

**Householder Group Estate and Retirement Specialists,  
LLC**

8985 E. Bell Road  
Scottsdale, AZ 85260  
602-604-0600  
[www.householdergroup.com](http://www.householdergroup.com)

**FORM ADV, PART 2A: FIRM BROCHURE**

**03/07/2024**

**Item 1 – Cover Page**

This Brochure provides information about the qualifications and business practices of Householder Group Estate and Retirement Specialists, LLC. If you have any questions about the contents of this Brochure, please contact us at 602-604-0600. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Householder Group Estate & Retirement Specialists, LLC is a registered investment advisor firm and domestically registered Delaware limited liability company (“Householder Group” or as otherwise referred to herein as “we” or “us”, the “Company” or the “Firm”). Registration of an investment advisor does not imply any level of skill or training. The oral and written communications of an advisor provide you with information about which you determine to hire or retain an advisor.

Additional information about Householder Group is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Householder Group is 169045.

## Item 2 – Material Changes

At least annually, this section will discuss only specific material changes that are made to the Brochure and provide you with a summary of such changes. Additionally, reference to the date of the last annual update to this Brochure will be provided.

There are material changes in this brochure from the last annual updating amendment of Householder Group on 02/07/2023. Material changes relate to Householder Group's policies, practices, or conflicts of interests only.

- Householder Group Estate and Retirement Specialists, LLC have amended the language within this brochure to exclude the list of Wrap Fee Programs, as these are properly disclosed within the ADV 2A Appendix 1. (Item 4) (October 6, 2022).
- Householder Group Estate and Retirement Specialists, LLC has amended the language of this brochure to include additional services offered to retirement plan administrators and retirement plan participants (item4). (July 24, 2023)
- Householder Group Estate and Retirement Specialists, LLC has amended the language within this brochure to include the fee assessed for managing assets through a third party platform under Retirement Plan Services (item 5). (July 24, 2023)
- Householder Group Estate and Retirement Specialists, LLC has amended the language of this brochure to include additional services offered to Insurance Consulting (item4). (November 7, 2023)
- Householder Group Estate and Retirement Specialists, LLC has amended the language within this brochure to include the fee assessed for managing assets through a third party platform under Insurance Consulting. (item 5). (November 7, 2023)

Pursuant to SEC Rules, we will ensure that clients receive a summary of any materials changes to this and subsequent Brochures by April 30th of each year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide clients with a new Brochure as necessary based on changes or new information, at any time, without charge. Our Brochure may be requested by contacting our Compliance staff at 602-604-0600. Additional information about 'Householder Group is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Householder Group who are registered, or are required to be registered, as investment adviser representatives of Householder Group.

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## Item 4 – Advisory Business

Householder Group is an SEC Registered RIA formed under the laws of the State of Delaware. Householder Group is owned by The ASG Ohio Legacy Trust, of which Rebecca L. Schramm is the Trustee.

A variety of investment advisory services are available through Householder Group. By leveraging a network of advisory representatives (“Advisors”) across the United States, Householder Group offers personalized investment advisory services to individuals, pension and profit-sharing plans, trusts, estates, corporations, and other business entities.

Householder Group is an investment advisory firm offering a variety of advisory services customized to your individual needs. You should carefully consider the information provided in this Brochure regarding Householder Group including its advisory services, fee arrangements and business practices before becoming an advisory client.

Householder Group offers the following services, which, are more fully described below.

- Portfolio Management Services
- Analysis, Recommendation & Monitoring of Third Party Managed Programs
- Financial Planning & Consulting Services
- Pension Consulting Services
- Seminar & Education Programs
- Estate Planning Services
- Retirement Plan Services

### Service 1: Portfolio Management Services

Householder Group offers two management options.

- A non-wrap program. This option involves the client paying a fee to Householder Group and paying ticket or transaction charges on each transaction executed in the account. The exception is that there is a select listing of securities (typically reserved to mutual funds) for which no transaction fees will be assessed. However, the security is subject to a holding period to avoid early liquidation fees. For securities with holding periods, clients are not prevented from liquidating during the holding periods, however, there is a fee associated with liquidations during the holding period.
- A wrap program. This option involves the client paying a single fee which will include asset management services and transactional fees. No separate transaction fees will be assessed. It is important clients read Householder Group's Appendix 1 (Wrap Program Brochure). Typically, a wrap program will be more expensive for those managed accounts where there is less trading. Conversely, a wrap program is more cost effective for clients who engage in frequent transactions.

Householder Group provides discretionary and non-discretionary portfolio management services where the investment advice provided is custom tailored to meet your individual needs and investment objectives. You may impose restrictions and/or limitations on the investing in certain securities or types of securities.

At the inception of the relationship, a Householder Group Advisor will conduct a data gathering interview with you to determine your investment objectives, risk tolerance and other relevant information. Based on the information provided by you, the Advisor will recommend an initial portfolio to you.

Upon your approval, your Advisor will have you complete the Client Advisory Services Agreement and implement the portfolio allocation. Householder Group will provide continuous and ongoing management of your account.

As further described below, Householder Group has entered into a relationship to offer you brokerage and custodial services through LPL Financial Corporation (“LPL”). There is no affiliation between Householder Group and LPL.

Householder Group Advisors offers advice on all exchange-listed securities and those traded over-the-counter. Advice is also offered on: variable annuities, variable life insurance, mutual funds, U.S. government securities, corporate debt instruments, certificates of deposit, municipal securities, security and index option contracts, and any other products that would be appropriate for the individual client, provided such products are approved for offering by LPL.

Your Advisor will develop an asset allocation strategy for you that consists of an agreed upon percentage mix of fixed income and equity investments. The fixed income allocation will include one or more of the following (a) cash (b) money market funds (c) U.S. government securities (d) foreign government bonds (e) U.S. corporate debt (f) foreign corporate debt (g) municipal securities (h) fixed income mutual funds and (i) any other appropriate fixed income investment. The equity portion of the allocation will include one or more of the following (a) individual stocks which are exchange listed (b) individual stocks which are traded over the counter (c) individual stocks issued by foreign corporations (d) equity mutual funds (e) variable annuity products (f) securities option contracts (non-discretionary only and limited to purchases of put options where the account is long the underlying security & writing covered calls) (g) interests in direct participation programs (h) Exchange Traded Funds ("ETFs") and (i) any other appropriate equity investment. Recommended mutual funds can be no-load or load-waived. Additionally, we provide managed portfolios containing an element of option transactions and strategies.

It is important to refer to the disclosures under Item 5 - Fees and Compensation below for important information about the costs associated with different share classes.

#### Joint Advisors

A client may establish an account with two Householder Group Advisors ("Joint Advisor Accounts"). For Joint Advisor accounts, one Advisor shall be responsible for managing assets in the Joint Advisor Account ("Managing Advisor") and the other Advisor ("Servicing Advisor") will be responsible for establishing and servicing the Joint Advisor Account, communicating and conducting meetings with the client concerning the Joint Advisor Account and the performance of the Joint Advisor Account, making investment recommendations to the client including the use of the Managing Advisor to manage assets in the Joint Advisor Account and ensuring that all required documentation is maintained for the Joint Advisor Account. The client or the Servicing Advisor may discontinue the services of the Managing Advisor at any time and for any reason.

#### **Non-WRAP Program**

Strategic Wealth Management (SWM I) Strategic Wealth Management is the name of the open architecture account held through LPL as the qualified custodian to support investment advisory services provided by Householder Group. Clients are charged transaction fees in addition to the advisory fee.

#### **WRAP Programs**

Householder Group offers other advisory programs. A description of Householder Group's other advisory programs is disclosed in the Householder Group Form ADV Part 2A Appendix 1 available to you at any time upon written request. The fees for other advisory and management programs may be less than the fees for Householder Group's wrap programs.

### **Service 2: Analysis, Recommendation & Monitoring of Third Party Managed Programs**

The Adviser has entered into agreements with various third-party advisers. Under these agreements, the Adviser offers clients various types of programs sponsored by these advisers. All third-party investment advisers to whom the Adviser will refer clients will be licensed as investment advisers by their resident state and any applicable jurisdictions or registered investment advisers with the Securities and Exchange Commission.

After gathering information about a client's financial situation and investment objectives, the Adviser will assist the client in selecting a particular third-party program.

Adviser has entered into agreements with various other third-party investment advisers ("Third Party Advisory Service") for the provision of certain investment advisory services. Adviser's IARs will provide individualized advisory services to their clients through the selection of a suitable Third Party Advisory Service. Factors considered in the selection of a Third Party Advisory Service include but may not be limited to: i) each individual IAR's preference for a particular Third Party Advisory Service; ii) the client's risk tolerance, goals and objectives, as well as investment experience; and, iii) the amount of the client assets available for investment. In order to assist clients in the selection of a Third Party Advisory Service, the IAR will typically gather information from the client about the client's financial situation, investment objectives, and reasonable

restrictions the client wants on the management of the account.

All securities transactions will be decided upon and executed by the Third Party Advisory Service. Typically, the third-party investment manager will exercise discretion in the management of client accounts. Adviser and its IAR will not manage, or obtain discretionary authority over the assets in accounts participating in these programs; however, clients may grant IARs the discretionary authority to hire and fire such third party managers.

Adviser's IARs will periodically review reports provided to the client. An IAR will contact the client at least annually, or more often as agreed upon with each client, to review client's financial situation and objectives, communicate information to the Third Party Advisory Service managing the accounts as warranted, and to assist the client in understanding and evaluating the services provided by the Third Party Advisory Service. Clients will be expected to notify IAR of any changes in their financial situation, investment objectives, or account restrictions.

For those clients that require an enhanced and/or specialized level of asset management services, Adviser may also recommend that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment manager(s) and/or investment programs (the "Independent Manager(s)"), based upon the stated investment objectives of the client, including investment managers and/or programs selected and/or recommended by Adviser. The terms and conditions under which the client shall engage Independent Manager(s) shall be set forth in separate

written agreements between the client and the Adviser and the client and the designated Independent Manager(s). The Adviser shall continue to render advisory services to the client relative to the ongoing monitoring and reviewing of account performance, for which Adviser shall receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated Independent Manager(s). Factors which the Adviser shall consider in recommending Independent Manager(s) include the client's stated 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, Adviser's investment advisory fee set forth above. In addition to the fees charged by the Adviser, the designated Independent Manager(s) and corresponding broker-dealer/custodian, the client, relative to any mutual fund purchases, shall incur charges imposed at the mutual fund level (i.e. advisory fees and other fund expenses).

Householder Group Estate and Retirement Specialists may from time to time may refer clients to a third party for compensation. Pursuant to Rule 206(4)-1 of the Investment Advisers Act of 1940, is required to have written agreement with such parties with respect to solicitation activities and referral fees, and clients referred pursuant to such arrangements must receive a disclosure document describing the arrangement and must provide written acknowledgement of receipt of such disclosure document. Householder Group Estate and Retirement Specialists is compensated by the third-party referrals out of management fees received on referred accounts for a specified or indefinite period of time. This does not increase the management fee incurred by the client.

### **Service 3: Financial Planning and Consulting Services**

Householder Group engages in broad-based, modular, and consultative financial planning. Such advice typically involves providing you a variety of services, principally advisory in nature, regarding the management of your financial resources based upon an analysis of your individual needs. Householder Group will gather required information through in-depth personal interviews between you and your Advisor. Once such information has been studied and analyzed, a written financial plan designed to work toward your expressed financial goals and objectives will be produced and presented to you.

Financial plans are based on your financial situation at the time the plan is presented and on financial information you disclose to Householder Group. You are advised that certain assumptions will be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. Householder Group and its Advisors cannot offer any guarantees or promises that your financial goals and objectives will be met. As your financial situation, goals, objectives, or needs change, you must notify your Advisor promptly.

Some clients may only require advice on a single aspect of the management of their financial resources. For these clients, Householder Group offers financial plans in a modular and/or general consulting that address only those specific areas of interest or concern, which may include but are not limited to tax and budgetary planning, estate, insurance and retirement-planning and/or business planning.



Householder Group Advisors provide financial planning services to clients on direct participation programs approved for sale by LPL Registered Representatives. However, recommendations as to the advisability of purchasing or selling these investments will not be made in the Advisor's capacity as a Householder Group Advisor.

Payment using AdvicePay is not required but preferred by Advisor in order to provide financial planning services. The client, if they elect, will be invoiced through and payment made directly within the vendor's secure site. The client will authorize and direct the fee to be paid to the Advisor. Advisor and AdvicePay are separate entities and there is no material conflict of interest for the use of this service. This service will be offered to current and new Financial Planning clients. AdvicePay does charge a fee for the services, but the client will not bear these costs. Advisor will pay all fees associated with the client's use of this payment vendor.

## Service 4: Pension Consulting Services

Householder Group provides pension consulting services to employee benefit plans and their fiduciaries based upon an analysis of the needs of the plan. In general, these services include an existing plan review, asset allocation advice, money management services, communication, and education services where Householder Group will assist the plan sponsor in providing meaningful information regarding the retirement plan to its participants, investment performance monitoring and/or ongoing consulting.

Householder Group has agreements with third party administrators ("TPAs") to provide these services as part of the TPA's agreement with the plan. In these instances, the TPA may pay a portion of the fee charged to the plan to Householder Group for their services. In other instances, Householder Group may be introduced to a plan through a TPA and will provide service directly to the plan.

Householder Group will hold educational seminars for the plan employees and provide information on the plan specifics and allocation choices. Householder Group Advisors will also meet with individual plan participants and offer personalized information based on their individual objectives.

All client accounts are regulated under the Employee Retirement Income Securities Act ("ERISA"). Householder Group Advisors will provide consulting services to the plan fiduciaries as described above. Typically, the named plan fiduciary must make the ultimate decision pertaining to the services of such TPAs. TPA referrals can only be made to such administrators that are approved for use by LPL. The plan fiduciary is free to seek independent advice about the appropriateness of any recommended services for the plan.

## Service 5: Seminars and Educational Programs

Householder Group conducts seminars and/or educational programs regarding tax planning, estate planning, retirement planning, insurance planning, investment planning, and other related areas of financial planning on a periodic basis.

The information covered in a seminar is not based on the individual needs of the attendees. Householder Group does not provide specific investment advice to attendees unless engaged independently, and only where the attendee's individualized financial information, investment goals and objectives are provided.

## Service 6: Estate Planning Services

Householder Group works with clients to provide estate planning services and works with the client and the client's attorney or other professionals to establish an estate plan strategy that includes the creation of one or more of the following legal documents for the client: wills, trusts, living wills or health directives and/or power of attorneys.

When working with you and your attorney or other professional, the Householder Group Advisor:

- a. Consults with you and analyze your financial needs and objectives based upon the information provided; or,
- b. Prepares a written financial plan based upon your identified estate plan needs and objectives; or,
- c. Recommends, as part of your estate plan, investment strategies that the Advisor believes are suited for your identified financial needs and objectives.

All investment analyses and recommendations relating to the preparation of your estate plan will be based upon information



you provided to the Advisor. There will be no independent investigation of your background information, nor update of such information, without your express written consent. It remains your responsibility to advise your Advisor and your attorney or other professional of any changes in circumstances, e.g., needs, objectives, goals and any other changes that would impact your estate plan and/or estate distribution.

### **Service 7: Retirement Plan Services**

Householder Group offers consulting and advisory services for employer-sponsored retirement plans that are designed to assist plan sponsors of employee benefit plans ("Sponsor(s)"). Householder Group also assists Sponsors with enrollment and/or providing investment education to plan participants and beneficiaries. Householder Group provides these retirement plan services ("Retirement Plan Services") through its independent contractor advisory representatives ("Advisors"), and charges a fee for the Retirement Plan Services, as described in this Form ADV Part 2 ("ADV") and the Retirement Plan Consulting Agreement ("Agreement").

Retirement Plan Services are either ERISA Fiduciary Services or ERISA Non-fiduciary Services. ERISA Non-fiduciary Services are performed only so that they would not be considered fiduciary services under the Employee Retirement Income Security Act of 1974, as amended (ERISA). When delivering ERISA Fiduciary Services, Householder Group will perform those services to the plan as a fiduciary under ERISA Section 3(21)(A)(ii) and will act in good faith and with the degree of diligence, care and skill that a prudent person rendering similar services would exercise under similar circumstances. When providing any ERISA Fiduciary Services, Householder Group will solely be making recommendations to the Sponsor and the Sponsor retains full discretionary authority or control over assets of the plan.

Sponsor may engage the Householder Group to perform the Retirement Plan Services by completing a Retirement Plan Consulting Agreement. The Agreement describes the terms of the arrangement between Householder Group and the Sponsor, including a description of the Retirement Services and the fees to be charged by Householder Group. By signing the Agreement, the Sponsor represents that Sponsor has received sufficient information and determined that the Retirement Plan Services selected are: (i) necessary for the operation of the plan and (ii) reasonable and appropriate based upon the compensation to be paid for the Services. Sponsor must sign and submit the Agreement to Householder Group before Householder Group performs any Retirement Plan Services.

Householder Group offers Retirement Plan Services through a third party administrators ("TPAs") to plan sponsors and plan participants. The plans are qualified employee benefit plans intended to comply with all applicable federal laws and regulations, including the Internal Revenue Code of 1986, as amended, and the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Householder Group use of the TPA allows it to avoid being considered having custody of Client Funds since we do not have access to client login credentials or ability to directly affect trades. Management fees will be assessed and billed quarterly as detailed in the Client Advisory Services Agreement.

Householder Group uses a third-party platform (Pontera) to provide additional retirement plan services for retirement plan participant accounts not directly held in our custody, but where we do have discretion, and may leverage an Order Management System to implement tax-efficient asset location and opportunistic rebalancing strategies on behalf of the client. These are primarily 401(k) accounts, HSAs, and other assets we do not custody. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once Client account(s) is connected to the platform, Advisors will review the current account allocations. When deemed necessary, Advisors will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least annually, and allocation changes will be made as deemed necessary. Management fees will be assessed and billed quarterly as detailed in the Client Advisory Services Agreement.

### **Potential Additional Retirement Services Provided Outside of the Agreement:**

In providing Retirement Plan Services, Householder Group and its Advisors establish a client relationship with one or more plan participants or beneficiaries. Such client relationships develop in various ways, including, without limitation:

- 1) as a result of a decision by the participant or beneficiary to purchase services from Householder Group not involving the use of plan assets.
- 2) as part of an individual or family financial plan for which any specific recommendations concerning the allocation of assets or investment recommendations relate exclusively to assets held outside of the plan; or
- 3) through an Individual Retirement Account rollover ("IRA Rollover").

If Householder Group is providing Retirement Plan Services to a plan, Advisors, when requested by a plan participant or beneficiary, arrange to provide services to that participant or beneficiary through a separate agreement that excludes any investment advice on plan assets (but consider the participant's or beneficiary's interest in the plan in providing that service). If a plan participant or beneficiary desires to affect an IRA Rollover, Advisor will obtain a written acknowledgement from the plan participant. Any decision to affect the rollover or about what to do with the rollover assets remain that of the participant or beneficiary alone.

## IRA Rollover Considerations

As part of our consulting and advisory services, we provide you recommendations and advice concerning your employer retirement plan or other qualified retirement account. Our recommendations may include you consider withdrawing the assets from your employer's retirement plan or other qualified retirement account and roll the assets over to an individual retirement account ("IRA"). Further, we offer our management services be applied to those funds and securities rolled into an IRA or other account for which we will receive compensation. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset-based fee as described above under Item 5. This practice presents a conflict of interest because persons providing investment advice on your behalf have an incentive to recommend a rollover to you for the purpose of generating fee-based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Furthermore, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by us.

It is important for you to understand many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of each.

An employee will typically have four options:

1. Leave the funds in your employer's (former employer's) plan.
2. Move the funds to a new employer's retirement plan.
3. Cash out and taking a taxable distribution from the plan
4. Roll the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage it is important you understand the following:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you want to consider other types of investments.
  - a. Employer retirement plans generally have a more limited investment menu than IRAs.
  - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
  - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
  - b. You should understand the various products and services you might take advantage of at an IRA provider and the costs of those products and services.
  - c. It is likely you will not be charged a management fee and will not receive ongoing asset management services unless you elect to have such services. In the event your plan offers asset management or model management, there may be a fee associated with the services that is more or less than our asset management fee.

5. Our strategy may have higher risk than the option(s) provided to you in your plan.
6. Your current plan may offer financial advice, guidance, and/or model management or portfolio options at no additional cost.
7. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 72.
8. Your 401k may offer more liability protection than a rollover IRA; each state may vary.  
Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult an attorney if you are concerned about protecting your retirement plan assets from creditors.
9. You may be able to take out a loan on your 401k, but not from an IRA.
10. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
11. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
12. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.

### Written Acknowledgement of Fiduciary Status

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

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

Give you basic information about conflicts of interest.

### Wrap Program

There is no significant difference between how Householder Group manages wrap fee accounts and non-wrap fee accounts. However, as stated above, if a client determines to engage Householder Group on a wrap fee basis the client will pay a single fee for bundled services (i.e. investment advisory, brokerage, custody). The services included in a wrap fee agreement will depend upon each client's particular need. If the client determines to engage Householder Group on a non-wrap fee basis the client will select individual services on an unbundled basis, paying for each service separately (i.e. investment advisory, brokerage, custody). **Please Note:** When managing a client's account on a wrap fee basis, Householder Group shall receive as payment for its investment advisory services, the balance of the wrap fee after all other costs incorporated into the wrap fee have been deducted.

## **Service 8: Insurance Consulting**

Householder Group has a relationship with DPL Financial Partners, LLC ("DPL"). By working with DPL, Householder Group may provide insurance reviews/analyses, education, and insurance solutions in a conflict free manner.

DPL is a third-party provider of a platform of insurance consultancy services to SEC-registered investment advisers ("RIAs") that have clients with a current or future need for insurance products. DPL offers RIAs memberships to its platform for a fixed annual fee and, through its licensed insurance agents who are also registered representatives of The Leaders Group, Inc., an unaffiliated SEC-registered broker-dealer and FINRA member, ("The Leaders Group"). The Leaders Group also offers members a variety of services relating to fee-based insurance products. These services include, among others, providing members with analyses of their current methodology for evaluating client insurance needs, educating and acting as a resource to members regarding general and specific insurance products owned by their clients or that their clients are considering purchasing, and providing members access to and product marketing support regarding fee-based products that insurers have agreed to offer to members' clients through DPL's platform. For providing platform services to RIAs, DPL receives service fees from the insurers that offer their fee-based products through the platform. These service fees are based on the insurance premiums received by the insurers.

DPL is licensed as an insurance producer in Kentucky and other jurisdictions, as applicable, to perform the platform services. Its representatives are also licensed as insurance producers, appointed as insurance agents of the insurers offering their products through the platform, and registered representatives of The Leaders Group.

### Assets Under Management

As of December 31, 2023, we have approximately \$ 1,290,269,188 of client assets under our discretionary management and approximately \$ 15,714,160 of non-discretionary client assets under management.

## **Item 5 – Fees and Compensation**

### **Service 1: Portfolio Management Services**

On an annualized basis, Householder Group charges a negotiable fee up to 2.9% of your assets under management, with the exception of the overlay programs described above in Item 4. The overlay portfolio management programs have maximum fees less than 2.65% as outlined below. Each Investment Advisory Representative sets his/her own fee schedule which you will receive as part of the Client Advisory Services Agreement. Fees are not commensurate with experience or

education.

Excluding GWP, LPL serves as program sponsor, investment advisor and broker-dealer for the LPL advisory programs. In the Managed Service of GWP, LPL is appointed by each client as custodian of account assets and broker-dealer with respect to processing securities transactions for the accounts. In general, FutureAdvisor, in its capacity as investment advisor, will submit transactions through LPL; however, FutureAdvisor may choose to execute transactions through a broker-dealer other than LPL, subject to its duty to seek to achieve best execution. When securities transactions are effected through LPL, there are no brokerage commissions charged to the account. If FutureAdvisor chooses to execute a transaction through a broker-dealer other than LPL, the execution price may include a commission or fee imposed by the executing broker-dealer. In evaluating whether to execute a trade through a broker-dealer other than LPL, Future Advisor will consider the fact that the account will not be charged a commission if the transaction is effected through LPL.

Householder Group and LPL may share in the account fee and other fees associated with program accounts. Associated persons of Householder Group may also be registered representatives of LPL.

The fee for portfolio management services is due and payable quarterly in advance. Fees are calculated based upon the value of your account at the end of the just completed calendar quarter. Fees are calculated and determined by the platform provider, LPL Financial. Alternatively, fees can be based upon the fair market value of the assets in the account and computed monthly or quarterly. Fees will be assessed pro rata in the event your agreement is executed at any time other than the first day of your decided billing period.

Fee calculations are offered as tiered or linear. A tiered fee schedule is similar to the current income tax system. Each level of assets is charged its own corresponding percentage rate. For example, a tiered fee schedule might charge 2% on the first \$250,000, 1.75% on the next \$250,000 and 1.5% on the next \$250,000, effectively giving the client a blended and lower rate than the initial 2%. With a linear fee calculation, as a client's assets grow and breakpoints are met, fees are decreased. Unlike the tiered fee schedule, once a breakpoint has been met, all of the assets back to dollar one are then charged at the new lower percentage rate.

#### **Overlay Model Portfolio Asset Management Programs**

As stated under Item 4, You will be provided with a copy of the LPL Financial Form ADV not later than executing an agreement to participate in one or more of the programs. It is important you read the LPL Financial Form ADV completely for more information and explanation about the programs.

##### **Optimum Market Portfolios (OMP)**

Maximum fee of 2.5%. A portion of the total fee paid by the client will be paid to LPL Financial as a program and administrative fee, and cover transaction charges and a portion of the fee will be directed to any strategist selected. The balance of the fee is paid to Householder Group.

##### **Manager Access Select (MAS)**

Maximum fee of 2.5% for new accounts established after July 3, 2017. A portion of the total fee paid by the client will be paid to LPL Financial as a program fee, administrative fee and a portion of the fee will be directed to any portfolio manager selected. The balance of the fee is paid to Householder Group.

##### **Personal Wealth Portfolios (PWP)**

Maximum fee of 2.5%. A portion of the total fee paid by the client will be paid to LPL Financial as a program and administrative fee and a portion of the fee will be directed to the separate account manager(s) selected. The balance of the fee is paid to Householder Group.

##### **Model Wealth Portfolios (MWP)**

Maximum fee of 2.65%. A portion of the total fee paid by the client will be paid to LPL Financial as a program and administrative fee, overlay portfolio management fee and to cover transaction charges and a portion of the fee will be directed to any strategist selected. The balance of the fee is paid to Householder Group. The MWP account fee consists of an LPL program fee, a strategist fee (if applicable) and an advisor fee of up to 2.00%. Accounts remaining under the legacy fee structure may be charged one aggregate account fee, for which the maximum account fee is 2.50%. See the MWP program brochure for more information.

##### **Guided Wealth Portfolios (GWP)**



Maximum fee of 1.35%. GWP Managed Service clients are charged an account fee consisting of an LPL program fee of 0.35% and an advisor fee of up to 1.00%. In the future, a strategist fee may apply. However, LPL Research currently serves as the sole portfolio strategist and does not charge a fee for its services. FutureAdvisor is compensated directly by LPL for its services, including the Algorithm and related software, through an annual sub- advisory fee (tiered based on assets under management by FutureAdvisor, at a rate ranging from 0.10% to 0.17%). As each asset tier is reached, LPL's share of the compensation shall increase, and clients will not benefit from such asset tiers.

GWP Educational Tool provides access to sample recommendations at no charge to users. However, if users decide to implement sample recommendations by executing trades, they will be charged fees, commissions, or expenses by the applicable broker or adviser, as well as underlying investment fees and expenses.

### **Strategic Wealth Management II (SWM II)**

Although clients do not pay a transaction charge for transactions in a SWM II account, clients should be aware that Householder Group pays LPL transaction charges for those transactions. The transaction charges paid by Householder Group vary based on the type of transaction (e.g., mutual fund, equity or ETF) and for mutual funds based on whether or not the mutual fund pays 12b-1 fees and/or recordkeeping fees to LPL. Transaction charges paid by the Advisor for equities and ETFs are \$9. For mutual funds, the transaction charges range from \$0 to \$26.50. Because Householder Group pays the transaction charges in SWM II accounts, there is a conflict of interest in cases where the mutual fund is offered at both \$0 and \$26.50. Clients should understand that the cost to Advisor of transaction charges may be a factor that Householder Group considers when deciding which securities to select and how frequently to place transactions in a SWM II account.

In many instances, LPL makes available mutual funds in a SWM II account that offer various classes of shares, including shares designated as Class A Shares and shares designed for advisory programs, which can be titled, for example, as "Class I," "institutional," "investor," "retail," "service," "administrative" or "platform" share classes ("Platform Shares"). The Platform Share class offered for a particular mutual fund in SWM II in many cases will not be the least expensive share class that the mutual fund makes available and was selected by LPL in certain cases because the share class pays LPL compensation for the administrative and recordkeeping services LPL provides to the mutual fund. Client should understand that another financial services firm may offer the same mutual fund at a lower overall cost to the investor than is available through SWM II. In other instances, a mutual fund may offer only Class A Shares, but another similar mutual fund may be available that offers Platform Shares. Class A Shares typically pay LPL a 12b-1 fee for providing shareholder services, distribution, and marketing expenses ("brokerage-related services") to the mutual funds. Platform Shares generally are not subject to 12b-1 fees. As a result of the different expenses of the mutual fund share classes, it is generally more expensive for a client to own Class A Shares than Platform Shares. An investor in Platform Shares will pay lower fees over time, and keep more of his or her investment returns than an investor who holds Class A Shares of the same fund.

Householder Group has a financial incentive to recommend Class A Shares in cases where both Class A and Platform Shares are available. This is a conflict of interest which can incline Householder Group, consciously or unconsciously, to render advice that is not disinterested. Although the client will not be charged a transaction charge for transactions, Advisor pays LPL a per transaction charge for mutual fund purchases and sales in the account. Householder Group generally does not pay transaction charges for Class A Share mutual fund transactions accounts, but generally does pay transaction charges for Platform Share mutual fund transactions. The cost to Householder Group of transaction charges generally may be a factor Advisor considers when deciding which securities to select and whether or not to place transactions in the account.

The lack of transaction charges to Householder Group for Class A Share purchases and sales, together with the fact that Platform Shares generally are less expensive for a client to own, presents a significant conflict of interest between Householder Group and the client. In short, it costs Householder Group less to recommend and select Class A share mutual funds than Platform shares, but Platform shares will generally outperform Class A mutual fund shares on the basis of internal cost structure alone. Clients should understand this conflict and consider the additional indirect expenses borne as a result of the mutual fund fees when negotiating and discussing with your Advisor the advisory fee for management of an account.

You may make additions to your account or withdrawals for your account, provided the account continues to meet any

minimum account size requirements. Additional assets deposited into the account (i.e. inflows) after it is opened will be charged a pro-rata fee based upon the number of days remaining in the then current billing period. Additionally, partial withdrawals from the account (i.e. outflows) will result in a prorated portion of the fee being credited to the account. No fee adjustment will be made for account appreciation or depreciation.

Payment of the advisory fees will be made by the qualified custodian holding your funds and securities provided you supply written authorization permitting the fees to be paid directly from your account. Householder Group will not have access to your funds for payment of fees without your written consent. Further, the qualified custodian is responsible for delivering an account statement, at least quarterly, to you directly, showing all disbursements from your account. You are encouraged to review all account statements for accuracy. Householder Group will receive a duplicate copy of your statement.

In instances where there is a Joint Advisor Account, the fees will be shared by the Servicing Advisor and the Managing Advisor; in no instance will you pay additional advisory fees for the services of the Managing Advisor.

You may terminate the asset management agreement within five business days of the date of acceptance without penalty. Thereafter, either party can terminate the agreement at any time upon 30-days written notice to the other party. Any pre-paid unearned fees will be refunded to you on a pro rata basis.

## Service 2: Analysis, Recommendation & Monitoring of Third-Party Managed Programs

Compensation generally, consists of three elements: i) management and advisory fees shared by the Third-Party Advisory Services, Adviser, and its IARs; ii) transaction costs – if applicable – which may be paid to purchase and sell such securities; and iii) custody fees.

A complete description of the programs and services provided, the amount of total fees, the payment structure, termination provisions and other aspects of each program are detailed and disclosed in: i) the Third Party Investment Advisory Service's from ADV Part II; ii) the program wrap brochure (if applicable) or other applicable disclosure documents; iii) the disclosure documents of the portfolio manager or managers selected; or, iv) the Third Party Advisory Service's account opening documents. A copy of all relevant disclosure documents of the Third-Party Advisory Services and the individual portfolio manager(s) will be provided to anyone interested in these programs / managers.

The Adviser receives compensation pursuant to its agreements with these third-party advisers for introducing clients to these third-party advisers and for certain ongoing services provided to clients.

This compensation is disclosed to the client in a separate disclosure document and is typically equal to a percentage of the investment advisory fee charged by that third-party adviser or a fixed fee. The disclosure document provided by the Adviser will clearly state the fees payable to the Adviser and the impact to the overall fees due to these payments.

Since compensation the Adviser receives may differ depending on the agreement with each third-party adviser, the Adviser may have an incentive to recommend one third-party advisers over another, if the compensation arrangements are more favorable. Since the independent third-party adviser may pay the fee for the investment advisory services of the Adviser, the fee paid to the Adviser is not negotiable, under most circumstances.

Fees paid by clients to independent third parties are established and payable in accordance with the Form ADV Part 2 or other equivalent disclosure document of each independent third-party adviser to whom the Adviser refers its clients, and may or may not be negotiable, as disclosed in the disclosure documents of the third-party adviser.

Clients who are referred to third-party investment advisers will receive full disclosure, including services rendered and fee schedules, at the time of the referral, by delivery of a copy of the relevant third-party adviser's Form ADV Part 2 or equivalent disclosure document at the same time as the Form ADV Part 2 or equivalent disclosure document of the Adviser.

In addition, if the investment program recommended to a client is a wrap fee program the client will also receive the Schedule H or equivalent wrap fee brochure provided by the sponsor of the program. The Adviser will provide to each client all appropriate disclosure statements, including disclosure of solicitation fees to the Adviser and its advisory associates.

The Adviser may also recommend that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment manager(s) either directly or through a wrap fee program ("Independent Manager(s)"), based upon the stated investment objectives of the client. The terms and conditions under



which the client shall engage the Independent Manager(s) shall be set forth in separate written agreements between the client and Adviser and the client and the Independent Manager(s) and/or wrap fee program sponsor. The Adviser shall continue to render advisory services relative to the ongoing monitoring and review of account performance, for which the Adviser shall receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated Independent Manager(s). Factors that the Adviser shall consider in recommending Independent Manager(s) include the client's stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Manager(s), together with the fees charged by the wrap fee program sponsor and corresponding designated broker-dealer/custodian of the client's assets, may be exclusive of, and in addition to, the Adviser's investment advisory fee set forth above. As discussed above, the client may incur additional fees than those charged by the Adviser, the designated Independent Manager(s), wrap fee program sponsor (if applicable), and corresponding broker-dealer/custodian.

In addition to the Adviser's written disclosure statement, the client shall also receive the written disclosure statement of the designated Independent Manager(s) and wrap fee program sponsor (if applicable). Certain Independent Manager(s) may impose more restrictive account requirements and varying billing practices than the Adviser. In such instances, the Adviser may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Manager(s) or wrap fee program sponsor.

The fee third-party managers will charge is a separate advisory fee, which is in addition to Householder Group's advisory fees. The account size and the nature of the services being provided are the primary determinants of the agreed upon fee to be charged. Fees are negotiable depending on the extent and level of service to be provided. Typically, Householder Group will receive a portion of the advisory fee charged to you by the third-party manager. The portion of the advisory fee paid to Householder (i.e. the solicitor fee) will not exceed 1.5%. Calculation of the fees and details of any fee refunds and termination provisions is contained in the third-party manager's disclosure brochure and advisory agreement entered into between you and the third-party manager.

In instances where there is a Joint Advisor Account, the fees will be shared by the Servicing Advisor and the Managing Advisor; in no instance will you pay additional advisory fees for the services of the Managing Advisor.

### Service 3: Financial Planning and Consulting Services

Householder Group charges a fixed fee ranging from \$150 to \$15,000 for broad-based financial planning services, which is negotiable depending on the scope and complexity of the plan, your situation and your objectives. Householder Group requires that the fee is either paid upon signing of a *Client Advisory Services Agreement*, upon the delivery of the plan, or a portion of the fee be paid upon signing a *Client Advisory Services Agreement*, with the remaining portion due upon completion of the financial plan. The financial plan must be delivered to the client no more than 120 days from the date the client begins to provide payment for financial planning and consulting services.

The fee for modular and/or consultative financial planning services is based on a negotiable rate ranging from \$100 - \$1000 per hour, depending on the complexity of your situation. In some circumstances, in lieu of hourly billing, Householder Group will quote a fixed fee based on an estimation of the work involved and time required. You and the Advisor should both be very clear as to the extent of the work to be performed, the fee quoted, as well as the time in which the work is to be completed. All fixed fees and/or hourly work is agreed upon between you and Householder Group Advisor and documented in either Householder Group's *Client Advisory Services Agreement* which is executed between the two parties. A copy should be delivered to you immediately upon execution (as well as a copy of this Form ADV Brochure). Fees for modular planning will be paid upon signing of a *Client Advisory Services Agreement*, or a portion of the fee is to be paid upon signing a *Client Advisory Services Agreement*, with the remaining portion due upon completion of the modular plan. Fees for consulting services are payable after the completion of the consult.

You may terminate your agreement with Householder Group at any time on thirty (30) days and a full refund of any fees paid will be made if the engagement is terminated within five (5) business days. If you decide to terminate your agreement after five (5) business days, then any fees paid but not earned will be refunded.

### Service 4: Pension Consulting Services

The fee for pension consulting services is based on a negotiable rate ranging from \$100 - \$1000 per hour, depending on the scope and complexity of the qualified plan and the requested services, and which fee will be payable quarterly in advance. An estimate of the total cost will be determined at the start of the advisory relationship. The financial plan must be delivered to the client no more than 120 days from the date the client begins to provide payment for financial planning and

consulting services.

All client accounts are regulated under ERISA. Householder Group will provide consulting services to the plan fiduciaries as described above. Typically, the named plan fiduciary must make the ultimate decision as to retaining the services of such investment advisors as Householder Group recommends. The plan fiduciary is free to seek independent advice about the appropriateness of any recommended services for the plan.

If the disclosure brochure, Form ADV Part 2A, is not delivered to the client within 48 hours prior to the client entering into the pension consulting agreement, the client may terminate the agreement within five (5) business days of the date of acceptance without penalty. If the client received the disclosure documents 48 hours in advance or if the five-day grace period has expired, either party may terminate the agreement upon written notice to the other party. The pension consulting fees will be pro-rated for the quarter in which the cancellation notice was given, and unearned fees will be refunded to the client.

## Service 5: Seminars and Educational Programs

Seminars are generally complimentary for Householder Group's existing clients; however, in some circumstances, Householder Group will charge non-client attendees a fee for these seminars. In such cases the fees are up to \$500 per person, depending upon the materials used and the type of seminar conducted, and is generally payable at the time of the seminar.

Educational programs are generally more interactive and can be conducted over several days. Program fees are dependent on the length and complexity of the program. Costs for participants range up to \$1,000. The program fee may or may not include materials and will be agreed upon at prior to entering into an agreement for service.

## Service 6: Estate Planning Services

The negotiable fees for the estate planning services will generally range from \$700 to \$5,000 depending on the complexity of your situation, number of meetings, travel time, and time involved in implementation. Fees are negotiable. Generally, fees will be due upon signing of a *Client Advisory Services Agreement*, upon delivery of the plan, or a portion of the fee shall be paid upon signing a *Client Advisory Services Agreement*, with the remaining portion due upon completion of services. However, Householder Group will work with you to determine a suitable fee and payment schedule.

You may terminate your agreement with Householder Group within five (5) business days after execution of the agreement with Householder Group without penalty. Any deposit you paid to Householder Group will be refunded to you in full. After the five-day period, you may terminate at any time prior to completion of the services upon written notice to Householder Group. Any refund you are due will be calculated based on the time expended by Householder Group multiplied by the hourly rate of \$250 per hour and subtracted from the deposit paid to Householder Group.

## Service 7: Retirement Plan Services

Retirement Plan Services: Fees for the Retirement Services ("Fees") are negotiable, and Sponsor is charged a fee based on a percentage of plan assets, an hourly rate or a flat dollar amount. Sponsor can specify whether to pay the Fees directly or authorize the plan's record keeper or custodian to pay Householder Group from plan assets. The selection of certain fee calculation combination options as outlined below may cost you more or less than the selection of other calculation combination options.

Fee based on a percentage of plan assets are calculated in accordance with the Consulting Agreement on a monthly or quarterly basis. Unless otherwise agreed to by contract, the fee is calculated based upon either:

- a. the average daily value of your account computed and payable in arrears during the preceding month or quarter; or,
- b. the fair market value of the assets in the account payable in arrears as of the end of the month or quarter Fee

Schedules are offered as either tiered or linear.

- a) Tiered fee schedule – similar to our current income tax system. Each level of assets is charged its own corresponding percentage rate. For example, a tiered fee schedule might charge 2.5% on the first \$250,000, 1.75% on the next \$250,000 and 1.5% on the next \$250,000, effectively giving you a blended and lower rate than the

maximum 2.9%.

- b) Linear fee schedule – as your assets grow and breakpoints are met, fees are decreased. Unlike the tiered schedule, once a breakpoint has been met all of the assets back to dollar one are then charged at the new lower percentage rate.

There is no maximum rate for flat dollar fees, and they are payable monthly, quarterly, or annually as indicated in the Consulting Agreement.

Hourly fees are billed at a maximum rate of two hundred fifty dollars (\$250.00) per hour. Fees are estimated by your Advisor based upon a preliminary assessment of the complexity of your financial circumstances, the level of skill required to perform the services, and, accordingly, the time likely to be required to perform the services. The fees will be specific in the Consulting Agreement.

If the Consulting Agreement is terminated prior to the end of the billing period, Householder Group will be entitled to a fee, prorated for the number of days in the billing period prior to the effective date of termination, and for asset-based fees, based on the market value of the plan assets at the close of business on the effective date of termination.

Sponsors receiving Retirement Services may pay more or less than a client might otherwise pay if purchasing the Retirement Services separately or through another service provider. There are several factors that determine whether the costs would be more or less, including, but not limited to, the size of the plan, the specific investments made by the plan, the number of locations of participants, the Retirement Services offered by another service provider, and the actual costs of Retirement Services purchased elsewhere.

All fees paid to Householder Group for Retirement Services are separate and distinct from the fees and expenses charged by mutual funds and exchange traded funds to their shareholders. These fees and expenses are described in each investment's prospectus. These fees will generally include a management fee, other expenses, and possible distribution fees. If the investment also imposes sales charges, a client will pay an initial or deferred sales charge. The Retirement Services provided by Householder Group are designed to, among other things, assist the client in determining which Manager(s) are most appropriate to each client's financial condition and objectives and to provide other administrative assistance as selected by the client. Accordingly, the client should review both the fees charged by the funds, the Manager, the plan's other service providers and the fees charged by Householder Group to fully understand the total amount of fees to be paid by the client and to evaluate the Retirement Services being provided.

Fees for Retirement Plan Services offered through a third-party platform (Pontera), for client accounts not directly held in our custody, are negotiable up to 2.5% of assets under management.

This fee will be assessed and billed quarterly. Specifically, the exact amount charged is determined by the account value at the end of the quarter and charged in advance for the following quarter. If the Adviser only manages your assets for part of a quarter, the charge will be prorated. For example, an account valued at \$2,000,000 being charged a 1% fee would pay an effective fee of 1% with the annual fee being \$20,000 (a quarterly fee of \$5,000). Those fees will be billed directly to the client. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 15 calendar days in advance. The flat fee is disclosed to the client in a separate disclosure document. Each Investment Advisory Representative sets his/her own fee which you will receive as part of the Client Advisory Services Agreement. Fees are not commensurate with experience or education.

Your Advisor is an advisory registered representative of Householder Group, a Delaware limited liability company and SEC registered investment advisory firm with a primary business location in Scottsdale, AZ. Additionally, your Advisor is capable of executing securities transactions through LPL Financial Corporation ("LPL"). As a result, the Advisor will from time to time receive commissions and other payments, including 12b-1 fees, generally received with respect to the sale of investment products.

## Service 8: Insurance Consulting.

As aforementioned in Item 4 – Advisory Business, Householder Group has engaged DPL Financial Partners, LLC, for a fixed annual fee, to obtain membership access to DPL's platform of insurance consultation services. For providing platform services, DPL receives service fees from the insurers that offer their products through the platform. These service fees are based on the insurance premiums received by the insurers from DPL members' clients.

Householder Group and its IARs receive a fixed fee based on a percentage of assets under management. Fees may be negotiable on a case-by-case basis based on the aggregate size of the client relationship. You will pay Householder Group an advisory fee based on a percentage of assets you have with Householder Group for portfolio management services. While Householder Group will not charge you the following, you may also pay fees to your custodian such as, custodial fees, commissions, and transactions fees. The advisory fees are billed quarterly in advance based on the prior quarter end market value. A client will be charged based on the account market value as of March 31, June 30, September 30 and December 31. Upon initial engagement, the advisory fee will be paid on a prorated basis from the contract date through the end of the quarter. Upon termination, a portion of a client's pre-paid management fee will be refunded to them. The refund is determined by the number of days remaining in the billing period and what the daily management fee for the billing period was for the client. The refund will be credited back to the client's account, or the client will be mailed a check. The management fee shall not exceed 2.0% in a given fiscal year.

The receipt of these fees and the payment of the membership fee present a conflict of interest where Householder Group and its IARs have an incentive to recommend that clients purchase insurance products through DPL.

Clients are reminded that they can purchase insurance products from other insurance companies and platforms where premiums may be higher or lower and features of policies may differ.

## General Information on Services, Fees and Costs

The individuals that are licensed as registered representatives of LPL Financial are subject to regulations that restrict them from conducting securities transactions away from LPL Financial without written authorization from LPL Financial. Clients should, therefore, be aware that for accounts where LPL Financial serves as the custodian, Householder Group is limited to offering services and investment vehicles that are approved by LPL Financial and may be prohibited from offering services and investment vehicles that may be available through other broker/dealers and custodians.

Certain investment adviser representatives of Householder Group are also associated with LPL Financial as broker-dealer registered representatives ("Dually Registered Persons"). In their capacity as registered representatives of LPL Financial, certain Dually Registered Persons may earn commissions for the sale of securities or investment products that they recommend for brokerage clients. They do not earn commissions on the sale of securities or investment products recommended or purchased in advisory accounts through Householder Group. Clients have the option of purchasing many of the securities and investment products we make available to you through another broker-dealer or investment adviser. However, when purchasing these securities and investment products away from Householder Group, you will not receive the benefit of the advice and other services we provide.

Householder Group charges its Advisors an administrative fee of 10 basis points (0.10%) based on the value of assets the Advisor manages. Householder Group charges the administrative fee directly to the Advisory Representative. The administrative fee is to assist Householder Group to cover various costs it incurs including administrative, compliance, regulatory fees, operational support, and back-office services. The Advisory Representative can choose to pass this administrative fee onto you, the client, and increase the fees you are charged. Advisory Representatives (Advisors) are independent contractors of Householder Group and each Advisory Representative determines the fee they will charge to their clients based on the fee schedules outlined above. Therefore, fees charged by another Householder Group Advisory Representative may be more or less than what you are being charged.

Householder Group's fees are exclusive of transaction fees and other related costs and expenses which you will incur. You will incur certain charges imposed by custodians, brokers, third party investment advisors and other third parties such as fees charged by managers, custodial fees, ticket charges, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Transactions in wrap accounts will not pay transaction charges but will be assessed other clearing costs, custodial fees, trustee fees, and other fees and expenses assessed by the account custodian. The payment of ticket charges will result in a higher overall cost to you.

You will pay separately for Individual Retirement Account custodial services and the account custodian can assess inactivity fees if the account does not have transactions occurring in the account in a calendar year.

All fees paid to Householder Group for investment advisor services are separate from fees and expenses charged to owners of mutual fund shares or variable annuity contracts by the product sponsors. As a result, you will pay two management fees.

**Variable Annuity Costs:** Variable Annuities often carry higher internal expense ratios than mutual fund investments due to their insurance related features. If you opt for management of a variable annuity, you will be subject to higher annual fees than if only invested in the variable annuity, as fees paid to Householder Group are separate and segregate from the annuity expenses. Furthermore, you will have the same investment options and can invest in a similar fashion without management services on your own. You are not obligated to use your Advisor for any of the products or services referenced in this Brochure. Lower fees for comparable services may be available from other sources. A complete explanation of the product-related fees and expenses is contained in the prospectus for the particular investment product.

**Mutual Funds and Exchange Traded Funds Costs:** Mutual funds and ETFs also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Householder Group's fee, and Householder Group shall not receive any portion of these commissions, fees, and costs. For Joint Advisor Accounts, the fees will be shared by the Servicing Advisor and the Managing Advisor; in no instance will the client pay additional advisory fees for the services of the Managing Advisor.

Registered investment securities, such as mutual funds and variable products, are offered in various share classes. The share classes have different fee and expense structures. Different share classes are priced differently and have varying levels of internal costs and share classes other than institutional share classes will involve higher internal costs that over time will cost you more. Institutional share classes often have higher trading costs. Some Advisors will utilize or maintain in a client's fee-based portfolio share class such as A that are more expensive to the client. Further, these share classes will pay trail compensation, which is paid to LPL Financial. Use of A shares will result in higher internal costs than what you would have paid if the shares were converted to an institutional share class and an advisory fee was charged on the value. Further, the longer an A share is held the spread in the increased cost directly incurred by the client increases.

Determining the share class in the best interest of the client requires consideration of the amount being invested and the length of anticipated holding to make a decision as to the share class most suitable and in the best interest of the client. Institutional share classes have higher trading costs. There is a conflict of interest for Advisors managing assets in a wrap program to use an A share where there is lower trading costs or no trading costs and reducing their costs of managing the account yet increasing the costs to the client. To mitigate this conflict of interest this disclosure is provided. If client is paying transaction costs, consideration must be given to holding period and frequency of transactions. The increased trading costs of using institutional share classes can result in a longer holding period being needed to offset the cost verses if an A share was purchased with higher internal costs.

Advisors will select the lowest share class funds available and appropriate to the situation. However, in selecting the lowest share class, trading costs are sometimes higher. Selecting the lowest share class appropriate to the situation does not imply the lowest cost share class but means what the Advisor deems lowest cost for the situation. Advisor consider the anticipated holding period, cost structure, and administrative and transaction costs associated with selecting a share class. However, there is no way to predict the future and there could be occasions where a holding is liquidated sooner or held longer resulting in higher costs to the client. Additional information about share classes can be found in an Investor Alert issued by the Securities and Exchange Commission at <https://www.investor.gov/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-mutual-fund-classes> and <https://www.investor.gov/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-mutual-fund-classes>. Additionally, the SEC and FINRA provides investor information at [www.sec.gov](http://www.sec.gov) and [www.finra.org](http://www.finra.org).

Householder Advisors in their capacity as a broker-dealer registered representative will, receive 12b-1 fees or trail commissions from investment companies in connection with the placement of client funds into investment companies on a commission basis. Item 12 further describes the factors that Householder Group considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

These practices present a conflict of interest and give Householder Group or your Advisor an incentive to recommend investment products based on the compensation received, rather than on your needs. These conflicts, which are disclosed in this Brochure, are addressed through ongoing training, annual compliance meetings, and routine review of transactions by either Householder Group's Chief Compliance Officer or Compliance staff.



In the event that a Householder Group Advisor is to receive commission revenues from you in connection with investments purchased in advisory or managed accounts, such commissions shall be “fully disclosed” by the Advisor, and/or product prospectus and/or through the distribution of the trade confirmation statement. If as a registered representative, an Advisor earns a commission on the sale of a securities product, he or she must wait one (1) year before including that position in the calculation of your advisory fee. Advisory fees will not be reduced to offset these commissions. Illiquid assets (e.g. partnerships, illiquid REITs, savings accounts, CD's) are not included in the calculation of assets under management and advisory fees. In some instances, lower fees for comparable services may be available from other sources.

At the Advisor's discretion, certain Advisors will offer to offset fees paid for financial planning services based upon an agreement to manage your portfolio.

Please be aware that you are under no obligation to purchase products or services recommended by us or members of Householder Group in connection with providing you with any advisory service that we offer. The securities recommended can be purchased through other broker-dealers. However, your advisor will not be able to service accounts held at other broker-dealers.

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

Householder Group does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## **Item 7 – Types of Clients**

Householder Group's clients include individuals, pension and profit-sharing plans, trusts, estates, corporations, and other business entities.

### Account Minimum Requirements

The minimum investment account size is determined based on the program sponsored by LPL Financial or the Third-Party Money Manager. The Investment Advisor Representative can establish higher minimums individually.

Householder Group Retirement Plan Services are available to clients that are sponsors or other fiduciaries to Plans, including 401(k), 457(b), 403(b) and 401(a) plans. Plans include participant-directed defined contribution plans and defined benefit plans. Householder Group does not require a minimum asset amount for retirement plan consulting services.

### **Overlay Model Portfolio Asset Management Programs**

#### **Optimum Market Portfolios (OMP)**

Minimum account size is \$1,000.

#### **Manager Access Select (MAS)**

Minimum account size requirements vary based on money manager and strategy, starting at \$50,000.

#### **Personal Wealth Portfolios (PWP)**

Models available starting at \$250,000

#### **Model Wealth Portfolios (MWP)**

Minimum account size varies based on strategist and models. Models are available starting at \$25,000.

#### **Guided Wealth Portfolios (GWP)**

Minimum account size is \$5,000.

#### **Strategic Wealth Management (SWM I & SWM II)**

There is no minimum account size.

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

Householder Group Advisors offers advice on all exchange-listed securities and those traded over-the-counter. Advice is also offered on: variable annuities, variable life insurance, mutual funds, U.S. government securities, corporate debt instruments, certificates of deposit, municipal securities, security and index option contracts, and any other products that would be appropriate for the individual client, provided such products are approved for offering by LPL.

In formulating investment advice or managing assets to accomplish stated financial objectives, Householder Group Advisors use one or more of the following methods of analysis:

- **Fundamental** – Analyzes individual investments in relation to expectations regarding the market and international and national economic indicators, such as GDP growth rates, inflation, interest rates, exchange rates, productivity, and energy prices.
- **Technical** – Analyzes past market data trends, primarily price and volume, in an attempt to forecast the direction of securities prices.
- **Cyclical** – Analyzes past economic and market cycles in an attempt to forecast the direction of securities prices.
- **Computer Model** – Software programs utilizing statistics and probability, calculus, and econometrics to produce trading signals for the purpose of timing portfolio re-allocations.

Advisors use one or more of the following investment strategies in managing client assets:

- **Buy and Hold** (passive management) - A long-term investment strategy based on the view that in the long run financial markets give a good rate of return despite periods of volatility or decline. This viewpoint also holds that short-term market timing, *i.e.* the concept that one can enter the market on the lows and sell on the highs, does not work so it is better to simply buy and hold.
- **Market Timing** (active management) - A strategy of making buy or sell decisions of financial assets by attempting to anticipate future market price movements. The projection is based on an outlook of market or economic conditions resulting from technical or fundamental analysis. This is an investment strategy based on the outlook for an aggregate market, rather than for a particular financial asset.
- **Momentum Investing** (active management) – A strategy of buying securities that have had high returns over a specific historical time period (ex. the twelve months), and selling those that have had poor returns over the same period.
- **Strategic Asset Allocation** - A strategy that involves the establishment of a long-term target allocation in major asset classes such as stocks, bonds, and cash based on portfolio objective, risk tolerance, and time horizon.
- **Tactical Asset Allocation** – A strategy that attempts to overweigh those asset classes that are expected to outperform on a relative basis and under weigh those expected to underperform. Financial and economic variables (“signals”) are used to predict performance and assign relative short-term asset-class weightings.

The strategies described above utilize a combination of long-term purchases (securities held at least a year), short-term purchases (securities sold within a year), trading (securities sold within 30 days), or options contracts (non-discretionary only and limited to purchases of put options where the account is long the underlying security & writing covered calls). Frequent trading in a client account can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Investment strategies and recommendations are based upon consideration of the following:

- **Diversification** – for the purpose of balancing risk while maintaining the possibility of gain; or,
- **Risk Factors** – including the risk of capital loss (market risk) and the risk of loss of purchasing power (inflation risk), and the client’s understanding of, and financial ability to bear, such risks; or,
- **Asset Balance** – taking into consideration short and long-term liquidity needs, blending of lesser and greater risk approaches, and combining income, growth, and safety concepts; or,
- **Discipline** – emphasizing commitment and follow through over a reasonable period of time in order to permit the investment plan or recommendations to work toward the intended/pursued result; or,
- **Income Tax Considerations** - these should not replace the economic benefits as the principal determinant of investment decisions.

Investing in **securities** involves risk of loss that you should be prepared to bear. Risks associated with the strategies described above include:



- **Capital risk:** The risk that your investments may lose value.
- **Currency risk:** If the assets you invest in are held in another currency there is a risk that currency movements alone may affect the value.
- **Financial risk:** The risk that there may be a disruption in the internal financial affairs of the investment, thereby causing a loss of value.
- **Market risk:** The risk that the value of a security or portfolio will decrease due to the change in value of the overall market.
- **Credit risk:** The risk of loss arising from a borrower who does not make payments as promised.
- **Interest rate risk:** The risk that an interest-bearing asset, such as a bond, will lose value due to variability of interest rates. In general, as rates rise, the price of a fixed rate bond will fall, and vice versa.

To aid in mitigating some of the risk associated with investing in securities, Householder Group prohibits its Advisors from offering advice on securities products that have not been approved by the broker/dealer LPL. Some of these securities products include futures contracts, private placements and Regulation D offerings. Similarly, Advisors are not permitted to offer advice on products in instances where they are not properly licensed. For example, an Advisor who is only Series 6 licensed cannot advise clients to purchase stocks, bonds, options, REITs.

We generally recommend stocks, bonds, exchange traded funds, and mutual funds to you.

Investing in **stocks** involves the assumption of risk including:

- **Financial Risk:** which is the risk that the companies we recommend to you perform poorly which will affect the price of your investment.
- **Market Risk:** which is the risk that the Stock Market will decline, decreasing the value of the securities we recommend to you with it.
- **Inflation Risk:** which is the risk that the rate of price increases in the economy deteriorates the returns associated with the stock.
- **Political and Governmental Risk:** which is the risk that the value of your investment change with the introduction of new laws or regulations.

**Bonds** – Investing in bonds involves the assumption of risk including:

- **Interest Rate Risk:** which is the risk that the value of the bond investments we recommend to you will fall if interest rates rise.
- **Call Risk:** which is the risk that your bond investment will be called or purchased back from you when conditions are favorable to the bond issuer and unfavorable to you.
- **Default Risk:** which is the risk that the bond issuer is unable to pay you the contractual interest or principal on the bond in a timely manner or at all.

Investing in **mutual funds** involves the assumption of risk including:

- **Manager Risk:** which is the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.
- **Market Risk:** which is the risk that the Stock Market will decline, decreasing the value of the securities contained within the mutual funds we recommend to you.
- **Industry Risk:** which is the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, therefore decreasing the value of mutual funds that are significantly invested in that industry.
- **Inflation Risk:** which is the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund.
- **Cost Structure:** which is the risk of selecting a share class that will cost more over another share class. registered investment companies offer their shares in various share classes. The share classes have varying fee structures. Further, certain A shares have no transaction costs, but, over time the higher internal costs make the share class more expensive. Refer to the disclosures under Item 5 – Fees and Compensation for additional information on conflicts of interest and cost.

**Exchange traded funds (ETFs)** are professionally managed pooled vehicles that invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. Investing in ETFs involves risks

including:

- ETFs trade on an auctionable market. Therefore, there is more price fluctuation with ETFs than with mutual funds since ETFs trade throughout the day, whereas mutual funds are priced once a day
- ETFs only mirror a market index, such as the S&P 500, they won't outperform the index
- While ETFs generally provide diversification, risks can be significantly increased for funds concentrated in a particular sector of the market, or that primarily invest in small cap or speculative companies, use leverage (i.e. borrow money) to a significant degree, or concentrate in a particular type of security rather than balancing the fund with different types of securities.

The risks with utilizing **third party managed programs** include:

- Market and economic risk.
- The risk the third-party manager is not managing to the objective or managing based on the stated strategy.
- The risk the securities managed by the third-party manager will decline or fluctuate impacting the overall performance of the portfolio.
- The risk that the performance of the portfolio will be diminished by the fees of the third-party manager and expenses associated with the securities.

### **Tax Risk**

Income tax costs will result from the sale of individual securities within your account, unless the account is otherwise tax sheltered or tax deferred. Income tax costs directly reduce investment returns. Under the current income tax system, securities held less than one year that are sold at a gain (short term capital gains) are taxed at the client's highest marginal tax rate, and securities held greater than one year that are sold at a gain (long term capital gains) are taxed at a reduced long term capital gains rate. Furthermore, the Alternative Minimum Tax (AMT) impact of long and short-term capital gains incurred in the tax year in question should be considered. Client is responsible for all tax liabilities arising from the sale of securities within the account.

Listed above are some of the primary risks associated with the way we recommend investments to you. Please do not hesitate to contact us to discuss these risks and others in more detail. In instances where we recommend that a third party manage your assets, please refer to the third party's ADV and associated disclosure documents for details on their investment strategies, methods of analysis and associated risks. No investment strategy can avoid loss. Investing in securities involves risk of loss that you need to be prepared to bear.

Householder Group does not represent, warrant or imply that the services or methods of analysis used by Householder Group can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to major market corrections or crashes. Past performance is no indication of future performance. No guarantees can be offered that your goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by Householder Group will provide a better return than other investment strategies.

## **Item 9 – Disciplinary Information**

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Householder Group or the integrity of Householder Group's management. Householder Group has no information applicable to this Item.

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

The principal business of Householder Group is the provision of advisory services. Householder Group's Chief Executive Officer, Scott Householder, and certain employees of Householder Group are Dually Registered Persons. LPL Financial is a broker-dealer that is independently owned and operated and is not affiliated with Householder Group. Please refer to Item 12 for a discussion of the benefits Householder Group may receive from LPL Financial and the conflicts of interest associated with receipt of such benefits. In addition, a number of Householder Group Investment Advisor Representatives carry the required licensing to allow them to act as insurance agents. Accordingly, these individuals are licensed to sell securities and insurance related products for a separate commission-based compensation.

It is important to understand investment advisers have a fiduciary obligation to provide advice and services through the investment adviser that are in the best interest of the client. However, when Advisors act in the capacity of a registered

representative, their obligation is to make recommendation and conduct transactions that are suitable to you but are not necessarily in your best interest.

Householder Group has a sister company, HG Insurance Services, LLC, that offers insurance products and services. Clients are not obligated to purchase insurance products and services through HG Insurance Services, LLC or any Advisor. However, should a client purchase insurance products or services through HG Insurance Services, LLC or Advisors, commissions will be earned. This is a material conflict of interest. Clients are encouraged to seek quotes and reviews from other insurance professionals prior to purchasing a product.

Since Householder Group Advisors are independent contractors, the Advisors engage in other businesses and/or own other businesses including insurance agents, tax preparation, attorney, and/or insurance company or agency. Therefore, you are offered services (such as accounting, insurance services, or legal advice) for a fee. You are under no obligation to purchase these services through your advisor. Because of the conflict of interest in having you purchase services through them, this disclosure is provided to you.

From time-to-time, Advisors who are registered representatives receive 12b-1 fees from investment companies in connection with the placement of client funds into investment companies. Additionally, Householder Group or its Advisors receive administrative, investment advisory or other fees for providing support services, administrative support and/or client referrals to other investment advisory firms. These practices present a conflict of interest and give Householder Group or a client's Advisor an incentive to recommend products based on the compensation received, rather than on a client's needs. Since Householder Group has an interest in the compensation this is considered a material conflict of interest. Householder Group selects third party managers based on several criteria including cost, type of management, past history, ability to meet a need and provide a unique service. Since the fee charged to you is based on the value of your portfolio, all parties have an incentive to work toward performance goals and objectives. The compensation paid to Householder Group by third party managers may vary. Thus, there is a conflict of interest to recommend a manager who shares a larger portion of its advisory fees over another manager. Additionally, the fees charged to clients utilizing a third-party manager recommended by Householder Group are higher than if the client obtained services directly from the third party manager. In all such cases, these arrangements are fully disclosed to the affected client(s). Clients are not obligated to use their Advisor for any of the products or services referenced in this Brochure. Lower fees for comparable services may be available from other sources.

All compensation received by Householder Group Advisors for securities transactions through LPL will be separate, yet customary for effecting the services and transactions, including 12b-1 fees for the sale of investment company products. Advisors make differing recommendations with respect to the same securities or insurance products to different advisory clients. All recommendations made are specific to each client's individualized needs and current financial situation.

Householder Group strongly encourages you to carefully read prospectuses and consider the investment objectives, risks and charges and expenses of the investment company, prior to investing. The contract prospectus and the underlying fund prospectus contain this and other information about the investment company.

The conflicts described here are addressed through ongoing training, annual compliance meetings, and through routine transaction review by either Householder Group's Chief Compliance Officer or Compliance staff.

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

Householder Group has adopted a Code of Ethics for all supervised persons of the firm, including Advisors, describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of non-public client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Householder Group must acknowledge the terms of the Code of Ethics annually, or as amended.

Householder Group anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Householder Group has management authority to effect the purchase or sale of securities in which Householder Group, its affiliates and/or clients, directly or indirectly, have a position of interest. Householder Group's employees and persons associated with Householder Group are required to follow Householder Group's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Householder Group and its affiliates

trade for their own accounts in securities which are recommended to and/or purchased for Householder Group's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Householder Group will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Householder Group's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees will benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between Householder Group and its clients. The conflicts, which are disclosed in this Brochure, are addressed through ongoing training, annual compliance meetings, and routine review of transactions by either Householder Group's Chief Compliance Officer or Compliance staff.

Certain affiliated accounts trade in the same securities with client accounts on an aggregated basis when consistent with Householder Group's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Householder Group will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

It is Householder Group's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Householder Group will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as the broker for both the advisory client and for another person on the other side of the transaction.

Householder Group's clients or prospective clients can request a copy of the firm's Code of Ethics by contacting our Compliance staff at 602-604-0700.

Affiliates of Householder Group provide securities brokerage, recordkeeping, or other Retirement Plan Services to plans and receive variable compensation for investment management and Retirement Plan Services. A conflict of interest arises where Householder Group recommends the Retirement Plan Services of those affiliates.

Householder Group, our employees, and our independent contractor Advisors benefit from the compensation paid to us and receive a portion of the fees and other compensation paid by Retirement Plan Services clients. Those clients can use other products or Retirement Plan Services available from or through us and in such case pay additional compensation. This practice creates a conflict of interest that gives us and our Advisors an incentive to recommend advisory Retirement Plan Services based on the compensation received.

If the client desires instead to engage an Advisor to provide brokerage services acting as a registered representative of LPL Financial Corporation ("LPL"), and Advisor will receive brokerage-related compensation for those services, such as commissions and/or trail fees. LPL provides information regarding such brokerage compensation at the time of a brokerage transaction. When considering whether to implement a recommendation through Advisor and Householder Group, clients should discuss with the Advisor how Householder Group and Advisor will be compensated. Additionally, fees and commissions will be higher for some brokerage products, services or Retirement Plan Services, and the remuneration and profitability to us, our Advisors and affiliates resulting from transactions involving some accounts will be greater than the remuneration and profitability resulting from other advisory accounts, products or Retirement Plan Services.

We address these conflicts through disclosure in this ADV and additional disclosures concerning compensation we receive, directly or indirectly. We will also offset or refund additional compensation when required by law. Moreover, we have adopted policies and procedures to address the suitability of investments and strategies offered to you.

It is important to note that clients are under no obligation to grant Householder Group investment discretion. Clients should understand that the investment products, securities and services that an Advisor selects as part of Retirement Plan Services

are available to be purchased through broker-dealers, investment advisors or other investment firms not affiliated with Householder Group.

Client should understand that Householder Group and Advisor performs advisory and/or brokerage services for various other clients, and that Householder Group and Advisor gives advice or take actions for those other clients that differ from the advice given to the client. The timing or nature of any action taken for a client will be different.

## **Item 12 – Brokerage Practices**

### **Recommendation of LPL Financial**

Householder Group will generally recommend that clients establish a brokerage account with LPL Financial to maintain custody of clients' assets and to effect trades for their accounts. LPL Financial provides brokerage and custodial services to independent investment advisory firms, including Householder Group. For Householder Group's accounts custodied at LPL Financial, LPL Financial generally is compensated by clients through commissions, trails, or other transaction-based fees for trades that are executed through LPL Financial or that settle into LPL Financial accounts. For IRA accounts, LPL Financial generally charges account maintenance fees. In addition, LPL Financial also charges clients miscellaneous fees and charges, such as account transfer fees. LPL Financial charges Householder Group an asset-based administration fee for administrative services provided by LPL Financial. Such administration fees are not directly borne by clients but may be taken into account when Householder Group negotiates its advisory fee with clients. Clients should understand that not all investment advisers recommend that clients custody their accounts and trade through specific broker-dealers.

While LPL Financial does not participate in, or influence the formulation of, the investment advice Householder Group provides, certain supervised persons of Householder Group are Dually Registered Persons. Dually Registered Persons are restricted by certain FINRA rules and policies from maintaining client accounts at another custodian or executing client transactions in such client accounts through any broker-dealer or custodian that is not approved by LPL Financial. As a result, the use of other trading platforms must be approved not only by Householder Group but also by LPL Financial.

Clients should also be aware that for accounts where LPL Financial serves as the custodian, Householder Group is limited to offering services and investment vehicles that are approved by LPL Financial, and may be prohibited from offering services and investment vehicles that may be available through other broker-dealers and custodians, some of which may be more suitable for a client's portfolio than the services and investment vehicles offered through LPL Financial.

Clients should also understand that LPL Financial is responsible under FINRA rules for supervising certain business activities of Householder Group and its Dually Registered Persons that are conducted through broker-dealers and custodians other than LPL Financial. LPL Financial charges a fee for its oversight of activities conducted through these other broker-dealers and custodians. This arrangement presents a conflict of interest because Householder Group has a financial incentive to recommend that you maintain your account with LPL Financial rather than with another broker-dealer or custodian to avoid incurring the oversight fee.

Although you are not required to select LPL for execution and custodial services, Householder Group does not allow clients to participate in its portfolio management services if they select another broker-dealer. Householder Group does not have discretion to select the broker-dealer to use for transactions or to negotiate transaction costs. Transactions executed through LPL, in its broker-dealer capacity, as part of services identified in this Brochure, are subject to LPL's then current transaction fee and commission schedule. If applicable, such commissions and fees will be "fully disclosed". These practices present a conflict of interest and give your Advisor an incentive to recommend products based on the compensation received, rather than on your needs.

Commissions and other account expenses and costs charged by LPL may be higher or lower than commissions you are able to obtain if transactions were implemented through another broker/dealer.

To improve the quality of execution, certain Advisors aggregate your transactions with other orders for their clients. It is up to each Advisory Representative's discretion whether to aggregate orders. Further, not all Advisors manage on a model basis and customize clients' accounts where aggregation is difficult. Allocations of aggregated orders are made under procedures designed to treat all clients fairly. Aggregation of transactions typically occurs only when an Advisor is



executing a transaction in the same investment in multiple client accounts. If transactions are not aggregated, this may result in higher costs to clients than if transactions are aggregated. Participating clients will obtain the average price per share for the security executed that day. To the extent the aggregated order is not filled in its entirety and when possible, securities purchased or sold in an aggregated transaction will be allocated on a pro-rata basis. Under certain circumstances, the amount of securities will be increased or decreased to avoid holding odd-lot or a small number of shares for particular clients.

Not all advisory firms require their clients to direct brokerage to a specified broker-dealer. Accordingly, the investment advisory services provided by Householder Group will cost clients more or less than purchasing similar services separately.

In initially selecting LPL, Householder Group conducted due diligence. Householder Group's evaluation and criteria includes:

- Ability to service you
- Staying power as a company
- Industry reputation
- Ability to report to you and to Householder Group
- Availability of an efficient trading platform
- Products and services available
- Technology resources
- Educational resources
- Execution capability
- Financial responsibility and viability
- Confidentiality and security of your information
- Responsiveness
- Other factors that may bear on the overall evaluation of best price and execution

### Benefits Received by Householder Group Personnel

Householder Group has received a loan from LPL Financial in order to assist Householder Group with transitioning its business onto the LPL Financial custodial platform. This loan may not be forgiven by LPL Financial based on the scope of business Householder Group engages in with LPL Financial, including the amount of Householder Group's client assets with LPL Financial. This presents a conflict of interest in that Householder Group has a financial incentive to recommend that you maintain your account with LPL Financial in order to benefit by having the loan forgiven. However, to the extent Householder Group recommends you use LPL Financial for such services, it is because Householder Group believes that it is in your best interest to do so based on the quality and pricing of the execution, benefits of an integrated platform for brokerage and advisory accounts, and other services provided by LPL Financial.

Householder Group receives support services and/or products from LPL Financial, many of which assist the Householder Group to better monitor and service program accounts maintained at LPL Financial; however, some of the services and products benefit Householder Group and not client accounts. These support services and/or products may be received without cost, at a discount, and/or at a negotiated rate, and may include the following:

- investment-related research
- pricing information and market data
- software and other technology that provide access to client account data
- compliance and/or practice management-related publications
- consulting services
- attendance at conferences, meetings, and other educational and/or social events
- marketing support
- computer hardware and/or software
- other products and services used by Householder Group in furtherance of its investment advisory business operations

LPL Financial may provide these services and products directly or may arrange for third party vendors to provide the services or products to Advisor. In the case of third-party vendors, LPL Financial may pay for some or all of the third

party's fees.

These support services are provided to Householder Group based on the overall relationship between Householder Group and LPL Financial. It is not the result of soft dollar arrangements or any other express arrangements with LPL Financial that involves the execution of client transactions as a condition to the receipt of services. Householder Group will continue to receive the services regardless of the volume of client transactions executed with LPL Financial. Clients do not pay more for services as a result of this arrangement. There is no corresponding commitment made by the Householder Group to LPL or any other entity to invest any specific amount or percentage of client assets in any specific securities as a result of the arrangement. However, because Advisor receives these benefits from LPL Financial, there is a potential conflict of interest. The receipt of these products and services presents a financial incentive for Advisor to recommend that its clients use LPL Financial's custodial platform rather than another custodian's platform.

As stated previously, individuals associated with Householder Group are licensed as registered representatives of LPL Financial. As a result of this licensing relationship, LPL Financial is responsible for supervising certain activities of Householder Group to the extent Householder Group manages assets at a broker/dealer and custodian other than LPL Financial. LPL Financial charges a fee for this oversight. This presents a conflict of interest in that Householder Group has a financial incentive to recommend that you maintain your account with LPL Financial rather than another custodian in order to avoid the oversight fee. However, to the extent Householder Group recommends you use LPL Financial for such services, it is because Householder Group believes that it is in your best interest to do so based on the quality and pricing of the execution, benefits of an integrated platform for brokerage and advisory accounts, and other services provided by LPL Financial.

Many of these services generally are used to service all or a substantial number of Householder Group's accounts, including accounts not held through LPL.

Additionally, vendors and product sponsors such as variable and investment companies which are recommended to you provide support to Householder Group and Advisors. Such support includes research, educational information, increased payout margins, and monetary support for due diligence trips and client events.

Advisors, when appropriate, recommend that a Plan use a certain retirement plan platform or service provider (such as a record keeper, administrator, or broker-dealer). That recommendation includes using our affiliate, LPL, to serve as broker-dealer in connection with the sale of securities or insurance products to the Plan. As noted above, for Plans that are subject to ERISA or are otherwise subject to Section 4975 of the Code, 12b-1 fees paid by product sponsors to LPL as broker-dealer of record to the Plan are used to offset the Fee.

## **Item 13 – Review of Accounts**

Householder Group Advisors perform account reviews on a periodic basis, such as quarterly or semi-annually, but typically no less than annually. Your Advisor will review your investments as well as your changing needs and objectives. In general, the frequency and extensiveness of the review is set between you and your Advisor based upon your preferences and the specific requirements of managing your portfolio and your personal needs. This said review may also occur when you inform your Advisor of substantial changes to your financial or tax status, investment objectives, risk tolerance or time horizons. Finally, reviews may occur when fundamental market factors (e.g., inflation rates, interest rates, GDP, etc.) change in a material way.

You will receive regular statements, at least quarterly, concerning your investments directly from the qualified custodian holding your assets. Depending on the Advisor and depending on the advisory program selected, you can request more frequent reporting detailing performance and comparative data. From time to time, and at the request of your Advisor, you can receive a consolidated report generated by Householder Group to help facilitate the portfolio review process between you and your Advisor.

With respect to third-party managed accounts, Householder Group Advisors will review the services, reporting and account data you are provided with by the approved third-party investment advisors to ensure consistency with fair and ethical practices. Generally, quarterly, and year-end reports will be prepared for each client by third-party investment managers.



These reports will not be prepared by Householder Group. The nature and frequency of the reports will vary depending upon the third-party manager being utilized. You should refer to the third-party investment manager's Form ADV Brochure for more information.

Some Advisors generate account statements or performance reports for clients. You are urged to compare the account statements from the custodian with those from the Advisor. In some instances, Advisor statements vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Please notify Householder Group if a discrepancy is found.

It is important you compare any report or statement received from either Householder Group or your Advisor to the statements you receive direct from the account custodian. If there are any discrepancies, the statement direct from the account custodian will prevail and must be relied upon.

We will contact you at least once a year to review our Retirement Plan Services. It is important that you discuss any changes in the Plan's demographic information, investment goals, and objectives with your Advisor. Plans receive written reports or analysis directly from their Advisor based upon the services being provided, including any reports evaluating the performance of Plan investment manager(s) or investments.

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

Householder Group and/or its Dually Registered Persons are incented to join and remain affiliated with LPL Financial and to recommend that clients establish accounts with LPL Financial through the provision of Transition Assistance (discussed in Item 12 above). LPL also provides other compensation to Householder Group and its Dually Registered Persons, including but not limited to, bonus payments, repayable and forgivable loans, stock awards and other benefits.

The receipt of any such compensation creates a financial incentive for your representative to recommend LPL Financial as custodian for the assets in your advisory account. We encourage you to discuss any such conflicts of interest with your representative before deciding to custody your assets at LPL Financial.

Householder Group receives an economic benefit from LPL Financial in the form of a loan, which is forgiven if Householder Group meets certain conditions in terms of maintaining a relationship with LPL Financial. Please see detailed discussion of the conditions and the conflicts of interest in Item 12 Brokerage Practices.

LPL Financial offers Householder Group and Householder Group's Advisors one or more forms of financial benefits based on our advisory representatives' total assets under management held at LPL Financial or financial assistance for advisors transitioning from another firm to LPL Financial. The types of financial benefits that Householder Group and/or our advisors receive from LPL Financial include, but are not limited to, forgivable or unforgivable loans, enhanced payouts, and discounts or waivers on transaction, platform, and account fees; technology fees; research package fees; financial planning software fees; administrative fees; brokerage account fees; account transfer fees; and the cost of attending conferences and events. The enhanced payouts, discounts, and other forms of financial benefits that advisors receive from LPL Financial are a conflict of interest and provide a financial incentive for advisors to select LPL Financial as broker/dealer for your accounts over other broker/dealers from which they may not receive similar financial benefits. We attempt to mitigate this conflict of interest by disclosing the conflict in this brochure and engaging in a regular review of our relationship with LPL Financial to ensure the relationship continues to be appropriate in all respects for Householder Group's clients.

Vendors and product sponsors such as variable and investment companies which are recommended to you from time to time provide support to Householder Group and Advisors. Such support includes research, educational information, increased payout margins, and monetary support for due diligence trips and client events.

#### Client Referrals.

Householder Group can compensate other persons or organizations for client referrals. These entities or individuals are referred to as solicitors. In each of those cases, Householder Group enters into an agreement with the referral agent or solicitor and pays the solicitor a portion of the Fee. At the time that the solicitor refers a prospective client to Householder Group, the solicitor discloses to the prospective client both the arrangement with Householder Group and the compensation to be received by the solicitor. Householder Group and its Advisors offers advisory services on the premises of unaffiliated financial institutions, like banks or credit unions. If so, Investment Advisor will have entered into agreements with the financial institutions to share compensation, including a portion of the Fee, with the financial institution for the use of the financial institution's facilities and for client referrals.

#### Householder Group's Use of Solicitors.

Householder Group compensates outside professionals or firms, such as attorneys, accountants, or other broker/dealers and investment advisers, for referring your advisory business to Householder Group. These professionals or firms are known as "Solicitors". Householder Group will pay a portion of the advisory fee you pay us to the Solicitor, typically for as long as you maintain an advisory relationship with us, to compensate the Solicitor for the referral. Householder Group will not charge a client who is referred to them by a Solicitor any amount for the cost of obtaining the client that is in addition to the fee normally charged by Householder Group for its investment advisory services. Such solicitation arrangements are disclosed to clients at the time of the solicitation via execution of a Solicitor Disclosure Statement or similar document that outlines the nature and amount of the compensation we pay to the Solicitor and whether or not the Solicitor is affiliated with or related to Householder Group. Solicitors are required to provide prospective clients with a current copy of Householder Group's Form ADV Part 2 no later than the date on which the client enters into an advisory relationship with Householder Group.

#### Other Compensation.

Householder Group and/or its Advisors and Householder Group employees receive additional compensation from various vendors, product providers, distributors and others. These providers provide non-monetary compensation by paying some expenses related to training and education, including travel expenses, and attaining professional designations. Investment Adviser receives payments to subsidize its own training programs. Certain vendors invite Householder Group to participate in conferences, on-line training or provide it publications that further its Advisors and employees' skills and knowledge. Some occasionally provide Householder Group gifts, meals and entertainment of reasonable value consistent with industry rules and regulations.

For additional information regarding client referrals and other compensation, please refer to Item 5 and Item 10.

## Item 15 – Custody

Householder Group does not take custody except under two conditions which are considered by the Securities and Exchange Commission to be custody because of our authority and ability to transfer funds.

1. Householder Group is deemed to have custody because of our ability to deduct our fees from your account. You will receive a statement at least quarterly direct from the account custodian showing the deduction of our fees from your account. Authorization to deduct our fees from your account is given in the agreement executed between Householder Group and you, the client.
2. Householder Group is deemed to have custody if you establish a standing letter of authorization to direct us to transfer funds or securities from your account to a specified third party and you give us the authorization to change the timing and or the amount of the transfer. Householder Group does not have the ability to change the third party without your written authorization.

Deduction of advisory fees will be made by the qualified custodian holding your funds and securities. Further, the qualified custodian is responsible for delivering a monthly or quarterly account statement directly to you showing all disbursements from the account. You are encouraged to review all account statements for accuracy. Householder Group will receive a duplicate copy of the statement that was delivered to you in order to form a reasonable belief that such statements are being delivered. Clients should carefully review statements received from the broker/dealer or account custodian. Further,

clients should compare any written report received from Householder Group with statements received direct from the broker/dealer or account custodian. Should there be any discrepancy the account custodian's report will prevail.

Householder Group and Advisors will not serve as a custodian for Plan assets in connection with the Retirement Plan Services. The Sponsor is responsible for selecting the custodian for Plan assets. Advisors and Householder Group can be listed as the contact for the Plan account held at an investment sponsor or custodian. The Sponsor for the Plan will complete account paperwork with the outside custodian that will provide the name and address of the custodian. The custodian for Plan assets is responsible for providing the Plan with periodic confirmations and statements. Householder Group recommends that Sponsors review the statements and reports received directly from the custodian or investment sponsor.

## **Item 16 – Investment Discretion**

Select Householder Group Advisors have been given approval from the Householder Group's Chief Compliance Officer to manage accounts on a discretionary basis. This means that once you give him/her discretionary authority, he/she does not need advance approval from you to determine the type and amount of securities to be bought and sold for your accounts.

If you decide to grant your Advisor discretionary authority, you may do so at the outset of the advisory relationship by executing a Client Service Agreement. In such instances, you are granting your Advisor complete discretion to determine the selection and amount of securities to be bought or sold and the timing of execution. While exercising discretionary authority, the Advisor must exercise such discretion in a manner consistent with the stated investment objectives for your account.

You may set limitations and restrictions on the discretionary authority you grant to you Advisor. If applicable, limitations are included in the initial written authority. However, you may amend any limitation as necessary. All Investment guidelines, limitations and restrictions must be provided to Householder Group Advisors in writing. You may terminate discretionary authorization at any time upon delivery of written notice to terminate discretionary authority.

With respect to third-party managed accounts only, neither Householder Group nor any related person has the authority to determine, without first obtaining your specific consent, the securities to be bought or sold, the amount of the securities to be bought or sold, or the broker-dealer to be used for the purchase or sale of securities. Instead, these decisions shall be made according to the terms of the investment advisory agreement executed by you and your chosen third-party investment manager. Your chosen third-party investment manager will have discretionary authority in your account. You should refer to the third-party investment manager's Form ADV Brochure for more information. Pursuant to this Agreement, Householder Group does not provide discretionary services to Retirement Plan Assets.

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

As a matter of firm policy and practice, Householder Group does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Householder Group and Advisors can offer thoughts and opinions on proxies. However, the voting remains the responsibility of the client.

Householder Group has no authority or responsibility to vote any security held by the Plan or the related proxies. That authority is reserved by the Sponsor or Trustee of the Plan.

## **Item 18 – Financial Information**

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to you and we have not been the subject of a bankruptcy proceeding.