can reflect all of the client's investment assets, including those investment assets that are not part of the assets managed by the Firm (the "Excluded Assets"). The Firm's service relative to the Excluded Assets is limited to reporting service access only, which does not include investment implementation. Because the Firm does not have trading authority for the Excluded Assets, the client (and/or another investment professional), and not the Firm, shall be exclusively responsible for directly implementing any recommendations relative to the Excluded Assets. Further, the client and/or their other advisors that maintain trading authority, and not the Firm, shall be exclusively responsible for the investment performance or related activity (such as timing and trade errors) pertaining to the Excluded Assets. The third-party reporting platform may also provide access to financial planning information and applications, which should not be construed as services, advice, or recommendations provided by the Firm. Accordingly, the Firm shall not be held responsible for any adverse results a client may experience if the client engages in financial planning or other functions available on the third party reporting platform without the Firm's participation or oversight. Unless also agreed to otherwise, in writing, The Firm does not provide investment management, monitoring or implementation services for the Excluded Assets. The client can engage the Firm to provide investment management services for the Excluded Assets pursuant to the terms and conditions of the *Investment Advisory Agreement* between the Firm and the client.

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

Disclosure Brochure. A copy of this Form ADV Part 2A, our Form CRS Relationship Summary and Form ADV Part 2B will be provided to each client prior to or contemporaneously with the execution of the Firm's financial planning agreement, investment advisory agreement or other services agreement.

- C. The Firm shall provide investment advisory services tailored specifically to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objectives. Thereafter, the Firm shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objectives. The client may, at any time, impose reasonable restrictions, in writing, on the Firm's services.
- D. The Firm does not participate in a wrap fee program.
- E. As of December 31, 2023, the Firm had approximately \$146,867,525 in client assets under management on a discretionary basis.

## **Item 5 Fees and Compensation**

- A. The client can determine to engage the Firm to provide discretionary or non-discretionary investment advisory services on a fee-only basis. The Firm's compensation differs based upon the services that it provides to a client.

### **Comprehensive Financial Planning; Consulting Services; Investment Management**

The Firm's current annual fee schedule is outlined below. If the client determines to engage the Firm to provide discretionary and/or non-discretionary investment advisory services on a fee-only basis, the Firm's negotiable annual investment advisory fee is generally based upon a percentage (%) of the market value of the assets placed under its management (generally negotiable to 0.90% and where bps represents a "basis point" portion of 1%) as follows:

Asset Range	Annual Advisory Fee Rate
\$0-\$1,000,000	0.90%
On the next \$2,000,000	0.75%
On the next \$2,000,000	0.50%
On the next \$5,000,000	0.30 %
Over \$10,000,000	Negotiable

This tiered fee structure means that we will charge the stated fee amount only on the assets which fall within the specific range (similar to how federal income taxes are determined)

For clients in the first billing tier who maintain less than \$250,000 in assets under management with the firm, certain minimum fees will be applied as follows:

Assets under Management	Minimum Account Management Fee
\$160,000 to \$250,000:	\$2,000
\$100,000 to \$160,000	\$1,200
\$0 to \$100,000	\$600

Please Note Fee Schedule exceptions:

If you maintain less than \$66,667 of assets under the Firm's management, and are subject to the \$600 minimum fee, you will pay a higher percentage quarterly fee than the 0.90% referenced in the fee schedule at Item 5 above.

If you maintain less than \$133,333 of assets under Firm's management, and are subject to the \$1200 minimum fee, you will pay a higher percentage quarterly fee than the 0.90% referenced in the fee schedule at Item 5 above.

If you maintain less than \$222,222 of assets under Firm's management, and are subject to the \$2000 minimum fee, you will pay a higher percentage quarterly fee than the 0.90% referenced in the fee schedule at Item 5 above.

Clients with \$250,000 or greater in assets under management with the Firm shall receive Financial Planning as part of their engagement. Clients with less than \$250,000 in assets under management with the firm or clients seeking only financial planning and consulting services without investment management may engage the Firm accordingly as described in the "Financial Planning and Consulting Services (Stand-Alone)," sections in Items 4 and 5.

#### **Greater Gifts Family Office program**

Clients who participate in the GGFO program will be charged in accordance with the above fee schedules, as applicable. Clients may pay separate fees to unaffiliated vendors who participate in the GGFO program. The Firm does not cover any client costs for third party programs. Clients in the Firm's Comprehensive Financial Planning and Investment Management program shall have access to GGFO programs at no additional cost. GGFO services may be available to Stand-Alone Financial Planning clients at their own expense.

#### **Pension Consulting Services**

The Firm's fees for pension consulting services shall be as agreed upon by the client and the Firm prior to commencement of the Firm's services and generally range between 0.30% and 0.60% of the value of plan assets, payable quarterly in arrears.

#### **Financial Planning and Consulting Services (Stand-Alone)**

To the extent specifically requested by a client, the Firm may determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fixed fee basis. the Firm's financial planning and consulting fees are negotiable depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s), but generally start at \$ 500.00 on a fixed fee basis and \$250 on an hourly basis according to the terms and conditions of the Financial Planning and Consulting Agreement. Clients who engage the Firm on an hourly basis shall receive the initial hour of consultation for free.

The Firm also offers a separate ongoing financial planning and consulting subscription option in lieu of the traditional investment advisory service. The fee would be \$100/month, billed quarterly in advance.

This option includes access to eMoney financial planning software and two 30-minute sessions with an investment adviser representative of the Firm. Any additional time sessions with the investment adviser representative would be billed at \$225/hour (which time shall be billed in 15 minute increments). Access to the Orion portfolio management software system would be available at \$50 per account and per quarter.

#### **Miscellaneous Information on Fees**

The Firm, in its sole discretion, may also deviate from its standard fee structure and fee schedule as will be fully disclosed to the affected client. The resulting fee paid by the client that is the subject of such deviations will not exceed the fee that the client would have been charged by the Firm under the Firm's standard fee structure and fee schedule set out in this Item 5. In addition, certain legacy clients may have accepted different pre-existing service offerings from the Firm and may therefore receive services under different fee schedules than as set forth above. As a result of these factors, similarly situated clients could pay different fees which correspondingly impact a client's net account performance. Moreover, the services to be provided by the Firm to any particular client could be available from other advisers at lower fees, and certain clients may have fees different than those specifically set forth above.

**Please Note – Fee Dispersion.** The Firm, in its sole discretion, may charge a lesser investment advisory fee and/or charge a flat fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, prior fee schedules, competition, negotiations with client, etc.). **ANY QUESTIONS:** The Firm's Chief Compliance Officer, Kevin Jordan, remains available to address any questions that a client or prospective client may have regarding advisory fees.

- B. Clients may elect to have the Firm's advisory fees deducted from their custodial account. The Firm's Investment Advisory Agreement, the Independent Manager agreement, and the separate agreement with *Schwab* (or other designated broker-dealer/custodian) may authorize the custodian of the client's account to debit the account for the amount of the Firm's investment management fee and to directly remit that management fee to the Firm in accordance with regulatory procedures. In most cases, fees are directly debited on a quarterly basis, in arrears, from a client account which has a portion allocated to money market funds held at *Schwab* or other custodian and billed in arrears. In a limited number of client accounts primarily of smaller scale, billing is sent directly to the client with payment due upon receipt. However, the Firm has been slowly transitioning those accounts to be deducted from the custodial accounts.
- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, the Firm generally recommends that *Schwab* serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *Schwab* charge transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, and fixed income securities transactions). In addition to the Firm's investment advisory fee and transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level and disclosed in the applicable prospectus (e.g. management fees and other fund expenses). The fees charged by the applicable broker-dealer/custodian, and the charges imposed at the fund level, and any fees imposed by Independent Managers are in addition to the Firm's advisory fee referenced in this Item 5. For further discussion concerning the Firm's brokerage practices, please see Item 12 below. Clients should review both

the fees charged by the funds and the fees charged by the Firm to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

- D. Prior to engaging the Firm to provide any services, the client will generally be required to enter into a Letter of Engagement setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to the Firm commencing services. Investment management clients are also required to enter into a separate agreement the client's designated broker-dealer/custodian, setting forth the services to be provided and the corresponding applicable fees and/or charges. Clients may also be required to enter into an agreement with certain Independent Managers described below. If the client terminates the Firm's services, the balance of the Firm's fee, if any, shall be refunded to the client in accordance with the terms of the client services agreement. The Firm's annual investment advisory fee shall be prorated and paid quarterly, in arrears based upon the market value of the assets on the last business day of the previous quarter. The Firm will adjust quarterly fees accordingly for any intra-quarter additions to the Client's account in excess of \$100,000. The applicable form of agreement between the Firm and the client will continue in effect until terminated by either party by written notice in accordance with the terms of such agreement. Upon termination, the Firm will prorate and bill the client for the number of days that services were provided during the billing quarter, or refund any unearned fees as applicable.
- E. Neither the Firm, nor its representatives accept compensation from the sale of securities or other investment products.

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

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

#### **Item 7            Types of Clients**

The Firm generally provides services to the following categories of clients: individuals, high net worth individuals, related trusts and estates, pensions and profit sharing. Before opening an account for new clients, the Firm requires a signed financial planning agreement after reviewing the Letter of Engagement which outlines the services the Firm will provide for the client as part of the financial planning process. If the client decides to become an advisory client, then the client will need to sign an advisory agreement and a web access agreement if the client desires to have access to his or her account via the client portal on the Firm's website. Prior to opening an account and ultimately depositing funds with the custodian, the client must complete and submit the necessary forms and associated paperwork appropriate for the type of account being opened along with a limited power of attorney certification. However, the Firm reserves the right to decline performing planning work or engaging in an advisory agreement where the compensation does not justify the cost of servicing the client. The Firm, in its sole discretion, may charge a lesser investment advisory fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.). Please Note: As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. The Firm's Chief Compliance Officer, Kevin Jordan, remains available to address any questions that a client or prospective client may have regarding advisory fees.

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

- A. Methods of securities analysis that the Firm uses in formulating investment advice or managing assets are fundamental analysis, technical analysis, cyclical analysis and charting. In addition, the current or anticipated regulatory as well as third party research analysis are taken into consideration before rendering advice. For example, if laws are being contemplated in Congress or within the SEC that will result in higher fees in an asset class that which may reduce investment return of those securities in that asset class, the Firm may advise our clients to reduce holdings in those affected securities.

The Firm executes investment strategies for each client based upon the client's individual and confirmed investment objectives. The majority of the Firm's investment strategies are executed via long term purchases (securities held at least a year). On a limited basis, the Firm may employ short term purchases (securities held less than a year). On a very limited basis for some clients during unusual market conditions, the Firm may employ trading (securities held less than 30 days) of specific securities where the market is very liquid and where prices have recently been volatile with intent to capitalize on distortions of prices which offer profit opportunity for short durations. Short sales, margin transactions and option writing can be employed, but these techniques tend to be limited and infrequent.

**Investment Risk.** Investing in securities involves risk of loss that clients should be prepared to bear, including the loss of principal investment. Past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Firm) will be profitable or equal any specific performance level. Investment strategies such as asset allocation, diversification, or rebalancing do not assure or guarantee better performance and cannot eliminate the risk of investment losses. There is no guarantee that a portfolio employing these or any other strategy will outperform a portfolio that does not engage in such strategies. While asset values may increase and client account values could benefit as a result, it is also possible that asset values may decrease and client account values could suffer a loss.

- B. The Firm's methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis, the Firm must have access to current/new market information. The Firm has no control over the dissemination rate of market information; therefore, unbeknownst to the Firm, certain analyses may be compiled with outdated market information, severely limiting the value of the Firm's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

With the primary strategy of the Firm being long term purchases and the intent to limit volatility in many of the client's investment portfolio in line with their risk profile, some securities are purchased for the client's account with the intent to lock in a return for several years. These long term purchases of securities will entail dividend payouts that are expected to occur over several years if they are held to maturity. The key risk with these types of investments are inflation and rising interest rates which would diminish the real rate of return due to loss of purchase power of the dollar over time. Other long term investments, which the Firm defines as alternative investments or partnerships, involve real estate as the underlying asset, oil and gas partnerships,

specialty loans such as university or church bonds and other types of assets such as leasing programs. These investments, although typically yielding higher returns than other fixed income instruments, are more difficult to liquidate if the investor desires to sell prior to the targeted holding period which could be ten or more years. A market may not exist that will provide the holder of such securities with an option to sell and cash out the security. In situations where a limited number of buyers do exist, a prospective buyer of such a security may demand a discount to the appraised or estimated net asset value of the investment resulting in loss to the client.

Another risk of these types of investments is determining up-to-date valuations. Whereas a mutual fund or stock may have a net asset value or settlement price determined and available every day, some long term investments are difficult to evaluate and therefore pricing of these securities is difficult. Since the Firm does not determine pricing of securities, the Firm relies on the issuer and/or account custodian to determine the value of those securities. If they are privately held, they may be valued by the issuer based on non-public information or may only be estimated on a very infrequent basis, perhaps only once per year. All investments in securities carry a risk of loss that each client should be prepared to bear.

- C. Currently, the Firm generally allocates client investment assets among: exchange-listed securities, mutual funds, ETFs, individual bonds and bond funds, cash and cash equivalents on a discretionary basis in accordance with the client's investment objectives. Each type of investment has its own unique set of risks associated with it. The following provides a short description of some of the underlying risks associated with the types of investments that the Firm uses or recommends:

Market Risk. The price of a security may drop in reaction to tangible and intangible events and conditions. This type of risk may be caused by external factors (such as economic or political factors), but may also be incurred because of a security's specific underlying investments. Additionally, each security's price can fluctuate based on market movement, which may or may not be due to the security's operations or changes in its true value. For example, political, economic and social conditions may trigger market events which are temporarily negative, or temporarily positive.

Unsystematic Risk. Unsystematic risk is the company-specific or industry-specific risk in a portfolio that the investor bears. Unsystematic risk is typically addressed through diversification. However, as indicated above, diversification does not guarantee better performance and cannot eliminate the risk of investment losses.

Value Investment Risk. Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause a portfolio to underperform growth stocks.

Growth Investment Risk. Prices of growth stocks tend to be higher in relation to their companies' earnings and may be more sensitive to market, political and economic developments than other stocks, making their prices more volatile.

Small Company Risk. Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, small capitalization companies are more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.



Commodity Risk. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs, and international economic, political, and regulatory developments.

Foreign Securities and Currencies Risk. Foreign securities prices may decline or fluctuate because of: (i) economic or political actions of foreign governments, and/or (ii) less regulated or liquid securities markets. Investors holding these securities are also exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar).

Interest Rate Risk. Fixed income securities and fixed income-based securities are subject to interest rate risk because the prices of fixed income securities tend to move in the opposite direction of interest rates. When interest rates rise, fixed income security prices tend to fall. When interest rates fall, fixed income security prices tend to rise. In general, fixed income securities with longer maturities are more sensitive to these price changes.

Inflation Risk. When any type of inflation is present, a dollar at present value will not carry the same purchasing power as a dollar in the future, because that purchasing power erodes at the rate of inflation.

Reinvestment Risk. Future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate), which primarily relates to fixed income securities.

Credit Risk. The issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value and impact performance. Credit risk is considered greater for fixed income securities with ratings below investment grade. Fixed income securities that are below investment grade involve higher credit risk and are considered speculative.

Call Risk. During periods of falling interest rates, a bond issuer will call or repay a higher-yielding bond before its maturity date, forcing the investment to reinvest in bonds with lower interest rates than the original obligations.

Regulatory Risk. Changes in laws and regulations from any government can change the market value of companies subject to such regulations. Certain industries are more susceptible to government regulation. For example, changes in zoning, tax structure or laws may impact the return on investments.

Mutual Fund Risk. Mutual funds are operated by investment companies that raise money from shareholders and invest it in stocks, bonds, and/or other types of securities. Each fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. Mutual funds charge a separate management fee for their services, so the returns on mutual funds are reduced by the costs to manage the funds. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market. Mutual funds come in many varieties. Some invest aggressively for capital appreciation, while others are conservative and are designed to generate income for shareholders. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

**Exchange Traded Fund Risk.** ETFs are marketable securities that are designed to track, before fees and expenses, the performance or returns of a relevant index, commodity, bonds or basket of assets, like an index fund. Unlike mutual funds, ETFs trade like common stock on a stock exchange. ETFs experience price changes throughout the day as they are bought and sold. In addition to the general risks of investing, there are specific risks to consider with respect to an investment in ETFs, including, but not limited to: (i) an ETF's shares may trade at a market price that is above or below its net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally.

**Options Risk.** The use of options transactions as an investment strategy involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by the Firm shall be with the intent of offsetting/"hedging" a potential market risk in a client's portfolio. Although the intent of the options-related transactions that may be implemented by the Firm is to hedge against principal risk, certain of the options-related strategies (i.e. straddles, short positions, etc.), may in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, client may direct the Firm, in writing, not to employ any or all such strategies for their accounts. For detailed information on the use of options and option strategies, please refer to the Option Clearing Corp.'s Option Disclosure Document, which can be found at: <http://www.optionsclearing.com/components/docs/riskstoc.pdf>

- **Covered Call Writing.**  
Covered call writing is the sale of in-, at-, or out-of-the-money call options against a long security position held in a client portfolio. This type of transaction is intended to generate income. It also serves to create a partial downside protection in the event the security position declines in value. Income is received from the proceeds of the option sale. Such income may be reduced or lost to the extent it is determined to buy back the option position before its expiration. There can be no assurance that the security will not be called away by the option buyer, which will result in the client (option writer) to lose ownership in the security and incur potential unintended tax consequences. Covered call strategies are generally better suited for positions with lower price volatility.
- **Long Put Option Purchases.**  
Long put option purchases allow the option holder to sell or "put" the underlying security at the contract strike price at a future date. If the price of the underlying security declines in value, the value of the long put option can increase in value depending upon the strike price and expiration. Long puts are often used to hedge a long stock position to protect against downside risk. The security/portfolio could still experience losses depending on the quantity of the puts bought, strike price and expiration. In the event that the security is put to the option holder, it will result in the client (option seller) to lose ownership in the security and to incur potential unintended tax consequences. Options are wasting assets and expire (usually within months of issuance).

**Item 9                    Disciplinary Information**

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

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

- A. Neither the Firm, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither the Firm, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. The Firm's President is a limited partner in a partnership that invests in Oil and Gas-related industries (the "Partnership"). In the event that an investment in the Partnership is suitable for a client given that client's investment objectives and financial situation, the Firm may recommend that the client purchase an interest in such Partnership. The purchase of or provision of any advice relative to, any such Partnership interest by the Firm presents a conflict of interest. Any purchase of the Partnership interest will be strictly on a non-discretionary basis and no client will be under any obligation to purchase any Partnership interest. The Firm does not collect any fees in connection with the Partnership above and beyond the stated and agreed upon advisory fees. The Firm's President has made personal investments in this Partnership based on a belief that these investments are suitable for his individual portfolio and offer profit opportunity for both himself and certain of the Firm's client(s). Where the Firm's President has already invested or intends to invest in a given Partnership, disclosure of this fact will be made prior to or during the time when the recommendation to engage in a transaction in such Partnership interests are made to the client.
- D. The Firm does not recommend or select other investment advisors for its clients for which the Firm receives direct or indirect compensation as a result.

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

- A. The Firm has adopted a written Code of Ethics in compliance with Rule 204A-1. The code sets forth standards of conduct and requires compliance with federal securities laws. The Code of Ethics also addresses personal trading and requires certain members of the Firm's personnel to report their personal securities holdings and transactions to the Chief Compliance Officer of the Firm. A copy of the Firm's Code of Ethics is available to any client or prospective client upon request.
- B. The Firm's principal holds an interest in a non-publicly traded oil and gas limited partnership. The Firm maintains a list of the securities held by its employees. Since the Firm often recommends these same securities to clients either through buying or selling these securities in client accounts, a conflict of interest is presented. Clients are therefore reminded that they are not under any obligation to invest in any such securities. For publicly traded securities, the Firm believes there is sufficient liquidity in these securities so that the Firm's purchases or sales will not adversely affect the price of that security recommended to the client. Also, the Firm will place aggregated or block trades to enable the Firm to purchase or sell securities for multiple clients in one large block trade with the accounts of the Firm's principals. Where markets are less liquid, including private limited partnerships the Firm believes that its interest in these investments will not lead to a significant

effect on the liquidity or price of the security and will therefore not lead to any detrimental effects on the client.

- C. The Firm and/or representatives of the Firm may buy or sell securities that are also recommended to clients. This practice may create a situation where the Firm and/or representatives of the Firm are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation presents a conflict of interest. Practices such as “scalping” (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if the Firm did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, “front-running” (i.e., personal trades executed prior to those of the Firm’s clients) and other potentially abusive practices. The Firm has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Firm’s “Access Persons”. The Firm’s securities transaction policy requires that Access Person of the Firm must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person’s current securities holdings at least once each twelve (12) month period thereafter on a date the Firm selects; provided, however that at any time that the Firm has only one Access Person, he or she shall not be required to submit any securities report described above.
- D. The Firm and/or representatives of the Firm may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where the Firm and/or representatives of the Firm are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation presents a conflict of interest. As indicated above in Item 11 C, the Firm has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of the Firm’s Access Persons.

## **Item 12            Brokerage Practices**

- A. In the event that the client requests that the Firm recommend a broker-dealer/custodian for execution and/or custodial services, the Firm generally recommend that investment accounts be maintained with *Schwab*. Before engaging us to provide investment management services, the client will be required to enter into a formal agreement with the Firm setting forth the terms and conditions under which the Firm shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that the Firm considers in recommending *Schwab* (or any other broker-dealer/custodian to clients) include historical relationship with the Firm, financial strength, reputation, execution capabilities, pricing, research, and service. Broker-dealers such as *Schwab* can charge transaction fees for effecting certain securities transactions (*See* Item 4 above). To the extent that a transaction fee will be payable by the client to *Schwab*, the transaction fee shall be in addition to the Firm’s investment advisory fee referenced in Item 5 above.

To the extent that a transaction fee is payable, the Firm shall have a duty to obtain best execution for such transaction. However, that does not mean that the client will not pay a transaction fee that is higher than another qualified broker-dealer might charge to effect the same transaction where the Firm determines, in good faith, that the transaction fee is reasonable. In seeking best execution, the

determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, transaction rates, and responsiveness. Accordingly, although the Firm will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, our investment advisory fee.

1. Research and Additional Benefits. Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, The Firm receives from *Schwab* (or could receive from other broker-dealer/custodians, unaffiliated investment managers, vendors, investment platforms, and/or product/fund sponsors) without cost (and/or at a discount) support services and/or products, certain of which assist the Firm to better monitor and service client accounts maintained at such institutions. The support services that the Firm receives can 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, discounted or free consulting services, discounted and/or free travel and attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by the Firm in furtherance of its investment advisory business operations. As referenced above, some of the support services and/or products that the Firm can receive may assist the Firm in managing and administering client accounts. Others do not directly provide such assistance, but rather assist the Firm to manage and further develop its business enterprise. The receipt of these support services and products presents a conflict of interest, because the Firm has the incentive to recommend that clients utilize *Schwab* as a broker-dealer/custodian based upon its interest in continuing to receive the above-described support services and products, rather than based on a client's particular need. However, the Firm's clients do not pay more for investment transactions effected and/or assets maintained at *Schwab* as a result of this arrangement. There is no corresponding commitment made by the Firm to *Schwab* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangements. The Firm's Chief Compliance Officer, Kevin Jordan, remains available to address any questions regarding the above arrangements and the conflict of interest presented.
2. The Firm does not receive referrals from broker-dealers.
3. Directed Brokerage. The Firm recommends that its clients utilize the brokerage and custodial services provided by *Schwab*. The Firm generally does not accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and the Firm will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by the Firm. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

If the client directs the Firm to execute securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through the Firm. Higher transaction costs adversely impact account performance. Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

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

### **Item 13            Review of Accounts**

- A. For those clients to whom the Firm provides investment supervisory services, account reviews are conducted on an ongoing basis by the Firm's Principal, Todd C. Macke, CFP®. All investment supervisory and financial planning clients are encouraged to discuss their investment objectives, needs and goals with the Firm, and to keep the Firm informed of any changes regarding same. Pension consulting clients will be reviewed in the frequency as agreed upon by the client and the Firm but no less frequent than quarterly, and employee education meetings shall occur as requested by the employer client, but no less frequent than annually. All clients are encouraged to meet, at least annually, with the Firm to comprehensively review financial planning issues, investment objectives and account performance.
- B. In some cases, reviews are conducted monthly and in other cases, quarterly or annually. The Firm's Principal, Todd Macke conducts these periodic reviews. In general, clients who have a wide range of investments and who have significant amount of liquidity will have a more frequent review of their accounts. Clients who have lower amounts of liquidity, have a high degree of fixed income investments or have limited amounts of varied investments and account volatility and/or low risk investment profile, may only meet with the Firm on a semi-annual or annual basis.
- C. The client account reports that are associated with the reviews described above are produced in written format and are presented in client meetings where investments are part of the review agenda. These reports typically include but are not limited to an asset allocation summary with description of assets, current and target values and percentages for each asset type, performance versus selected benchmarks for different time intervals, and portfolio statements that list all asset holdings. In addition, updated financial plans may be required where significant changes are expected or have occurred such as employment income or disability or other budgetary changes.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Firm may also provide a written periodic report summarizing account activity and performance.

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

- A. As indicated at Item 12 above, the Firm may receive from *Schwab* without cost (and/or at a discount), support services and/or products. The Firm's clients do not pay more for investment transactions effected and/or assets maintained at *Schwab* as result of these arrangements. There is no corresponding commitment made by the Firm to *Schwab*, or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangements. The Firm's Chief Compliance Officer, Kevin Jordan, remains available to address any questions that a client or prospective client may have regarding the above arrangements and any corresponding conflict of interest presented.

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

#### **Item 15            Custody**

The Firm shall have the ability to deduct its advisory fee from the client's custodial account on a quarterly basis. Clients are provided with written transaction confirmation notices, and a written summary account statement directly from the custodian, at least quarterly.

To the extent that the Firm provides clients with periodic account statements or reports, The Firm urges clients to carefully review those statements and compare them to custodial account statements. The Firm's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. The account custodian does not verify the accuracy of the Firm's advisory fee calculations.

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

The client can determine to engage the Firm to provide investment advisory services on a discretionary basis. Prior to the Firm assuming discretionary authority over a client's account, client shall be required to execute an agreement granting the Firm full authority to buy, sell, or otherwise effect investment transactions involving the client's designated investment account.

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

Based on this discretionary authority, the Firm may or may not inform the client of the transaction enacted prior to execution.

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

- A. The Firm does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall

be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other types of events pertaining to the client's investment assets.

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

The Firm has taken the position to not serve in an advisory role or offer opinions regarding matters related to security issued proxies and the voting matters that such proxies may contain. Instead, the Firm recommends that the client review the material on their own volition and decide whether they want to vote on a given matter.

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

- A. The Firm does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. The Firm is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. The Firm has not been the subject of a bankruptcy petition.

**ANY QUESTIONS: The Firm's Chief Compliance Officer, Kevin Jordan, remains available to address any questions about the above disclosures and arrangements.**