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March 29<sup>th</sup>, 2024

## **Part 2A of Form ADV: Firm Brochure**

This brochure provides information about the qualifications and business practices of Glass Jacobson Investment Advisors, LLC, d/b/a Glass Jacobson Wealth Advisors ("Glass Jacobson" or the "Company"). If you have any questions about the contents of this brochure, please contact us at 410-356-1000 or [www.glassjacobson.com](http://www.glassjacobson.com). The information contained in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities regulatory authority.

Glass Jacobson is registered as an investment adviser with the SEC. The firm's registration does not imply a certain level of skill or training.

Additional information about Glass Jacobson is available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The information included in this brochure is intended to provide you with useful information to evaluate our services and enable you to compare our services with those of other advisory firms.

## ITEM 2. MATERIAL CHANGES

This Brochure is an updating amendment to the prior brochure dated March 29th, 2023. The material changes from our last updated brochure are in the following section.

- 1) We have removed all references to TD Ameritrade Inc. (TDA) because they have merged with Charles Schwab & Co.
- 2) In Item 4 we discuss the Pontera platform which enables our Advisors to manage client accounts within their respective retirement plans.
- 3) In Item 5 we discuss how we do not charge our clients more for the Pontera service.
- 4) In Item 12 we added and explained how Charles Schwab & Co. have given our Company a contract to reimburse clients who switch to them for custody services, for a maximum of \$15,000 at the firm level.

Clients may request a copy of the Form ADV Part 2A at any time without charge by sending a written request to our Chief Compliance Officer at our address or by e-mail to [alevitan@gjwadvisors.com](mailto:alevitan@gjwadvisors.com).

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## **ITEM 4. ADVISORY BUSINESS**

### **DESCRIPTION AND HISTORY OF ADVISORY BUSINESS:**

The Company offers a proactive, integrated approach to financial services. Our integrated services include tax preparation & planning, accounting & audit, strategic business consulting, business valuation, divorce & litigation support, investment advisory services, financial planning, and ERISA retirement plan services. Bringing these services together allows our clients to see their personal finances in the entirety and make better decisions for business and life.

The Company has been affiliated with Glass Jacobson P.A. (GJPA), an accounting firm, since 2001. Effective July 1, 2022, Glass Jacobson P.A. merged with Yount, Hyde & Barbour P.C. (YHB), with YHB being the surviving entity that is acquiring the accounting practice of GJPA. GJPA will continue as an outside business interest of its owners but will no longer provide accounting services to clients.

The Company is acquiring, through merger, the investment advisory practice of YHB Wealth Advisors LLC, an SEC-registered investment advisor.

Messrs. Edward Jacobson, Michael Cohen and Jonathan Dinkins, Sr. are Managing Members of the Company. The Company has been an investment advisor since 2001.

### **GENERAL INFORMATION ABOUT THE COMPANY AND ITS SERVICES**

Although the Company's advice is not limited to such investments, The Company's investment advice primarily relates to mutual funds and certain investment products. Mr. Dinkins and at least two of the Company's investment adviser representatives constitute the Company's investment committee that determines general investment solutions suitable for client use.

The committee meets quarterly and reviews its investment solutions. The criteria which the committee uses to review these solutions includes but is not limited to, historical performance, fees, manager tenure, investment risk metrics, securities composition, style, appropriate benchmarks, and industry indices.

The Company offers:

- 1) Discretionary or Non-Discretionary Investment Advisory Services.
- 2) Financial Planning Services.
- 3) Retirement Plan Consulting Services
- 4) Administrative Services

Our Current clients include individuals; high net worth individuals; 401(k), defined contribution, and defined benefit pension plans; trusts; estates; and charitable organizations.

Following is a discussion of our services:

#### **Discretionary or Non-Discretionary Investment Advisory Services**

Regardless of how an account is managed, the Company tailors' advisory services to the individual needs of its clients, by diversifying and managing each client's portfolio in line with the client's pre-defined investment objectives, risk tolerance, time horizon, financial information, and other various suitability factors that are identified. Such factors include restrictions the client may impose on investing in certain securities or types of securities. However, restrictions and other guidelines imposed by clients on the management of their accounts may affect the composition and performance of a client's portfolio. Therefore, performance of the portfolio may not be identical with accounts of other clients with similar investment objectives and managed by the same investment adviser representative.

Stemming from our holistic approach to service, client accounts are usually managed on a household basis. The discretionary managed account is designed to permit the Company to make investment decisions for the account pursuant to investment objectives chosen by the client. Rarely will The Company manage an

advisory account on a non-discretionary basis.

Generally, The Company requires that clients establish brokerage accounts with Schwab Institutional ("Schwab"), a division of Charles Schwab & Co., Inc., or Fidelity Registered Investment Advisor Group ("Fidelity"), a division of Fidelity Investments, to maintain custody of such clients.

assets and to effect trades for the client's account. Each of these custodians is a registered broker-dealer. The Company maintains a relationship with Schwab, and Fidelity which enables clients to receive institutional trading and operations services to which the average retail client would not otherwise have access. All transactions are cleared through Schwab, or Fidelity.

Clients may also choose to maintain a brokerage relationship with one or more custodians other than Schwab, or Fidelity and in connection therewith participate in the custodial integrator By All Accounts, Inc. ("BAA") service provided by the Company. The BAA service consolidates information about client investments held with such other custodians. Clients may participate in the BAA service in one or both of the following ways:

First, clients may choose to participate in the BAA service with respect to one or more custodial accounts that are included for investment management purposes in the Investment Advisory Account managed by the Company. In connection with this manner of participation, clients direct the Company to place trades through such other custodians. The value of the accounts maintained with such other custodians is included in the overall value of the Investment Advisory Account for purposes of calculating the Company's Management Fee discussed later in this brochure.

Next, clients may choose to participate in the BAA service with respect to one or more accounts that are not included in the Investment Advisory Account managed by the Company. Such participation enables the Company to consider information about the client's investments held with other custodians when rendering advice with respect to the Investment Advisory Account, as well as to provide non-discretionary advice to such client as to the investments in the accounts reported through BAA. Such clients are under no obligation to act on or consider any advice that may be rendered by the Company with respect to such accounts, and clients may direct the investments in such accounts in any manner they desire. With respect to any accounts reported through BAA that are not included in the Investment Advisory relationship, the Company has no responsibility to direct investments in, and/or place trades for such accounts. Clients are charged an annual fee of 0.25% of the value of all the client's accounts reported through BAA that are not included in the Investment Advisory Account, payable quarterly in advance. The value of such accounts is not included in the overall value of the Investment Advisory Account for purposes of calculating the Company's Management Fee.

Also, the Company offers an investment advisory service to Clients that have assets in a qualified plan, including but not limited to a 401(k) plan or 403(b) plan. Such plans are considered "held-away" from GJIA, i.e., the assets in these plans are not administered by Charles Schwab or Fidelity, the custodians GJIA utilizes for Clients that have an Advisory Account with GJIA. Rather, the "held-away" assets are administered by a custodian selected by the Client. For Clients with "held-away" assets, GJIA contracts with Pontera Solutions, Inc., a third-party order management platform, to provide the following investment advisory services to Clients that have "held-away" assets: review of the current holdings and investment options in the "held-away" account; implement the Client's investment strategies in the "held-away" account; monitor the investments in the "held-away" account; and perform, as necessary, asset allocation and rebalancing in the "held-away" account. Clients with a held-away account may or may not have an Advisory Account with GJIA.

Clients with mutual funds and/or variable annuity sub-accounts in their portfolios are effectively paying the Company and the mutual fund/variable annuity advisor for the management of the client's assets. Such clients therefore are subject to both the Company's management fee and the management fee of the mutual fund. For variable annuities, such management fees include both fees to the manager of the variable annuity sub-account and fees to the insurance company (Mortality and Administrative). For example, a

client who offers a 401(k)-retirement plan to their employees knows that the plan participants pay the mutual fund management fees in addition to other applicable costs.

### **Automated Investment Program**

We offer an automated investment program (the “Program”) through which clients are invested in a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange-traded funds and mutual funds (“Funds”) and a cash allocation. The client may instruct us to exclude up to three Funds from their portfolio. The client’s portfolio is held in a brokerage account opened by the client at Charles Schwab & Co., Inc. (“CS&Co”). We use the Institutional Intelligent Portfolios® platform (“Platform”), offered by Schwab Performance Technologies (“SPT”), a software provider to independent investment advisors and an affiliate of CS&Co., to operate the Program. We are independent of and not owned by, affiliated with, or sponsored or supervised by SPT, CS&Co., or their affiliates (together, “Schwab”). We, and not Schwab, are the client’s investment advisor and primary point of contact with respect to the Program. We are solely responsible, and Schwab is not responsible, for determining the appropriateness of the Program for the client, choosing a suitable investment strategy and portfolio for the client’s investment needs and goals, and managing that portfolio on an ongoing basis. We have contracted with SPT to provide us with the Platform, which consists of technology and related trading and account management services for the Program. The Platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the “System”). The System includes an online questionnaire that can help us determine the client’s investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that when using the online questionnaire, we will recommend a portfolio via the System in response to the client’s answers to the online questionnaire. The client may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but we then make the final decision and select a portfolio based on all the information we have about the client. The System also includes an automated investment engine through which we manage the client’s portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).

We charge clients a fee for our services as described below under *Item 5 Fees and Compensation*. Our fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to CS&Co. as part of the Program. Schwab does receive other revenues, including (i) the profit earned by Charles Schwab Bank, a Schwab affiliate, on the allocation to the Schwab Intelligent Portfolios Sweep Program described in the Schwab Intelligent Portfolios Sweep Program Disclosure Statement; (ii) investment advisory and/or administrative service fees (or unitary fees) received by Charles Schwab Investment Management, Inc., a Schwab affiliate, from Schwab ETFs™ Schwab Funds® and Laudus Funds® that we select to buy and hold in the client’s brokerage account; (iii) fees received by Schwab from mutual funds in the Schwab Mutual Fund Marketplace® (including certain Schwab Funds and Laudus Funds) in the client’s brokerage account for services Schwab provides; and (iv) remuneration Schwab receives from the market centers where it routes ETF trade orders for execution.

We do not pay SPT fees for the Platform so long as we maintain \$100 million in client assets in accounts at CS&Co. that are not enrolled in the Program. If we do not meet this condition, then we pay SPT an annual licensing fee of 0.10% (10 basis points) on the value of our clients’ assets in the Program. This fee arrangement gives us an incentive to recommend or require that our clients with accounts not enrolled in the Program be maintained with CS&Co.

The Company has designed a (3) Tiered Service model to meet Client’s needs. Each tier provides for an increasing level of service, investment sophistication, advisor access and financial tools. A description of each service model follows and fees for each model are discussed in Item 5.

#### Intelligent Portfolio Tier 1 Service Model (Base Camp)

- Web access thru Schwab’s brokerage portal to view holdings, transactions and values.
- Web access thru GJIA’s portal to view:
  - Investment performance reporting and benchmarking
  - Archive Documents

- Financial planning tools for budgeting and advanced calculators
  - External linking of all other accounts for aggregation and reporting of Client's financial assets
- Customer service (website only)
- Automatic portfolio rebalancing to manage investment risk according to Client's profile.
- Tax-loss harvesting (\$50,000 account minimum)
- Low-cost global diversification (Basic design)

Intelligent Portfolio Tier 2 Service Model (Ascent) - Account minimum \$100,000

- Tier 1 services plus...
- Low-cost global diversification (Advanced design)
- Life event planning
- Access to advisory team for investment advice and financial guidance

Intelligent Portfolio Tier 3 Service Model (Apex) - Account minimum \$100,000

- Tier 2 services plus...
- Comprehensive financial planning
- Dedicated investment advisor relationship
- Coordination of outside investment accounts

**Financial Planning Services**

The Company offers the following financial planning services to its clients:

Personal Financial Analysis  
Insurance and Estate  
Capital Needs Analysis  
Tax & Cash Flow  
Retirement  
Investment Analysis  
Education

Financial planning information is obtained through personal interviews with the client concerning the client's current financial status, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed, along with data gathered from the client. Typically, a written report is delivered.

**Retirement Plan Consulting Services**

The Company offers retirement plan consulting services for ERISA and Non-ERISA covered plans. The Company uses various internet-based 401(k) daily valuation retirement plan platforms, to deliver its 401(k) services to businesses across the United States. The platforms allow a company to offer its employees the widest possible array of investment options using daily valuation connectivity and multi-fund/multi-family investments.

In connection with providing these platforms, the Company will enter into its agreement with the Responsible Plan Fiduciary and such plan's trustee(s) to provide discretionary and non-discretionary investment advice for the 401(k) plan. The decision whether to implement or act upon the Company's recommendations or advice rests solely with the Responsible Plan Fiduciary.

The services provided by the Company to such plan typically include the following:

- A) Assist in the development of an Investment Policy Statement, which establishes the investment policies and objectives for the plan.
- B) Assist in the search for and selection of mutual funds.
- C) Evaluate plan costs, mutual fund performance and risk.
- D) Monitor the suitability of all selected investment options and recommend changes when appropriate.

- E) Provide assistance to plan fiduciary(ies) regarding ongoing supervision and due diligence of mutual funds' performance and risk metrics.
- F) Assist the plan fiduciary(ies) in evaluating how to avoid or manage conflicts of interest; and
- When engaged to do so, the Company may assist in the education of the plan participants about general investing principles and the investment alternatives available under the plan. The education component will customarily be delivered through group meeting, one-on-one counseling, or a proprietary interactive video workshop designed to provide investment education for participants of company sponsored 401(k) plans. A participant may access the website by registering as a user and accepting terms of use. The participant will then be guided through a series of videos that describe the advantages of joining the company plan, saving for retirement, and general principals of investing. Each participant has the opportunity to take a risk questionnaire to assess their risk tolerance. Participants are then guided to potential suitable investment allocation solutions provided by the Company plan (the mutual fund lineup).

Only if a participant engages the Company as an Investment Advisor, will we provide individualized advice regarding their investments in the company plan.

### **Administrative Services**

In addition to the investment advisory services described above, The Company provides administrative services to one or more of its clients. These arrangements require the execution of a separate agreement with the Company.

### **WRAP FEE PROGRAM**

The Company does not sponsor or manage any wrap fee programs.

### **AUM**

The Company manages client assets on a discretionary and a non-discretionary basis, As of December 31, 2023, The Company's regulatory assets under management was \$817.3 million.

## **ITEM 5. FEES AND COMPENSATION**

### **COMPENSATION**

#### **Discretionary or Non-Discretionary Investment Advisory Management Fee**

The Company's Management Fee with respect to Investment Advisory Accounts is based upon a percentage of the portfolio value on the last day of the prior quarter and is billed in advance at the beginning of each quarter. Adjustments for significant contributions and withdrawals to the portfolio are prorated for the quarter in which the change occurs.

If an Investment Advisory Account is opened during the quarter, the Management Fee will be prorated for the entire quarter and based on the beginning account value. The account will be charged two fees during the first billing cycle to reflect the partial quarter when the account was opened (payment in arrears) and the current quarter (billing in advance).

For Investment Advisory Accounts, including types of accounts serviced through the firm's Investment Advisory services platform for Individuals, Trust's, Estates, Foundations, and Pooled Retirement accounts (e.g. Cash Benefit Pension, Defined Benefit Pension, and Solo 401(k)), the Management Fee is charged according to the following tiered fee schedule:

For account relationships of \$1 million or more:

PORTFOLIO VALUE	ANNUAL RATE
First \$2,000,000 of assets	1.00%
Next \$3,000,000 of assets	0.85%
Next \$5,000,000 of assets	0.75%



Over \$10,000,000 of assets	0.50%
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For account relationships of less than \$1 million, the following fixed rate fee schedule applies:

\$0 - \$250,000	1.50%
\$250,001 - \$1,000,000	1.25%

Although the Management Fee listed above is a standard fee, such fee in some circumstances is negotiable according to a variety of factors; including but not limited to the size and type of account, complexity, relationship with the Company (including with respect to services provided to client by the Company or its affiliates), its owners and/or employees.

Clients grant the Company written authority to receive quarterly payments directly from the client's account held by the respective custodian. The Company will send to the client an informational invoice, showing the amount of the fee to be charged to the account, the value of the client's assets on which the fee is based, and the specific manner in which the fee is calculated. Fees for each quarter are noted on the monthly statement each client receives from the custodian one month after quarter-end. Clients may elect to be billed for fees rather than having them deducted from their accounts.

In addition to the above Management Fee and the BAA service fee, Investment Advisory Accounts are assessed brokerage and transaction charges with respect to trades placed for the account. These charges are paid to the account custodian for effecting transactions and may be higher or lower than transaction charges or commissions the client may pay at other broker-dealers. Please refer to the section below (Item 12) entitled, "Brokerage Practices" for additional information. Clients do not pay a separate custodial fee.

**Inherent Conflict of Interest:** Because we charge an ongoing asset-based fee, The Company is incentivized to increase the managed assets in a client account, thereby increasing the fees paid by its clients.

#### **TERMINATION**

An Advisory Agreement may be terminated at any time for any reason by either party upon ten days (30 days' written notice to the other. The Company will reject any termination instructions, including account liquidation instructions, unless Client provides those instructions in writing. The client will be entitled to a pro-rata refund of any prepaid quarterly account fee based upon the number of days remaining in the quarter after the termination date.

#### **COMPENSATION FOR THE SALE OF SECURITIES OR OTHER INVESTMENT PRODUCTS**

Typically, the Company recommends no-load and load-waived mutual funds to its clients. Clients benefit from not paying a sales commission to purchase a mutual fund but may pay a nominal transaction fee to the account custodian.

Certain investment adviser representatives of the Company also serve as registered representatives of Triad Advisors, LLC. ("Triad"), a registered broker-dealer. A conflict of interest exists between the interests of the Company and the interests of its clients when the Company recommends securities that may be purchased through such registered representatives. In such cases, the registered representative receives a commission on the purchase or sale recommended by the Company. This gives such registered representative an incentive to recommend investment products based on the compensation received, rather than on a client's needs. The Company believes that such conflict is addressed by fully disclosing to clients in this brochure and in its financial planning agreements that such registered representatives receive additional compensation on the purchase or sale of certain securities.

Additionally, no client is under any obligation to act on the recommendations of these investment adviser representatives of the Company who also serve as registered representatives of Triad Advisors, LLC. ("Triad"), a registered broker-dealer. If a client elects to act on any of the recommendations, the client is under no obligation to affect the transactions through a registered representative who is also an investment adviser representative of the Company, and clients have the option to purchase investment



products recommended by the Company through other brokers or agents that are not affiliated with the Company.

Such commissions do not provide the primary or exclusive compensation for the investment adviser representatives of the Company who also serve as registered representatives of Triad Advisors, LLC. ("Triad"), a registered broker-dealer.

When the investment adviser representatives of the Company who are also registered representatives of Triad Advisors, LLC. ("Triad"), a registered broker-dealer, receive commissions for a product sale; the commissionable product is excluded from the asset-based Management Fee discussed above.

Additionally, it is possible for a client to also incur certain charges imposed by third parties other than the Company in connection with investments made through the account. These charges may include, but are not limited to, mutual fund 12b-1 distribution fees and/or service fees (paid to the custodian), or certain deferred sales charges on previously purchased mutual funds purchased while the account assets were custodied at a prior custodian. These fees are disclosed in the fund's prospectus provided to the client by outside third parties.

### **Buy All Accounts (BAA) Service**

Clients may choose to participate in the BAA service with respect to one or more accounts that are not included in the Investment Advisory Account managed by the Company. Such participation enables the Company to consider information about the client's investments held with other custodians when rendering advice with respect to the Investment Advisory Account, as well as to provide non-discretionary advice to such client as to the investments in the accounts reported through BAA. Such clients are under no obligation to act on or consider any advice that may be rendered by the Company with respect to such accounts, and clients may direct the investments in such accounts in any manner they desire with respect to any accounts reported through BAA that are not included in the Investment Advisory relationship. The Company has no responsibility to direct investments in, and/or place trades for such accounts. Clients are charged an annual fee ranging between 0.25%-0.40% of the value of all the client's accounts reported through BAA that are not included in the Investment Advisory Account, payable quarterly in advance. The value of such accounts is not included in the overall value of the Investment Advisory Account for purposes of calculating the Company's Management Fee.

### **Automated Investment Program**

As described in *Item 4 Advisory Business*, clients do not pay fees to SPT or brokerage commissions or other fees to CS&Co. as part of the Program. Schwab does receive other revenues, including (i) the profit earned by Charles Schwab Bank, a Schwab affiliate, on the allocation to the Schwab Intelligent Portfolios Sweep Program described in the Schwab Intelligent Portfolios Sweep Program Disclosure Statement; (ii) investment advisory and/or administrative service fees (or unitary fees) received by Charles Schwab Investment Management, Inc., a Schwab affiliate, from Schwab ETFs™ Schwab Funds® and Laudus Funds® that we select to buy and hold in the client's brokerage account; (iii) fees received by Schwab from mutual funds in the Schwab Mutual Fund Marketplace® (including certain Schwab Funds and Laudus Funds) in the client's brokerage account for services Schwab provides; and (iv) remuneration Schwab receives from the market centers where it routes ETF trade orders for execution. Brokerage arrangements are further described below in *Item 12 Brokerage Practices*.

Our Automated Investment Program service and fees is divided into the following tiers:

#### **Intelligent Portfolio Tier 1 Service Model (Base Camp) – Account minimum \$5,000**

The advisory fee is charged per account at an annual rate of 0.25% of the assets managed. Client will be required to pay a minimum fee of \$10 per quarter for services provided, per account. As a result, if the fee calculated for client's account(s) in any quarter totals less than \$10, each of the client's account(s) will be charged the Minimum Fee rather than the Management Fee.

#### **Intelligent Portfolio Tier 2 Service Model (Ascent) – Account minimum \$100,000**

The advisory fee is charged for each relationship at an annual rate of 0.40% of the assets managed in the client's accounts. Client will be required to pay a minimum fee of \$100 per quarter for services provided. As a

result, if the fee calculated for Client's Account(s) in any quarter totals less than \$100, Client will be charged the Minimum Fee rather than the Management Fee.

**Intelligent Portfolio Tier 3 Service Model (Apex) – Account minimum \$100,000**

Client will be required to pay a minimum fee of \$375 per quarter for services provided. As a result, if the fee calculated for client's relationship in any quarter totals less than \$375, Client will be charged the Minimum Fee rather than the Management Fee

For account relationships of less than \$1 million, the following fixed rate fee schedule applies

PORTFOLIO VALUE	ANNUAL RATE
\$0 - \$250,000	1.50%
\$250,001 - \$1,000,000	1.25%

For account relationships of \$1 million or more:

PORTFOLIO VALUE	ANNUAL RATE
First \$2,000,000 of assets	1.00%
Next \$3,000,000 of assets	0.85%
Next \$5,000,000 of assets	0.75%
Over \$10,000,000 of assets	0.50%

**Robo Account Termination**

An Advisory Agreement may be terminated at any time for any reason by either party upon ten days (90 days' written notice to the other. The Company will reject any termination instructions, including account liquidation instructions, unless Client provides those instructions in writing. The client will be entitled to a pro-rata refund of any prepaid quarterly account fee based upon the number of days remaining in the quarter after the termination date.

**Financial Planning Services**

For preparation of a financial plan or module, the Company charges either a fixed fee that ranges between \$1,000 and \$25,000 or an hourly fee for financial planning and/or estate planning services. When the scope of the services has been agreed upon, a determination will be made as to the applicable fee. The final fee, subject to negotiation, is directly dependent upon the client's financial situation, the complexity of the requested service, and the time involved in providing the client with the requested service. Generally, if the client chooses to proceed, 100% of the estimated fee is due and payable upon completion of the contracted services. However, the Company may, in its discretion, request that the client pay an initial retainer in advance of any services rendered and progress payments as services are performed with the balance due and payable upon completion of the contracted services. Under no circumstances will the Company require prepayment of a fee more than six months in advance and in excess of \$1,200.

Additionally, the Company may provide its financial planning services for an Annual/Ongoing Planning Maintenance fee. The fee is dependent upon the engagement scope and is billed in 4 equal installments by the Company (in advance) at the start of each subsequent calendar quarter.

The Company or the client may terminate the agreement within five days of the date of acceptance without penalty to the client. After the five-day period, either party may terminate the financial planning agreement by providing written notice to the other party. If there are any prepaid unearned fees, the Company will return a pro rata share to the client.

Certain investment adviser representatives of the Company also serve as registered representatives of Triad Advisors, LLC. ("Triad"), a registered broker-dealer. A conflict of interest exists between the interests of the Company and the interests of its clients when the Company recommends securities that may be purchased through such registered representatives. In such cases, the registered representative receives a commission on the purchase or sale recommended by the Company. This gives such registered representative an incentive to

recommend investment products based on the compensation received, rather than on a client's needs. The Company believes that such conflict is mitigated by disclosing to you in this brochure and in its financial planning agreements that such registered representative receive additional compensation on the purchase or sale of certain securities. You are not obligated to act on the Company's recommendations. If you choose to act on any of the recommendations, you are not obligated to affect the transactions through a registered representative who is also an investment adviser representative of the Company. You can purchase investment products recommended by the Company through other brokers or agents that are not affiliated with the Company.

Similarly, certain investment adviser representatives of the Company are licensed to sell life, health, and annuity insurance products through various companies; for which they receive compensation for the sale of such products. You are not obligated to purchase insurance products through such investment adviser representatives and are free to choose the sources through which to implement the recommendations mentioned above. The Company believes that such conflict is addressed and mitigated by making this disclosure to you.

### **Retirement Plan Consulting Fee**

The charge for consulting may be based on a percentage of assets held in the plan or flat-rate basis as negotiated between the plan and the Company. Fees are typically billed quarterly in advance and deducted out of plan assets. However, fees can also be billed arrears, and/or be invoiced on a quarterly basis as well. Fees are detailed in the respective retirement plan consulting agreement.

The Company charges \$2,500 to set up a new retirement plan.

In connection with its services to 401(k) plans, the Company is acting as a fiduciary to its' clients plans under the Employee Retirement Income Security Act ("ERISA"). For purposes of providing investment advice, the Company may provide advice according to one of the following roles:

Non-discretionary investment advice about asset classes and investment alternatives available for the clients' plans in accordance with the Plan's investment policies and objectives; or Discretionary investment manager as defined in Section 3(38) of ERISA that is ongoing and continuous discretionary investment management with respect to the asset classes and investment alternatives available under the Plan in accordance with the Plan's Investment Policy Statement. Under this authority, Adviser may remove or replace the investment alternatives available under the Plan at its discretion.

The Company charges an advisory fee according to the following fixed rate fee schedules:

PORTFOLIO VALUE	ANNUAL RATE
\$0 - \$1,999,999.99 of assets	0.75%
\$2,000,000 - \$3,999,999 of assets	0.70%
\$4,000,000 - \$5,999,999 of assets	0.65%
\$6,000,000 - \$7,999,999 of assets	0.60%
\$8,000,000 - \$9,999,999 of assets	0.55%
10,000,000 - 14,999,999 of assets	0.50%
\$15,000,001 - Over	0.45%

The company charges \$1,000 to set up new SIMPLE Plans

For SIMPLE Plans, the Company charges an advisory fee according to the following fixed rate fee schedules:

PORTFOLIO VALUE	ANNUAL RATE
\$0 - \$999,999.99 of assets	0.95%
\$1,000,000 - \$1,999,999 of assets	0.75%
\$2,000,000 - \$3,999,999 of assets	0.70%
\$4,000,000 - \$5,999,999 of assets	0.65%
\$6,000,000 - \$7,999,999 of assets	0.60%
\$8,000,000 - \$9,999,999 of assets	0.55%

10,000,000 – 14,999,999 of assets	0.50%
\$15,000,001 - Over	0.45%

For SIMPLE Plans, the company deducts the fees in arrears

Although the Management Fee listed above is a standard fee, such fee in some circumstances is negotiable according to a variety of factors; including but not limited to the size and type of account, complexity, relationship with the Company (including with respect to services provided to client by the Company or its affiliates), its owners, and/or employees.

For plans with more than 100 participants, additional fees may apply and are dependent upon the level of services required by the plan.

For plans with multiple office locations, additional service fees may apply.

These fees may be negotiable in the Company's sole discretion, based on certain factors including, but not limited to plan size, the number of plan participants, and the plan's relationship with the Company.

The fee is based upon a percentage of the value of the portfolio, as it may increase or decrease during the engagement, and generally is billed quarterly in advance, but may for some plans be billed in arrears. The amount is calculated using the value of the portfolio based on the prior quarter's ending market value.

Only if other payment/reimbursement provisions are agreed to, The Company's fees are billed directly to and paid from the plan's participant accounts by the plan custodian. However, if the annual advisory fee is less than \$2,500 (based on the above fee schedule), then the plan sponsor is responsible for paying the difference between the amounts paid by the plan's participant accounts and \$2,500. Any fees that are the plan sponsor's responsibility are billed directly to the plan sponsor. Any fees paid by the participant accounts will be fully disclosed on the participants' quarterly statement (unless reimbursed by the plan sponsor). Any participant-level reporting is the responsibility of the plan's record keeper, and not the Company.

#### **Retirement Plan Termination**

An Advisory Agreement may be terminated at any time for any reason by either party upon ten days (60 days' written notice to the other. The Company will reject any termination instructions, including account liquidation instructions, unless Client provides those instructions in writing. The client will be entitled to a pro-rata refund of any prepaid quarterly account fee based upon the number of days remaining in the quarter after the termination date.

#### **Administrative Services**

Fees for administrative services are negotiated based upon the scope and complexity of the services being provided.

### **ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

This Item is not applicable to the Company.

### **ITEM 7. TYPES OF CLIENTS**

The Company generally provides investment advice to individuals; 401(k), defined contribution, and defined benefit pension plans; trusts; estates; and charitable organizations.

With respect to Client Advisory Accounts, the Company generally does not manage accounts with initial deposits less than \$100,000. Accounts below this minimum may be negotiable and accepted on an individual basis at the Company's discretion or enrolled in our automated investment program.

With respect to the Automated Investment Program, clients eligible to enroll in the Program include individuals, IRAs, and revocable living trusts. Clients that are organizations (such as corporations and partnerships) or government entities, and clients that are subject to the Employee Retirement Income Security Act of 1974, are not eligible for the Program. The minimum investment required to open or convert an account in the Program is \$5,000. The minimum account balance to enroll in the tax-loss harvesting feature is \$50,000.

With respect to 401(k) plan clients, when the Company's advisory fee amounts to less than \$2,500 per year, then the plan sponsor is responsible for paying the difference between the amount paid from plan assets and \$2,500.

#### **ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

**Methods of Analysis.** The Company's investment process is designed to allocate client assets using a global asset class diversification strategy to manage portfolio risk (using mutual funds, individual bonds, and alternative fixed income investments to include but not limited to public non-traded REITS and Interval funds). The Company identifies permissible investments for client portfolios after examining historical returns as benchmarked to peer performance and asset class indices, risk and valuation measurements, internal costs, sales loads, and manager tenure. The Company selects, monitors and assesses performance of mutual fund advisors on an ongoing basis.

The Company also provides advice as to the following types of securities: exchange-traded funds ("ETFs"); corporate debt securities (other than commercial paper); certificates of deposit; municipal securities; U.S. Government and agency obligations; and FDIC-insured equity-linked certificates of deposit.

**Investment Strategies and Related Risks.** Investment strategies used by the Company in managing clients' assets include long term securities purchases (i.e., securities held at least one year) and short-term securities purchases (i.e., securities sold within one year of purchase).

A mutual fund pools money together from many small investors and the fund's manager may purchase stocks, bonds or other securities within the fund. Investors that contribute money to a mutual fund get a stake in all its investments. The price for a share of a mutual fund is determined by the fund's net asset value ("NAV"), which is the total value of the securities the fund owns divided by the number of shares outstanding. A mutual fund's NAV changes every day, depending on the price fluctuations of the fund's holdings. Typically, the Company recommends no-load and load-waived mutual funds to its clients. Clients benefit from not paying a sales commission to purchase a mutual fund but may pay a nominal transaction fee to the account custodian. A sales commission may be imposed on client portfolios purchasing mutual funds through certain custodians.

Mutual funds face risks based on the investments they hold. Depending upon the types of mutual funds selected for a client's account (which is dependent upon such client's investment profile), one or more of the following risks, as well as certain additional risks, should be considered:

**Call Risk.** The possibility that falling interest rates will cause a bond issuer to redeem or call its bond before the bond's maturity date.

**Country Risk.** The possibility that political events (a war, national elections), financial problems (rising inflation, government default), or natural disasters (an earthquake, a poor harvest) will weaken a country's economy and cause investments in that country to decline.

**Credit Risk.** The possibility that a bond issuer will fail to repay interest and principal in a timely manner. Also called default risk.

**Currency Risk.** The possibility that returns could be reduced for Americans investing in foreign securities because of a rise in the value of the U.S. dollar against foreign currencies. Also called exchange-rate risk.

**Income Risk.** The possibility that a fixed-income fund's dividends will decline as a result of falling overall interest rates.

**Industry Risk.** The possibility that a group of stocks in a single industry will decline in price due to developments in that industry

**Inflation Risk.** The possibility that increases in the cost of living will reduce or eliminate a fund's real inflation-adjusted returns.

**Interest Rate Risk.** The possibility that a bond fund will decline in value because of an increase in interest rates.

**Manager Risk.** The possibility that an actively managed mutual fund's investment adviser will fail to execute the fund's investment strategy effectively resulting in the failure of stated objectives.

**Market Risk.** The possibility that fund prices (e.g., stock, bond, alternative investments) overall will decline over short or even extended periods. These markets tend to move in cycles, with periods of rising or falling prices.

**Principal Risk.** The possibility that an investment will decline in value, or "lose money," from the original or invested amount.

With respect to alternative investments selected or recommended for a client's account, the following risks should be considered:

**Diversification Risk.** Fixed income alternative investments are typically "non-diversified" and changes in the market value of a single holding may cause greater fluctuation in the alternative investment's net asset value than in a "diversified" fund. Additionally, closed-end non-traded REITS are "best efforts" offerings. If they raise substantially less than the maximum offering, they may not be able to invest in a diverse portfolio of real estate and real estate-related investments, and the value of your investment may fluctuate more widely with the performance of specific investments.

**Economic Risk.** Economic factors may adversely affect all markets; therefore, even if the alternative investments are seemingly in a different industry, the investment may be affected. For example, a Non-Traded REIT is subject to the economic risks of its underlying tenants, in addition to the economic risks in the real estate industry.

**Leverage Risk.** Many alternative investments invest in a variety of derivatives, which may involve potentially greater risks than investing directly in securities and more traditional asset classes. Furthermore, an alternative investment which is an "emerging growth company" can have very stringent credit and loan covenants with the offering's financiers. This may limit its ability to borrow money for growth or ongoing operations.

**Liquidity Risk.** Alternative investments invest in illiquid or restricted securities, which may limit your ability to sell your position or limit your ability to withdraw funds when needed. Additionally, alternative investments differ in their liquidity and no public market exists to buy or sell these securities. Furthermore, in their prospectuses, the fund can reserve the right for when they will provide liquidity or distribute dividends, if they believe doing so would harm investors in the fund. Generally, alternative investments provide for quarterly redemptions up to 5% of the funds value, while other offerings can provide for daily liquidity. Therefore, these offerings are suitable only for eligible, long-term investors who are willing to forgo liquidity, or put capital at risk for an indefinite period of time, and for those investors who are not dependent on the advertised dividends for their personal daily needs.

**Tax Risk.** An alternative investment, in paying distributions may consist solely of a return of capital (i.e. from my original investment) and not a return of net profit. Sources of distributions to shareholders for tax reporting purposes will depend upon the Fund's investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations

With respect to individual securities selected or recommended for a client's account, the following risks should be considered:

**Equity securities.** Prices of equity securities change in response to many factors including the historical and prospective earnings of the issuer, the value of its assets, general economic conditions, interest rates, investor perceptions and market liquidity.

**Corporate debt securities,** municipal securities and U.S. Government securities face risks related to interest rates, credit risk and income. For instance, bond values are inversely related to changes in interest rates. In most instances, if interest rates rise, bond values will decline and vice versa.

Certificates of deposit ("CDs"), although commonly considered to be safe investments, nonetheless carry certain risks, including those relating to lower yields, and interest rate fluctuation. Because of the relative safety and short- term nature of CDs, yields on CDs tend to be lower than other higher risk investments. In



addition, like all fixed income securities, CD prices are susceptible to fluctuations of interest rates. If interest rates rise, the market price of outstanding CDs will generally decline.

FDIC-insured equity-linked CDs may tie the rate of return to the performance of a stock index (for example, the S&P 500 Composite Stock Price Index). Generally, the FDIC insurance covers the principal and any insured returns within the limits of the equity-linked CDs. The terms of these CDs vary; typically, the term is three to eight years. Therefore, there is no guarantee that any payment in excess of the principal amount will be paid. Such CDs face additional risks, primarily liquidity risk, because you will have limited opportunities, if any to redeem an equity-linked CDs before maturity. Additionally, if it is sold before maturity, it may be worth less than its purchase amount or face value. Principal value is guaranteed if held to maturity, subject to FDIC limits. Investors may incur substantial loss if the security is sold before maturity.

The foregoing is a brief discussion of some of the different types of risk investors typically encounter. For a comprehensive discussion of a specific investment's material risks, an investor should review the entire prospectus.

#### **ITEM 9. DISCIPLINARY INFORMATION**

This Item is not applicable to the Company.

#### **ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Certain investment adviser representatives ("IARs") of the Company, including certain management personnel, also serve as registered representatives of Triad Advisors, LLC. ("Triad"), a registered broker-dealer. A conflict of interest exists between the interests of the Company and the interests of its financial planning client(s) when the Company recommends securities to be purchased through such registered representatives. In such cases, the registered representative would receive a commission on the purchase or sale recommended by the Company. No such client is under any obligation to act on the Company's recommendation. If a client elects to act on any of the recommendations, the client is under no obligation to affect the transactions through a registered representative who is also an investment adviser representative of the Company. The Company believes that such conflict is addressed and mitigated by making this disclosure to its clients.

Certain investment adviser representatives of the Company, including certain management personnel, are licensed to sell life, health and annuity insurance products through various companies; for which they receive compensation for the sale of such products. The financial planning client is under no obligation to purchase insurance products through such investment adviser representatives and is free to choose the sources through which to implement the recommendation. The Company believes that such conflict is addressed and mitigated by making this disclosure to its clients.

Neither the principals of the Company, nor any related persons, are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

The Company's IARs that also serve as registered representatives of Triad do not serve as brokers with respect to the accounts of any advisory clients who do not also have a separate brokerage agreement with such registered representative. Thus, the Company's IARs do not receive commissions in connection with any transactions placed by the Company on behalf of its advisory clients. If, however, an advisory client has a separate brokerage or other relationship with such IAR, that IAR can place trades for such clients and/or sell insurance products to such clients (and receive commissions in connection therewith).

Edward Joel Jacobson and Michael Wayne Cohen, each a Managing Member of the Company, are shareholders of Glass Jacobson P.A., an affiliate of the Company. Messrs. Jacobson and Cohen are practicing CPAs, spending approximately 75% of their time providing management services to Yount, Hyde & Barbour P.C., the acquirer of Glass Jacobson P.A. (see Item 4 of this Form ADV, Part 2A). The owners of Glass Jacobson P.A. refer clients to the Company for investment advisory and financial planning services.

The Company has established a subadvisor relationship with Brown Advisory LLC, to manage municipal fixed



income portfolios on behalf of its eligible clients. Brown Advisory charges a separate management fee to the client account. The Company does not receive any fees or services from Brown Advisory for the clients referred to Brown.

#### **ITEM 11. CODE OF ETHICS**

The Company has adopted a Code of Ethics, predicated on the principle that the Company owes a fiduciary duty to its clients. The Code of Ethics establishes certain policies and procedures for the Company's employees; the Code sets forth a policy with respect to the following: receipt of gifts; personal securities trading; and outside business activities. The Code also includes a prohibition on insider trading. The Code is administered by the Company's Chief Compliance Officer, and each employee must review the Code and acknowledge their receipt and compliance with the Code at least annually.

Supervised and Access persons of the Company may own, purchase, or sell securities which are also recommended for purchase or sale to clients. Such personal securities trading poses the potential for conflicts between the interests of the Company's related persons and the interests of clients, including conflicts in connection with the following: pricing of securities; commission rates received; timing of transactions; and limited availability of securities. In addition, related persons of the Company may at times buy or sell securities for a client's account at or about the same time that such related person trades in the same securities for his or her own account.

To address these potential conflicts, the Company has determined that orders for clients shall always take priority over orders for the related persons of the Company. Clients will always be accorded the best price and execution in those transactions involving the same security. In addition, when trades for clients and Company employees are placed on an aggregated basis, such trades must be made in compliance with the Company's Trade Aggregation Policy. This Policy requires that all accounts participating in an aggregated trade order shall receive the average price and pay a pro-rata portion of commissions. Such purchases or sales by Company employees must also be made in compliance with the Code of Ethics, which prohibits certain acts to avoid potential conflicts of interest. In particular, the Code provides that no employee may engage in personal securities transactions with respect to limited offerings or an initial public offering ("IPO") or any new issue of equity securities without obtaining advance preclearance of such transactions. In addition, the Code prohibits employees from "front running" client accounts, which is a practice generally understood to be employees personally trading ahead of client accounts.

Supervised and Access persons of the Company, are eligible for incentive compensation for increasing the Company's business. Therefore, employees of the firm have an inherent conflict of interest in recommending potential clients to "rollover" their qualified retirement assets from any vehicle (401(k) plans, IRA's, Roth IRA's etc.), in addition to this disclosure the Company has implemented account opening due diligence procedures which aim to educate the client as to their choices, and to insure that such actions are in the clients' best interest.

Current or prospective clients may obtain a copy of the Company's Code of Ethics upon request.

#### **ITEM 12. BROKERAGE PRACTICES**

The Company does not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15-Custody below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. Therefore, the Company requires that clients establish brokerage accounts with Schwab Institutional ("Schwab"), a division of Charles Schwab & Co., Inc.; and Fidelity Registered Investment Advisor Group ("Fidelity"), a division of Fidelity Investments to maintain custody of clients' assets and to effect trades for their accounts.

We are independently owned and operated and are not affiliated with Schwab, or Fidelity, Schwab, or Fidelity, will hold your assets in a brokerage account and buy and sell securities when we instruct them to. We require that you use one of these custodians by entering into an account agreement directly with them.

We do not open the account for you, although we will assist you in doing so. Not all advisors require their clients to use a particular broker-dealer or other custodian selected/recommended by the advisor. Even though your account is maintained at Schwab, or Fidelity, we can work with other brokers to execute trades for your account as described below.

We seek to select a custodian/broker that will hold your assets and execute transactions on terms that overall are most advantageous when compared with other available providers and their services. We consider a wide range of factors, including:

- 1) Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- 2) Capability to execute, clear, and settle trades (buy and sell securities for your account)
- 3) Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- 4) Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- 5) Access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.
- 6) Availability of investment research and tools that assist us in making investment decisions
- 7) Quality of services
- 8) Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- 9) Reputation, financial strength, security and stability
- 10) Prior service to us and our clients
- 11) Availability of other products and services that benefit us, as discussed below

The custodians do not charge separately for custody but are compensated by account holders through earned interest on un-invested cash, money market management fees, commissions or other transaction-related fees for securities trades that are executed through the custodian or that settle into the custodian's accounts. Not all advisers require their clients to use the services of particular custodians. These custodians are registered broker- dealers and are not affiliated with The Company.

In addition to commissions and fees, Schwab, and Fidelity, charge you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we execute through a different broker-dealer. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Therefore, to minimize your trading costs, we have Schwab, and Fidelity, execute most trades for your account. We have determined that having Schwab and, Fidelity, execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above.

The Company has established its brokerage and custody relationships with Schwab and, Fidelity, based upon the Company's assessment of the standard of service needed to properly manage an investment advisory practice. The Company from time to time, reviews its criteria and assesses the commitment of these broker/custodians to maintaining or surpassing industry standards in technology, service innovation, and adviser support. The decision to use these custodians recognizes that price is not the only factor involved when executing client trades, but rather the value maximized in the client portfolio given each of the stated investment objectives and constraints. Though the Company believes these companies provide the best overall value for client custody and brokerage activity, the client can likely find less costly alternatives to facilitate the execution of equity or fixed income trading. In other words, clients may on occasion pay commissions higher than those charged by other broker-dealers; because of the Company's routine recommendation that clients use these specific custodians.

Clients may direct the Company in writing to engage in directed brokerage transactions (*i.e.*, using a broker other than Schwab, or Fidelity.) Should the client choose to do so, the Company's ability to obtain the best price and execution with respect to such client's account may be hindered, and the decision by a client to

direct brokerage to a particular broker-dealer may cost the client more money. Specifically, a client may pay brokerage commissions that exceed the commissions charged by other broker-dealers, including Schwab, and Fidelity. In addition, a client who designates the use of a particular broker/dealer should understand that it will lose possible advantages that other clients derive from the aggregation of orders for several clients as a single transaction for the purchase or sale of a particular security. The ability of the Company to effectively negotiate commission rates could also be affected by a client designating the use of a specific broker/dealer, and as a result, the Company may not obtain best execution on behalf of the client, who may pay materially disparate commissions, greater spreads or transaction costs, or receive less favorable net prices on transactions for the account than would otherwise be the case.

Orders for the same security entered on behalf of more than one client may be aggregated (bunched) when the Company believes doing so to be in the best interests of all participating clients. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders; filled orders shall be allocated separately from subsequent orders. All clients participating in each aggregated order shall receive the average price and if applicable, pay a pro-rata portion of commissions.

Instances in which client orders will not be aggregated include, but are not limited to, the following:

- 1) Clients directing the Company to use certain broker/dealers, in which case such orders shall be separately affected.
- 2) Traders and/or portfolio managers determine that aggregation is not appropriate because of market conditions; and Portfolio managers must affect the transactions at different prices, making aggregation unfeasible.

The custodians provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, research and related services), many of which are not typically available to retail customers. The custodians also make available to the Company various products and support services. Some of these services help us manage or administer our clients' accounts, while others help us manage and grow our business. Support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. Such products and services benefit the Company because the Company does not have to produce the research or pay for such research, products or services.

#### SERVICES THAT BENEFIT YOU.

The Custodians 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 the custodians include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. The Custodians services described in this paragraph generally benefit you and your account.

#### SERVICES THAT MAY NOT DIRECTLY BENEFIT YOU.

The Custodians also make available to the Company 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, and Fidelity's, own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained specifically at Schwab, or Fidelity, in addition to investment research, the custodians also make available software and other technology that:

- 1) Provide access to client account data (such as duplicate trade confirmations and account statements),
- 2) Facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts),
- 3) Provide research, pricing information and other market data,
- 4) Facilitate payment of the Company's fees from its clients' accounts, and
- 5) Assist with back-office support, recordkeeping and client reporting.

The custodians discount or waive fees it would otherwise charge for some of these services to the Company. This creates an incentive for the Company to select the custodians for its clients' accounts. While as a fiduciary, the Company endeavors to act in its clients' best interests, the Company's requirement that clients

maintain their assets with one of these custodians is based in part on the benefit to the Company of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the custodian, which creates a conflict of interest. In other words, it is possible for clients on occasion to pay commissions higher than those charged by other broker-dealers, due to these soft dollar benefits the Company receives from the respective custodians. The Company believes that such conflicts and discussion of its relationship interests with the custodians, is addressed and mitigated by making this disclosure to its clients.

Many of these services generally are used to service all or a substantial number of the Company's accounts, even though the accounts may not be clients with that particular custodian. The custodians also provide the Company with other services intended to help the Company manage and further develop its business enterprise.

These services include consulting, publications and presentations on practice management, information technology, and business succession, access to employee benefits providers, human capital consultants, insurance providers, regulatory compliance, marketing, and general business needs. The custodians may provide some of these services. Other times, they will arrange for third-party vendors to provide the services to us. The custodians may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. The custodians may also provide us with other benefits, such as occasional business entertainment of our personnel.

Within the last fiscal year, brokers with which the Company does business made available to the Company and its related persons access to the following:

- 1) Software and other technology that (i) provides access to client account data, (ii) facilitates trade execution, (iii) provides research and pricing information, (iv) facilitates fee payment, and (v) assists with back-office support; and
- 2) Publications and presentations on (i) practice management, (ii) information technology, (iii) business succession, (iv) regulatory compliance, and (v) marketing.

With respect to financial planning clients, the Company lacks discretionary authority to determine securities to be bought or sold for the client, the amount of securities to be bought or sold, the broker or dealer to be used, or the commission rate paid. On occasion, the Company recommends securities be purchased through associated persons of the Company in their capacity as registered representatives of Triad or recommends other products (such as life insurance or annuities) be purchased through an associated person of the Company who holds a license to sell such products. The client is free to choose the sources through which investment advisory recommendations to be implemented

With respect to financial planning clients, the Company has no preference where client's custody assets or the brokers that are selected for trading. However, when the client desires to create a portfolio of mutual funds and/or specific securities, the Company will provide the client with the names of brokers from which the client may choose if asked. The investment adviser representative working with the client will make recommendations to the client as to which broker, he/she wishes to deal with. The investment advisor representative will base this recommendation on his/her professional experience in working with a particular broker/custodian, the needs of the client and the services provided by the broker/custodian, such as: ability to execute trades, margin rates, on-line access to accounts, transaction charges, duplicate monthly statements, access to mutual funds, including lower sales charges than for direct purchases, and lower minimum purchase amounts. The Company does not expect that clients will pay commissions to brokers the investment adviser representative recommends that are higher than those obtainable from other brokers for comparable client services. However, there can be no assurance that clients will pay the lowest commissions available.

Charles Schwab and Co. has given our clients an incentive to choose them as a custodian. They have given us a contract to reimburse our clients who move their assets to them. This reimbursement is for a total of

\$15,000 for the year for our Company. This means that if you transfer your assets to Schwab and incur costs for doing so you will be reimbursed for those costs, if at the Company level we have not reached the \$15,000 maximum. The Company does not receive any of this money. Schwab as a custodian makes money off of the interest on the securities and cash held in its clients' accounts and have therefore made this offer available to our current and future Clients.

The Company reviews approved mutual fund share classes as part of its investment committee deliberations, on an as needed basis (e.g. reviewing new funds). The Company does not believe that there is a "one size fits all" solution as to which share class should be used for any specific client or set of circumstances. At all times The Company's philosophy is to do what is in the "Best Interests" of the client. Sometimes this is the exercise of professional judgement and consideration of various factors, such as investment size, time horizon to be held, transaction fee, etc. As with all investment expenses, such charges reduce investment performance, and a cost benefit assessment is made by The Company when recommending a specific share class when more than one is available. Additionally, with ETFs trading for free at Schwab, and Fidelity the Company does not believe that this change categorically requires that it abandon mutual funds and instead use ETFs.

### **ITEM 13. REVIEW OF ACCOUNTS**

For Client Advisory Accounts and Apex Accounts, each client account is reviewed at least annually by the account's Investment Adviser Representative ("IAR"), who may be part of a team responsible for managing the account. In connection with such review, the client's portfolio allocation is compared to the account's investment policy and a determination is made by the IAR as to whether a recommendation should be made to the client regarding portfolio re-balancing. Additionally, the client and the IAR assigned to the account will meet on an "as needed" basis for a more comprehensive review of the portfolio's performance and to discuss changes in investment objective, portfolio re-balancing, investment restrictions or other matters as required by the client.

In general, the Company has nine IARs responsible for reviewing accounts, whether individually or as part of a team. Depending on a variety of factors (including the number of new accounts established during the year; whether the IAR operates individually or as part of a team with respect to certain accounts; the number of additional IARs hired by the Company during the year; etc.) each reviewer could have responsibility for a small handful of accounts (e.g., fifteen) to a large number of accounts (e.g., over 100). Given the factors determining the number of accounts reviewed by each IAR, these numbers could fluctuate throughout the year.

The Company furnishes written performance reports to its Client Advisory Accounts on a quarterly basis. The reports are intended to inform clients as to how their investments have performed during the selected period. In addition, the client receives a monthly account statement from the custodian showing account activity, as well as positions held in the account at month end. Clients also receive a confirmation of each transaction that occurs within his or her account.

For financial planning accounts, the Company encourages an annual review. In most cases, a review of a client's financial plan would require a new engagement between the client and the Company.

401(k) Retirement Plan Fiduciaries are provided annual written reports assessing the overall investment process of the plan's operation. The report assesses plan cost, and investment screening, monitoring and supervision processes. Investment performance is benchmarked to peer group averages and market indices. Likewise, such factors as risk, style consistency, suitability, and manager tenure are reviewed for each individual mutual fund offered on its platform.

### **ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION**

The Company's affiliate Glass Jacobson P.A. merged with Yount, Hyde & Barbour PC (YHB) on July 1, 2022, with YHB being the surviving entity that acquired the accounting practice of Glass Jacobson P.A. Prior to this

acquisition, many of the employees of the Company's affiliate, Glass Jacobson P.A., were promoter's for the Company pursuant to a written agreement and were eligible to receive additional compensation.

The Company and individual employees of YHB have entered into a written promoter agreement whereby the promoter is compensated to introduce prospective investment advisory clients to the Company. Notwithstanding the contractual relationship, the Promoter's and the Company are not affiliated with one another. If a client is introduced to the Company by a promoter, and if the client desires to receive investment advice from the Company, the client will be required to execute an investment advisory agreement, and related agreements, with the Company.

The client understands and accepts that the promoter is not responsible for rendering investment advice or providing recommendations to the client, and the promoter shall bear no responsibility or liability of any kind as a result of any action, or failure to act, at any time by the Company.

All employees of YHB who endorse and promote the Company receive, for each fee dollar collected by the Company in excess of \$2,000.00 from a client who the promoter has introduced to the Company, compensation of 15% of the net revenues earned and collected by the Company in each calendar year.

The Company has five (5) legacy promoters who receive, for each fee dollar collected by the Company in excess of \$2,000.00 from a client who the legacy promoter has introduced to the Company, compensation of 25% of the net revenues earned and collected by the Company in each calendar year. The legacy promoters are Irv Baddock, Richard Barsky, Barry Glass, Harvey Finkelstein, and Steve Levine.

The promoter's compensation will not in any way increase the fee the client pays to the Company.

## **COMMISSIONS**

With respect to clients who choose to place trades through one of the Company's investment adviser representatives working in the capacity as a registered representative of Triad, such representatives receive commissions on trading when conducted outside of the Client Advisory account. In connection with the placement of client funds into mutual funds, compensation to such registered representative may take the form of front-end sales charges, redemption fees and 12(b)-1 fees or a combination thereof. Such commissions are applicable to funds placed into Triad's different cash management programs. The mutual fund's prospectus will give explicit detail as to the method and form of compensation. In addition, certain investment adviser representatives of the Company are licensed to sell life, health and annuity insurance products through various companies, and they receive compensation for the sale of such products. The Company believes that such conflict is addressed and mitigated by making this disclosure to its clients.

## **OTHER ECONOMIC BENEFIT**

We receive an economic benefit from the custodians of our client accounts as support for products and services the custodians make available to us and other independent investment advisors whose clients maintain their accounts at Schwab, or Fidelity. In addition, these custodians have agreed to pay for certain products and services for which we would otherwise have to pay. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12-Brokerage Practices).

On occasion, a client may need services provided by a third-party qualified plan administrator. If requested, the Company may refer the client to American Retirement Plan Services ("ARPS"), who serves as plan administrator for the Company's qualified plan. Although there is no referral arrangement between ARPS and the Company, as a result of referrals made by the Company in the past, ARPS charges a reduced fee for the ongoing administration services it provides with respect to the Company's qualified plan. Consequently, a conflict between the interest of the Company and those of its clients exists, and to mitigate this conflict of interest, the Company is making this disclosure. The client is under no obligation, contractual or otherwise, to retain the services of ARPS.



In the past the Company served as an external solicitor for Pinnacle Advisory Group (“PAG”), now Congress Wealth Management LLC. Such services were provided pursuant to a referral arrangement with PAG. In connection therewith, the Company receives 30% of PAG’s investment advisory fee charged to clients referred to PAG by the Company. Although the Company no longer maintains a referral relationship with PAG, several referred clients remain with PAG, and the Company continues to receive fees from these accounts.

#### Automated Investment Program

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us. You do not pay more for assets maintained at Schwab as a result of these arrangements. However, we benefit from the arrangements because the cost of these services would otherwise be borne directly by us. You should consider these conflicts of interest when selecting a custodian. The products and services provided by Schwab, how they benefit us, and the related conflicts of interest are described above under *Item 12 Brokerage Practices*. 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.

#### CF Cash Program

The Company informs its clients and prospective clients of the Cantor Fitzgerald Insured Cash Program<sup>SM</sup>, otherwise known as “CF Cash Program.” The CF Cash Program is a deposit bank account program established and administered by StoneCastle Cash Management, LLC (“StoneCastle”) to benefit individual investors by offering a cash management solution designed to enhance returns on cash savings while providing 100% FDIC insurance protection. The Company receives an administrative fee from StoneCastle based on the average daily balance of each individual account referred by the Company who participates in the CF Cash Program.

### **ITEM 15. CUSTODY**

The Company is deemed to have “custody” over certain of its Client Advisory Accounts, including some Apex Accounts, based on certain factors which necessitate compliance with other aspects of the SEC’s Custody Rule 206 (4)-2. Therefore, to comply with the SEC’s “Custody Rule,” the Company has taken steps to ensure that the qualified custodian maintaining such accounts sends to clients quarterly account statements: (i) identifying the amount of funds and of each security in the account at the end of the quarter; and (ii) setting forth all transactions in the account during the quarter. Thus, clients should expect to receive from their account custodians such statements on a quarterly basis and are encouraged to review such statements carefully. In addition, the Company sends each of its clients a quarterly performance report and urges its clients to compare these reports with those received from the account custodian.

The Company is deemed to have “custody” of its clients’ funds by accommodating its clients with “Standing Letters of Authorization” to facilitate the periodic transfer of funds to a 3<sup>rd</sup> party. The Company relies on the recordkeeping regulatory exception provided by the SEC to exclude these accounts from its annual surprise audit conducted by an independent CPA firm.

Additionally, The Company is deemed to have “custody” of some of its clients’ funds and is required to undergo an annual surprise audit from an independent CPA firm.

### **ITEM 16. INVESTMENT DISCRETION**

The Company typically requires discretionary authority to manage securities accounts on behalf of certain clients. Such clients are required to execute a limited power of attorney, as part of the Company’s standard engagement with such clients, in order that the Company may carry out this authority. Notwithstanding this discretionary authority, the Company manages the accounts only in accordance with the investment mandates, guidelines, and/or restrictions (if any) that have been provided by clients. For instance, client-imposed restrictions can include restrictions on specific securities or restrictions on categories of securities, such as by industry or based on social criteria (see Item 4-Advisory Business).

In accordance with its diminished capacity policy, the Company reserves the right to withhold asset disbursements, in accordance with state law, if the Company has reason to believe that the disbursement



request is an attempted abuse of a client due to the client's diminished capacity.

#### **ITEM 17. VOTING CLIENT SECURITIES**

Generally, the Company does not assume responsibility to vote proxies on behalf of its clients. Proxy voting is a client responsibility, and as a result, the Company will not take any action involving legal matters, including securities class actions on behalf of its clients with respect to securities or other investments held in the client's account. The company advises its clients as to proxies that arise.

The custodian maintaining the client's account will send proxy and class action information directly to such client. If the Company receives any such material on behalf of a client, it will promptly forward that material to the client. However, upon a client's request, the Company may assist clients in the collection of data for the purpose of filing a claim should they relate to investments purchased on such client's behalf while a client of the Company.

Rarely, the Company assumes responsibility to vote proxies on behalf of clients. This usually stems from a corporate trustee relationship where the company is an investment advisor of a "covered trust". A separate agreement must be executed between the Company and the client for the Company to assume responsibility to vote proxies on a client's behalf.

As discussed above (Item 4- Advisory Business and in Item 8-Methods of Analysis, Investment Strategies and Risk of Loss) the Company primarily recommends that its clients invest in mutual funds; therefore, most proxies are voted by the investment advisor of the respective fund companies.

Current or prospective clients may obtain a copy of the Company's Proxy Voting policy and procedure upon request.

#### **ITEM 18. FINANCIAL INFORMATION**

The Company applied for and received a "Payment Protection Program" Loan in April 2020. At the time of the loan, there was significant financial market uncertainty and firm revenues had been impacted. Knowing the importance of preserving our client service model and retaining our professional staff, The Company took the precautionary step of applying for a PPP loan to maintain financial stability in its workforce in the event the Covid crisis caused financial markets to continue spiraling down. Fortunately, these concerns have not come to pass. The Company has now reserved significant financial resources to protect it from further downturns and believes itself to be adequately reserved to meet additional funding requirements in the current financial cycle.

#### **ITEM 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

This Item is not applicable to the Company.