

# RH Advisors, LLC

d/b/a Rock House Financial

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of RH Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (801) 447-4200 or by email at: [info@rockhousefinancial.com](mailto:info@rockhousefinancial.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about RH Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). RH Advisors, LLC's CRD number is: 293909.*

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*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

This is the firm's Brochure. RH Advisors, LLC is required to disclose all material changes in this brochure from the last annual updating amendment of RH Advisors, LLC on 01/30/2023. Material changes relate to RH Advisors, LLC policies, practices or conflicts of interests only.

Charles Schwab & Co., Inc. Advisor Services has acquired TD Ameritrade. Due to this acquisition clients of the firm have transitioned from TD Ameritrade to Charles Schwab & Co., Inc. Advisor Services. (Item 12)

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## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

RH Advisors, LLC d/b/a Rock House Financial (hereinafter "RHF") is a Limited Liability Company organized in the State of Utah and registered with the Securities and Exchange Commission (SEC). The firm was formed in January 2018, and the principal owner is Robert Aamodt. RHF acts in accordance with its fiduciary duty imposed upon by the SEC rules.

### **B. Types of Advisory Services**

#### ***Portfolio Management Services***

RHF offers ongoing portfolio management services based on the client profile which includes, not limited to, individual goals, objectives, time horizon, tax levels, income, and risk tolerance. RHF creates an investment plan with the client and documents the plan and the client profile in the client's books and records. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Client Meetings
- Asset allocation
- Asset selection
- Risk tolerance
- Regular portfolio monitoring

RHF evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the client's books and records and updated no less than annually if risk tolerances need reassessed. RHF will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction.

RHF primarily recommends mutual funds and Separately Managed Accounts (SMA) offered by Dimensional Fund Advisors (DFA). DFA sponsored mutual funds follow an academic investment philosophy based on economic theory. DFA funds are highly diversified with low holdings turnover and low cost. They use consistent long-term objectives based on empirical research not dependent on one portfolio manager. They employ efficient trading strategies to keep trading costs low inside the funds. All clients that engage in SMAs with DFA through RHF will be given the DFA ADV 2A or Firm Brochure.

RHF seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of RHF's economic, investment or other financial interests. To meet its fiduciary obligations, RHF attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, RHF's policy is to seek fair and

equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is RHF's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

We may from time to time determine that an investment in a product or service offered by us or by a company affiliated with us is consistent with a client's financial situation or the recommendations contained in the client financial plan. In addition, a client may decide, at the client's own independent discretion, to purchase financial products offered by or through us or an affiliated company. In such circumstances, one of our advisors may receive investment advisory fees as the adviser to such products, like the Utah Focus Fund in addition to compensation for investment management or financial planning.

### ***Pension Consulting Services***

RHF offers consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans). Pension consulting may include, but is not limited to:

- identifying investment objectives and restrictions
- providing guidance on various assets classes and investment options
- recommending money managers to manage plan assets in ways designed to achieve objectives
- monitoring performance of money managers and investment options and making recommendations for changes
- recommending other service providers, such as custodians, administrators and broker-dealers
- creating a written pension consulting plan

These services are based on the goals, objectives, demographics, time horizon, and/or risk tolerance of the plan and its participants.

### ***Financial Planning***

Financial plans and financial planning may include but are not limited to: investment planning; life insurance; annuity planning and consulting; tax concerns; retirement planning; college planning; and debt and credit planning.

RHF follows the CFP® Board Practice Standards and seven-step financial planning process.

1. Understanding the client's personal and financial circumstances
2. Identifying and selecting goals
3. Analyzing the Client's current course of action and potential alternative courses of action
4. Developing the financial planning recommendations
5. Presenting the financial planning recommendations

6. Implementing the financial planning recommendations (Unless specifically excluded from the scope of engagement)
7. Monitoring progress and updating (Unless specifically excluded from the scope of engagement)

### ***1031 Exchange Services***

RHF will assist potential investors in identifying properties, and Real Estate Investment vehicles by reviewing sponsor related due diligence material, and request/review independent third-party due diligence reports. Additionally, the Firm will facilitate the completion of required paperwork and transfer of funds from the qualified intermediary and the sponsor. Finally, RHF provides potential investors with disclosures of risks and fees, and other information to help evaluate an exchange offering before any investment is made.

### ***Robo-Advisory Portfolio Management Services***

MTG, LLC dba Betterment Securities ("Betterment"), a registered broker-dealer, member SIPC, will be the qualified custodian for client accounts using Betterment LLC and/or Betterment Institutional. RHF is independently owned and operated; it is not affiliated with Betterment Securities. Clients will open the account with Betterment Securities by entering into an account agreement directly with them as a sub-advisor to the client. While we do not open the account for you, we may assist you in doing so.

RHF provides "robo-advisory" portfolio management services via an online interface, Betterment for Advisory, that is a digital wealth management platform for clients. This entails the use of algorithm-based portfolio management advice, rather than in-person investment advice. These automated investment solutions are customized to each client and based on individual characteristics, such as the client's age, risk tolerance, income, and current assets, among others.

The services provided by Betterment include Goal Based Investment Management, Portfolio Construction Tools, Automated Investment Management Services, Website and Mobile Applications and Advisor Dashboard for monitoring client accounts.

### ***Annuity and Insurance Consulting***

For annuity or other insurance products or mutual funds that are commission products RHF advises on these as a consultant only. RHF does not get paid by commission. RHF can advise on commissionable products already owned by clients or that clients are considering purchasing as part of financial planning. For clients who would like advice and servicing help on these commissionable products, they can assign Mutual Securities, LLC as the agent. Mutual Securities provides servicing and then contracts with RHF to provide investment advisory services for those clients who have provided written consent. Mutual Securities pays RHF for consulting on these accounts and policies. See Item 10.C for details on this arrangement.

RHF refers clients to other agents or vendors for annuities and insurance if it is determined a product should be implemented as part of financial plan. One of these vendors used is DPL Financial Partners, LLC. RHF is not compensated by commission from any other company. Clients pay fees to RHF for advice and consulting on insurance products. The

services and compensation are detailed in the client's contract with RHF either as a financial planning service or portfolio management service for products with underlying investments.

RHF is a member of DPL Financial Partners, LLC's ("DPL") platform. They are a third-party provider of a platform of insurance consultation services to investment advisers with clients who have current or future needs for insurance products. DPL's platform is available to SEC- and state-registered investment advisers ("RIAs"), as well as to investment advisers who are exempt for SEC and state registration ("ERAs").

DPL offers RIAs and ERAs memberships to its platform for a fixed annual fee. Through its licensed insurance agents, who are also registered representative of The Leaders Group, Inc. an unaffiliated SEC-Registered Broker-dealer and FINRA member, offers members a variety of services relating to commission free 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 insurance products generally and specific insurance products owned by their clients or that their clients are considering purchasing, and providing members access to, and marketing support for, commission free products that insurers have agreed to offer to members' clients through DPL's platform.

For providing platform services to RIAs and ERAs, DPL receives service fees from the insurers that offer their commission free products through the platform. These service fees are based on the insurance premiums received by the insurers from DPL members' clients. RHF is not compensated by DPL. RHF clients pay for consulting services on insurance as part of financial planning services.

DPL is licensed as an insurance producer in Kentucky and other jurisdictions where require 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.

### ***Services Limited to Specific Types of Investments***

RHF generally limits its investment advice to mutual funds, fixed income securities, equities, and ETFs. RHF may use other securities as well to help diversify a portfolio when applicable.

### ***Additional Services***

RHF offers our clients the services of Pontera to monitor and provide management of client' held away assets. We use a third-party platform, Pontera, to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with Pontera in any way and receive no compensation from them for use of the 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, Adviser will review the current account allocations. When deemed necessary, Adviser 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 quarterly, and allocation changes will be made as deemed necessary.

### **C. Client Tailored Services and Client Imposed Restrictions**

RHF offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Risk Assessment which outlines each client's current situation (income, tax levels, and risk tolerance levels). Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent RHF from properly servicing the client account, or if the restrictions would require RHF to deviate from its standard suite of services, RHF reserves the right to end the relationship.

RHF may provide online "robo-advisory" portfolio management to specific clients. Client accounts are generally invested into a target allocation depending on the client's individual profile. This automated approach factors in client financial situation and risk tolerance, although the algorithms used to provide advisory services are designed to be utilized by RHF across multiple clients. Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

### **D. Wrap Fee Programs**

RHF does not participate in wrap fee programs. Clients that engage Betterment Securities for Robo-advisory services will contract independently with Betterment and receive the Betterment Securities ADV Part 2A wrap fee brochure.

### **E. Assets Under Management**

RHF has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$214,932,245	\$0	December 2023

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Portfolio Management Fees*

Total Assets Under Management	Annual Fees
\$0 - \$250,000	1.50%
\$250,001 - \$1,000,000	1.25%
\$1,000,001 - \$2,500,000	1.10%
\$2,500,001 - \$10,000,000	0.90%
\$10,000,000 – And Up	0.60%

The advisory fee is calculated using the value of the assets in the Account on the last business day of the prior billing period. RHA will not charge over 2% of total assets under management. All fees will be disclosed to the client within the Investment Advisory Contract.

These fees are generally negotiable and may vary based on complexity of the client's situation, and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract.

Clients may terminate the agreement without penalty for a full refund of RHF's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with seven days' written notice.

#### *Robo-Advisory Portfolio Management Services Fees*

RHF provides Robo-advisory portfolio management services via Betterment, an online interface.

Total Assets Under Management	Annual Fees
All Assets	Starting at 1.0%

The advisory fee is calculated based on the average daily account balance for the prior quarter. RHA will not charge over 2% of total assets under management.

The fees are generally negotiable and may vary based on complexity of the client's situation. The final fee schedule is attached as an Exhibit to the Investment Advisory Contract.

Clients may terminate the agreement without penalty, for full refund of RHF's fees, within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract with seven days' written notice.

### ***Pension Consulting Services Fees***

#### **Asset-Based Fees for Pension Consulting**

<b>Total Assets Under Management</b>	<b>Annual Fee</b>
\$0 - \$1,000,000	1.00%
\$1,000,001 - \$5,000,000	0.75%
\$5,00,001 – And Up	0.50%

For purposes of calculating the advisory fee this is based on the methodology used by the custodian and can vary. See custodian's agreement for details.

These fees are generally negotiable, and the final fee schedule will be memorialized in the client's advisory agreement.

Clients may terminate the agreement without penalty for a full refund of RHF's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the pension consulting agreement generally with seven days' written notice.

### ***Financial Planning Fees***

#### **Fixed Fee**

The following is standard fee schedule for calculating a fixed fee for financial planning. These fees are negotiable.

<b>Total Net Worth</b>	<b>Annual Fee</b>
\$0 - \$5,000,000	0.50%
\$5,000,001 - \$15,000,000	0.40%
\$15,000,001 – And Up	Negotiable

Net worth is rounded to the nearest \$25,000 for fee calculation purposes. Net worth is based on approximate values as agreed upon both parties, as of signed date of this agreement. For assets with statements, the most recent monthly or quarterly statement.

The final fee schedule is attached as an Exhibit to the Financial Planning Contract.

## **Hourly Fees**

The negotiated hourly fee for these services is between \$150 and \$600.

Clients may terminate the agreement without penalty, for full refund of RHF's fees, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

## **Pontera Service Charges**

Pontera services charge RHF for Assets held away. This fee may require payment via an ACH, credit card, or invoiced separately if the client does not have other assets under management with RHF, if client has other assets held with RHF, the Pontera linked advisory account fee can be charged to one of the clients existing accounts based upon the advisory fee within the Client's Advisory Agreement. Additional information about brokerage costs and services is provided in "Item 12: Brokerage Practices."

## ***1031 Exchange Consulting Fees***

For these services, RHF charges 2% of assets to be exchanged with a minimum of \$5,000 per exchange. RHF's fees and minimum fees are negotiable in its discretion, depending upon objective and subjective factors. These factors include, but are not limited to, the amount of assets to be managed; portfolio composition; the scope and complexity of the engagement; the anticipated number of meetings and servicing needs; related accounts; future earnings capacity; the professionals rendering the services; prior relationships with RHF or its representatives, and negotiations with the client. Because of these factors, similarly situated clients could pay different fees, the services to be provided by RHF to any particular Clients could be available from other advisors at lower fees, and certain Clients may have fees different from those specifically set forth above.

## **B. Payment of Fees**

### ***Payment of Portfolio Management Fees***

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis or may be invoiced and billed directly to the client on a quarterly basis. Clients may select the method in which they are billed. Fees are paid in advance. These fees are detailed on the Investment Advisory Contract.

### ***Payment of Robo-Advisory Portfolio Management Fees***

Robo-advisory portfolio management fees are withdrawn directly from the client's accounts with client's written authorization. Fees are paid quarterly in arrears.

### ***Payment of Pension Consulting Fees***

Asset-based pension consulting fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Fees are paid and calculated according to agreement with custodian.

### ***Payment of Financial Planning Fees***

Financial planning fees are paid via check, ACH, credit/debit card, or directly from a non-qualified account with client's written authorization.

Fixed and hourly financial planning fees are paid in advance, and the plans are delivered within 6 months.

### **C. Client Responsibility for Third Party Fees**

Clients are responsible for the payment of all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by RHF. Please see Item 12 of this brochure regarding broker-dealer/custodian.

Use of mutual funds may result in the client incurring additional fees relative the mutual funds. We may invest client cash balances in registered investment companies, including, without limitation, money market funds, mutual funds, annuities, fixed income products, and exchange-traded funds. In addition to the fees we charge, each of the investment vehicles in which clients' funds may be invested charges its own investment advisory fees and expenses. So, for example, if a clients invest in mutual funds, such clients effectively will pay two levels of advisory fees, one to us for the management of their assets and one indirectly through the management fees and other expenses embedded in the mutual funds to their investment advisor. These costs are imposed by the third-party company and will be disclosed prior to purchasing such products.

For clients investing in the Utah Focus Fund UTFOX, investment advisory fees are paid from the fund to Utah Focus Fund Advisors, which is partially owned by RHF advisor, Robert Aamodt resulting in fees being paid by the client for both asset management and indirectly to Mr. Aamodt through the mutual fund. Clients will receive a prospectus for the fund disclosing fees and other pertinent information.

### **D. Prepayment of Fees**

RHF collects fees in advance. Refunds for fees paid in advance but not yet earned will be refunded on a prorated basis and returned within fourteen days to the client via check or return deposit back into the client's account.

For all asset-based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee rate by 365.)

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

For hourly fees that are collected in advance, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

## **E. Outside Compensation For the Sale of Securities to Clients**

Neither RHF nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

RHF does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

The side-by-side management of both the Utah Focus Fund and other accounts may raise potential conflicts of interest due to the interest held by us or one of our affiliates in an account (for example, cross trades between a Fund and another account and allocation of aggregated trades among the Funds and other accounts). We have developed policies and procedures reasonably designed to mitigate these conflicts. We have adopted policies limiting the ability of portfolio managers to effect cross trades and policies to ensure the fair allocation of securities purchased on an aggregated basis.

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

RHF generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pension and Profit-Sharing Plans
- ❖ Small and Large Businesses and Corporations
- ❖ Municipalities
- ❖ 529 Plans
- ❖ Non-profit Organizations

There is no account minimum for any of RHF's services.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

RHF's methods of analysis include Modern portfolio theory.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

## ***Investment Strategies***

RHF uses long term trading.

RHF received supporting research from DFA and utilized DFA Mutual funds in client portfolios. DFA mutual funds follow the investment strategy based on economic theory. DFA funds are highly diversified with low holdings turnover and low cost. They use consistent long-term objectives based on empirical research not dependent on one portfolio manager. They employ efficient trading strategies to keep trading costs low inside the funds. DFA provides historical market analysis, risk/return analysis, and continuing education to RHF.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **B. Material Risks Involved**

#### ***Methods of Analysis***

**Modern portfolio theory** assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

#### ***Investment Strategies***

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The

value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best-known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance.

**Options** are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option writing also involves risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

**Unit investment Trusts (“UIT”):** Investment companies offer individuals the opportunity to invest in a diversified portfolio of securities with a low initial investment requirement. A UIT is either a regulated investment corporation (RIC) or a grantor trust. A RIC is a corporation in which the investors are joint owners, and a grantor trust grants investors proportional ownership in the UIT's underlying securities. It is difficult to predict the future performance of a UIT. If a UIT had excellent performance last year does not necessarily mean that it will duplicate that performance. For example, market conditions can change, and this year’s winning UIT could be next year’s loser.

**Structured Notes:** Offer individuals the opportunity to purchase a debt obligation that contains embedded derivative components that adjusts the security’s risk return profile. Also known as a Hybrid Security as the return on the note is linked to the performance of



an underlying asset, group of assets or an index. These are complicated financial products and may offer little liquidity and are effected by market risk and default risks.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

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

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither RHF nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

RHF has entered into an investment advisory contract with Mutual Securities, Inc. to provide investment advisory services for their variable annuity and variable life contracts. RHA receives a flat advisory fee of 55 bps for the advisory services provided.

As part of RHF's relationship with DFA, DFA may offer services to RHF to further develop the business, such as access to webinars, continuing education and research. These services could create an incentive for RHF to recommend that clients purchase

investments through DFA. This is a potential conflict given that RHF's interest in recommending DFA Mutual Funds could be influenced by the receipt of DFA's services to our business. Other potential conflicts may exist regarding our use of DFA.

Robert Aamodt, Nicole Roberts and Zachary Nelson all hold insurance licenses but will no longer be selling insurance products. They are maintaining their licenses so they can provide advice relating to insurance products as part of comprehensive financial planning, as per Utah Insurance Commission Code. RHF is now fee-only and will not allow the sale of commissionable products.

Robert Paul Aamodt is an adjunct instructor at University of Utah and a consultant at Bob Aamodt Inc. In addition, Bob is a member of the Advisory Board for Axos Advisor Services. This is an uncompensated role that includes other clients of Axos to provide strategic input and recommendations to assist Axos shape product and services. This Board membership does not create a conflict of interest, or influence RHF's relationship with Axos as a custodian. Bob will be reimbursed travel expenses for attending in person meetings.

Nicole Roberts is a consultant at NLR Consulting LLC.

Zach Nelson is a consultant at ZPN Consulting, LLC.

Rhett J. Sorensen is a volunteer instructor at Davis Community Adult Education.

#### **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

RHF does not utilize nor select third-party investment advisers.

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

#### **A. Code of Ethics**

RHF has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. RHF's Code of Ethics is available free upon request to any client or prospective client.

## **B. Recommendations Involving Material Financial Interests**

RHF does not recommend that clients buy or sell any security in which a related person to RHF or RHF has a material financial interest.

## **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of RHF may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of RHF to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. RHF will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

## **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of RHF may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of RHF to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, RHF will never engage in trading that operates to the client's disadvantage if representatives of RHF buy or sell securities at or around the same time as clients.

# **Item 12: Brokerage Practices**

## **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on RHF's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. This means that RHF seeks a custodian/broker-dealer that will hold client assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. RHF considers a range of factors, including but not limited to:

- Capability to execute, clear, and settle trades (buy and sell securities for your account) itself or to facilitate such services.
- Proficiency in facilitating timely transfers and payments to and from accounts.
- Availability of investment research and tools that assist us in making investment decisions.
- Competitiveness of the price of those services and willingness to negotiate the prices. [Clients will not necessarily pay the lowest commission or commission equivalent.]
- Quality of services.
- Reputation, financial strength, and stability.
- Prior service to us and our other clients.

RHF requires clients to use Axos Advisor Services, or Charles Schwab & Co., Inc. Advisor Services for accounts that are not using Betterment will be required to use one of the qualified custodians listed.

Betterment Brokerage Services is responsible for execution of securities transactions and maintains custody of customer assets. Betterment exercises no discretion in determining if and when trades are placed; it places trades only at the direction of Betterment. Clients should understand that the appointment of Betterment as the broker for their accounts held at Betterment may result in their receiving less favorable trade executions than may be available through the use of broker-dealers that are not affiliated with Betterment.

### ***1. Research and Other Soft-Dollar Benefits***

While RHF has no formal soft dollar program in which soft dollars are used to pay for third party services, RHF may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). RHF may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and RHF does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. RHF benefits by not having to produce or pay for the research, products or services, and RHF will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that RHF's acceptance of soft dollar benefits may result in higher commissions charged to the client.

### ***2. Brokerage for Client Referrals***

RHF receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

RHF will require clients to use a specific custodian to execute transactions. Not all advisers require clients to use a particular custodian.

## **B. Aggregating (Block) Trading for Multiple Client Accounts**

If RHF buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, RHF would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. RHF would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

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

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for RHF's advisory services provided on an ongoing basis are reviewed at least Annually by Nicole Louise Roberts, CCO, with regard to clients' respective investment policies and risk tolerance levels. All accounts at RHF are assigned to this reviewer.

Robo-advisory portfolio management accounts are not reviewed by RHF, save for automated allocation revisions. Clients are encouraged to update RHF of any change in their objectives, risk tolerance, or other pertinent information.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Nicole Louise Roberts, CCO. Financial planning clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

Robo-advisory portfolio management accounts do not undergo non-periodic review by RHF, allocations will change in accordance with the portfolio management software utilized by RHF and changes to the client's profile.

With respect to financial plans, RHF's services will generally conclude upon delivery of the financial plan.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of RHF's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come directly from the custodian.

Each financial planning client will receive the financial plan upon completion.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

**Axos Advisor Services:** RHF utilizes the services of Axos as a qualified custodian. Axos offers independent advisory services which include custody of securities, trade execution, clearance and settlements of transactions.

**Charles Schwab & Co., Inc. Advisor Services** provides RHF with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For RHF client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to RHF other products and services that benefit RHF but may not benefit its clients' accounts. These benefits may include national, regional or RHF specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of RHF by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist RHF in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of RHF's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of RHF's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to RHF other services intended to help RHF manage and further develop its business enterprise. These services may include

professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to RHF by independent third parties. Charles Schwab & Co., Inc. Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to RHF. RHF is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

**Betterment:** RHF will receive a non-economic benefit from Betterment Institutional and Betterment Securities in the form of the support products and services it makes available to RHF (and other independent investment advisors whose clients maintain their accounts at Betterment Securities). These products and services, how they benefit RHF, and the related conflicts of interest are described above - see Item 12. The availability of Betterment Institutional and Betterment Securities' products and services to RHF is not based on RHF giving particular investment advice, such as buying particular securities for its clients.

**Dimensional Funds Advisor:** RHF will received non-economic and economic benefits from DFA in the form of services, products, continuing education, webinars, and sponsorship of RHA events. These services are designed to assist RHA plan and design its services for business growth.

RHF does not pay more for investment transactions effected and or assets maintained at custodians listed above as a result of the arrangements between them. There is no corresponding commitment made by RHF to a custodian or DFA, or to any other entity, to invest any specific amount of percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangements.

#### **B. Compensation to Non – Advisory Personnel for Client Referrals**

RHF compensates several professional organizations that promote investment advisers that may provide a referral if certain criteria match the investor's needs. RHF pays the organization to be listed on their websites as an investment adviser.

### **Item 15: Custody**

RHF does not take physical custody over Client's cash or securities. However, the Firm is deemed to have custody in certain situations under guidance issued by the SEC. Specifically, pursuant to the Investment Advisers Act of 1940, the Firm is deemed to have "constructive custody" of Client funds because we have the authority and ability to debit our fees directly from the accounts of those Clients receiving our services. Additionally, certain Clients have, and could in the future, sign a Standing Letter of Authorization ("SLOA") that gives us the authority to transfer funds to a third-party as directed by the Client in the SLOA. This is also deemed to give us custody. Custody is defined as any



legal or actual ability by the firm to withdraw client funds or securities. Firms with deemed custody must take the following steps:

1. Ensure clients' managed assets are maintained by a qualified custodian.
2. Have a reasonable belief, after due inquiry, that the qualified custodian will deliver an account statement directly to the client at least quarterly.
3. Confirm that account statements from the custodian contain all transactions that took place in the client's account during the period covered and reflect the deduction of advisory fees.
4. Obtain a surprise audit by an independent accountant on the clients' accounts for which the advisory firm is deemed to have custody.

However, the rules governing the direct debit of client fees and SLOAs exempts us from the surprise audit rules if certain conditions (in addition to steps 1 through 3 above) are met. Those conditions are as follows:

1. When debiting fees from client accounts, we must receive written authorization from clients permitting advisory fees to be deducted from the client's account.
2. In the case of SLOAs, we must: (i) confirm that the name and address of the third party is included in the SLOA, (ii) document that the third-party receiving the transfer is not related to our firm, and (ii) ensure that certain requirements are being performed by the qualified custodian.

The qualified custodian that is selected by a client maintains actual physical custody of client assets. Client account statements from custodians will be sent directly to each client to the email or postal mailing address that is provided to the qualified custodian selected by the client. Clients are encouraged to compare information provided in reports or statements received by our firm with the account statements received from their custodian for accuracy. In addition, clients should understand that it is their responsibility, not the custodian's, to ensure that the fee calculation is correct.

If client funds or securities are inadvertently received by our firm, they will be returned to the sender immediately, or as soon as practical.

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

## **Item 16: Investment Discretion**

RHF provides discretionary and non-discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, RHF generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.



Betterment uses algorithms to advise clients and manage their accounts. These algorithms are developed, overseen, and monitored by Betterment's investment advisory personnel. To use Betterment's investment services, Clients inform Betterment of their financial goals and personal information through Betterment's online applications, and Betterment's algorithm then recommends and builds a portfolio of exchange traded funds for each of the client's financial goals and account types. Each portfolio is associated with a target allocation of investment types and/or asset classes but you can modify Betterment's initial allocation recommendation as you see fit. RHF may modify the portfolio based on Client profile and goals.

### **Item 17: Voting Client Securities (Proxy Voting)**

RHF does not vote proxies for client securities under management.

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

#### **A. Balance Sheet**

RHF neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

#### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

RHF does not have any financial conditions that would impair its ability to meet contractual commitments to clients.

#### **C. Bankruptcy Petitions in Previous Ten Years**

RHF has not been the subject of a bankruptcy petition in the last ten years.