

**Item 1: Cover Page for Part 2A Appendix 1 of Form ADV:  
Wrap Fee Program Brochure  
March 2019**



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**This brochure provides information about the qualifications and business practices of DeDora Capital, Inc. If you have any questions about the contents of this brochure, please contact us by telephone at (707) 253-0681. 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 DeDora Capital, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Please note that the use of the term "registered investment adviser" and description of DeDora Capital, Inc. and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.**

## **Item 2: Material Changes**

DeDora Capital, Inc. is required to advise you of any material changes to the Wrap Brochure (“Wrap Brochure”) from our last annual update. Since the last annual amendment filed on March 13, 2018, the following changes have been made:

- Our firm has removed information regarding the Department of Labor (“DOL”) rule as it did not go into effect as anticipated.
- Our firm receives additional services from TD Ameritrade. Please refer to Item 9 for additional information.

### Item 3: Table of Contents

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## Item 4: Services, Fees & Compensation

We offer wrap fee programs as described in this Wrap Fee Program Brochure. Our wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc.

A wrap fee program allows our clients to pay a specified fee for investment advisory services and the execution of transactions. The advisory services may include portfolio management and the fee is not based directly upon transactions in your account. Your fee is bundled with our costs for executing transactions in your account(s). This results in a higher advisory fee to you. We do not charge our clients higher advisory fees based on their trading activity, but you should be aware that we may have an incentive to limit our trading activities in your account(s) because we are charged for executed trades. By participating in a wrap fee program, you may end up paying more or less than you would through a non-wrap fee program where a lower advisory fee is charged, but trade execution costs are passed directly through to you by the executing broker.

### Our Wrap Advisory Services

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#### Wrap Comprehensive Portfolio Management:

Our comprehensive portfolio management service encompasses asset management as well as providing financial planning/financial consulting to clients. It is designed to assist clients in meeting their financial goals through the use of financial investments. We conduct at least one, but sometimes more than one meeting (in person if possible, otherwise via telephone conference) with clients in order to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, we propose an investment approach to the client. We may propose an investment portfolio, consisting of exchange traded funds, exchange traded notes, mutual funds, individual stocks or bonds, or other securities. Upon the client's agreement to the proposed investment plan, we work with the client to establish or transfer investment accounts so that we can manage the client's portfolio. Once the relevant accounts are under our management, we review such accounts on a regular basis and at least quarterly. We may periodically rebalance or adjust client accounts under our management. If the client experiences any significant changes to his/her financial or personal circumstances, the client must notify us so that we can consider such information in managing the client's investments.

#### Fee Schedule

| Assets Under Management          | Annual Percentage of Assets Charge |
|----------------------------------|------------------------------------|
| \$0 to \$999,999.99              | 1.20%                              |
| \$1,000,000.00 to \$4,999,999.99 | 1.00%                              |
| \$5,000,000 to \$9,999,999.99    | 0.80%                              |
| Over \$10,000,000                | 0.70%                              |

Fees to be assessed will be outlined in the advisory agreement to be signed by the client. Our firm's annualized fees are billed on a pro-rata basis monthly in arrears based on the average daily balance of your account. Fees are negotiable and will be deducted from your managed account. As part of this process, the client is made aware of the following:

- a) Your independent custodian sends statements at least quarterly to you showing the market values for each security included in the Assets and all disbursements in your account including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms. We send our invoice directly to the custodian; and
- c) If we send a copy of our invoice to you, it will include a legend urging you to compare information provided in our statement with those from the qualified custodian.

### **Wrap Multi-Family Services:**

Our Multi-Family Services offers professional services to the investment, legacy and personal needs of premium level families that wish to have total control of their family's personal and business affairs, safeguarding of their family from undesired worry of managing their estates, and building them a sustainable family legacy. The services offered may include among other things:

- Investment Portfolio Management
- Asset Allocation
- Retirement Planning
- Estate Planning
- Investment Consulting
- Business Planning
- Education Planning
- Banking relationships support
- Life management and budgeting
- Training and education (including family members)
- Legal/Tax advisory coordination
- Concierge Services

These services are generally rendered in conjunction with our firm's wrap comprehensive portfolio management services. In performing these services, our firm is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information through our advisory service agreement. In performing this service, our firm will be authorized by the client to obtain information and discuss such information with other professionals engaged by the client.

### **Fee Schedule**

| <b>Assets Under Management</b>   | <b>Annual Percentage of Assets Charge</b> |
|----------------------------------|---|
| \$0 to \$999,999.99              | 1.50%                                     |
| \$1,000,000.00 to \$4,999,999.99 | 1.20%                                     |
| \$5,000,000 to \$9,999,999.99    | 1.00%                                     |
| Over \$10,000,000                | 0.80%                                     |

Multi-Family Wrap Fees are negotiated on a case by case basis as a fee based on assets under management. The fees to be assessed will be outlined in the advisory agreement to be signed by the client. Our firm's annualized fees are billed on a pro-rata basis monthly in arrears based on the average daily balance of your account. Fees are negotiable and will be deducted from your managed account. As part of this process, the client is made aware of the following:

- a) Your independent custodian sends statements at least quarterly to you showing the market values for each security included in the Assets and all disbursements in your account including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms. We send our invoice directly to the custodian; and
- c) If we send a copy of our invoice to you, it will include a legend urging you to compare information provided in our statement with those from the qualified custodian.

### **Other Types of Fees & Expenses:**

You may pay custodial fees, charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. These fees are not included within the wrap-fee you are charged by our firm.

We do not recommend or offer the wrap program services of other providers. Our investment advisory representatives receive a portion of the advisory fee that you pay us, either directly as a percentage of your overall fee or as their salary from our firm. In cases where our investment advisory representatives are paid a percentage of your overall advisory fee, this may create an incentive to recommend that you participate in a wrap fee program rather than a non-wrap fee program (where you would pay for trade execution costs) or brokerage account where commissions are charged. This is because, in some cases, we may stand to earn more compensation from advisory fees paid to us through a wrap fee program arrangement if your account is not actively traded.

## **Item 5: Account Requirements & Types of Clients**

We do not impose requirements for opening and maintaining accounts or otherwise engaging us.

Types of clients we typically manage wrap fee accounts on behalf of, include:

- Individuals and High Net-Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension, Profit Sharing Plans, and Retirement Plans;
- Corporations, Limited Liability Companies and/or Other Business Types.

## **Item 6: Portfolio Manager Selection & Evaluation**

Our firm and its related persons act as portfolio manager(s) for this wrap fee program. This may create a conflict of interest in that other investment advisory firms may charge the same or lower fees than our firm for similar services. Our related person portfolio managers are not subject to the same selection and review as outside portfolio managers that participate in the wrap fee program. This is because we have chosen not to utilize outside portfolio managers.

### **Advisory Business:**

See Item 4 for information about our wrap fee advisory program. We offer individualized investment advice to clients utilizing our Wrap Comprehensive Portfolio Management service. Each client has the

opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account. Restrictions would be limited to our Wrap Comprehensive Portfolio Management service.

### **Participation in Wrap Fee Programs:**

Our wrap fee and non-wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. We do not manage wrap fee accounts in a different fashion than non-wrap fee accounts.

### **Performance-Based Fees & Side-By-Side Management:**

We do not charge performance fees to our clients.

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

We may use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the security is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be a time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating a security.

**Technical Analysis:** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

**Charting Analysis:** Charting is a techniques that attempts to forecast future market movies by studying historical data on charts.

**Business & Economic Cycle:** This technique looks at cycles, specifically analyzing the way prices follow certain patterns and trends.

We may use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

- Long Term Purchases (Securities Held At Least a Year);
- Short Term Purchases (Securities Sold Within a Year);
- Trading (Securities Sold Within 30 Days);
- Short Sales;
- Margin Transactions;
- Option Writing, including Covered Options, Uncovered Options or Spreading Strategies.
- Socially Responsible Screening.
- Asset Allocation

**Quantitative analysis** uses statistical models to estimate the impact of user-defined “factors” on a security’s price movement, and attempts to extrapolate future movements based on that analysis. Models are an imperfect representation of reality, and therefore, there is no guarantee they will lead to accurate results.

### **Investment Strategy**

Asset Allocation helps us to determine the optimal mix of asset classes in order to maximize your portfolio objectives and minimize the associated risks. Asset allocation is more than deciding to invest in stocks and bonds; it is balancing this mixture with changing market conditions and the level of volatility that matches your risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and if not corrected will no longer be appropriate for the client’s goals. DeDora Capital does rebalance portfolios to lessen this risk.

In general, we seek competitive rates of return with minimized volatility compared to the relevant benchmark. Within each asset category, we seek holdings that consistently out-perform their peers through various market conditions.

For clients seeking appreciation, we use a blend of Value and Growth fundamental analysis. Depending on the client’s objectives, holdings may include individual companies or more diversified securities such as mutual funds or exchange traded funds.

For clients seeking an income stream that has the potential to increase over time, we invest in a combination of bond and equity income holdings that reflect the client’s investment objectives. Depending on the client’s objectives, holdings may include individual companies or more diversified securities such as mutual funds or exchange traded funds.

For clients with an interest in more speculative investments, the Portfolio manager may consider additional custom strategies if they are deemed to demonstrate a potential for sufficient reward for the risk, align with the client’s investment objectives & resources, and fit the firm’s capabilities.

### **Selection, Monitoring, and Risk Management**

Once the Asset Allocation is determined, we use fundamental and technical analysis to narrow the field of holdings down to a short list of contenders in each relevant class and category. Then we conduct an in-depth analysis of each investment and the management team to determine what we believe to be the most appropriate holding. Securities may include mutual funds, exchange traded funds, closed end funds, stocks, bonds, master limited partnerships, commodities, currency, American depository receipts, and other strategies.

If a holding ends up not meeting the criteria we have established for the strategy, it will be identified for replacement. A variety of factors may cause us to sell a position. Examples of factors may include deterioration of the technical position of an investment, sector, or overall market; reaching a stop loss point; taking a partial profit, and/or reaching a profit target.

A core component of our investment strategy is to identify and address major economic, market, and business cycle threats to investments through active tactical Risk Management. Examples of Risk management strategies may include additional allocation towards cash, purchasing



commodities such as gold, utilizing stop loss orders, or purchasing an inverse exchange traded fund.

We cannot eliminate the potential for losses in portfolio value. Markets have normal periods of price expansion and price contraction, market rallies and corrections. We believe that these normal market fluctuations are advantageous. For example, they generate opportunities to buy investments while they are on “sale.”

**Socially Responsible Investment Strategies.** We can also provide Socially Responsible Strategies. First, we incorporate Philanthropy into the planning process. This way our clients’ Philanthropic goals are a seamless part of their Plan. Next, we offer both Conventional and Socially Responsible Investment Strategies (including Fossil Free Investing) tailored to each client’s personal risk tolerance and time horizon. Third, we can conduct & implement Fossil Fuel Divestment plans for clients that want to take their socially responsible investing to the next level. We are clear with our clients about the honest debates within the environmental investing community, and implement actively managed, globally diversified investment strategies. Socially Responsible Investing is not for everyone, and we evaluate it on a case by case basis with our clients.

### **Risk of Loss**

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Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

### **Voting Client Securities:**

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

## **Item 7: Client Information Provided to Portfolio Manager(s)**

We are required to describe the information about you that we communicate to your portfolio manager(s), and how often or under what circumstances we provide updated information. Our firm communicates with your portfolio manager(s) on a regular basis as needed (daily, weekly, monthly, etc) to ensure your most current investment goals and objectives are understood by your portfolio manager(s). In most cases, we will communicate such information as part of our regular investment management duties. Nevertheless, we will also communicate information to your portfolio manager(s) when you ask us to, when market or economic conditions make it prudent to do so, etc.

## **Item 8: Client Contact with Portfolio Manager(s)**

Clients are always free to directly contact their portfolio manager(s) with any questions or concerns they have about their portfolios or other matters.

## **Item 9: Additional Information**

### **Disciplinary Information**

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We have determined that our firm and management have no disciplinary information to disclose.

### **Financial Industry Activities & Affiliations**

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Representatives of our firm may be registered representatives of PKS, member FINRA/SIPC, and licensed insurance agents/brokers. They may offer products and receive normal and customary commissions as a result of these transactions. A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products based on the compensation they may earn.

Mr. DeDora serves on the TD Ameritrade Institutional President's Council ("Council"). He was invited to serve on the Council for an ongoing term by TD Ameritrade Institutional senior management. The Council consists of former Advisor Panel Members who are independent investment advisors that advise TD Ameritrade Institutional ("TDA Institutional") on issues relevant to the Independent Advisor community. Mr. DeDora may be called upon periodically to attend Advisor Panel meetings and participate on conference calls or outreach on an as needed basis. TD Ameritrade does not compensate Mr. DeDora nor does the benefits received by our firm or its related persons depend on the amount of brokerage directed to TD Ameritrade. However, the potential receipt of economic benefits by Mr. DeDora or our firm in and of itself creates a potential conflict of interest that may indirectly influence our firm's recommendation of TD Ameritrade for custody and brokerage services. To mitigate this potential conflict, Mr. DeDora, as a fiduciary, will act in the client's best interest.

### **Code of Ethics, Participation or Interest in Client Transactions & Personal Trading**

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We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts<sup>1</sup>. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities

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<sup>1</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Neither our firm nor a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest. Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day. If related persons' accounts are included in a block trade, our related persons' accounts will be traded in the same manner every time.

### **Best Practices Fiduciary Advisor Affirmation Program**

Our firm has voluntarily subscribed to the "Best Practices for Financial Advisors" published by The Institute for the Fiduciary Standard. The Best Practices offer a simple code of conduct and outline a commitment to clients of subscribing financial advisors. They seek to clearly articulate what a client can expect to receive from a subscribing financial advisor. These Best Practices do not replace our regulatory compliance obligations or duties to clients under relevant laws, rules, or regulations. The Institute for the Fiduciary Standard's role is limited to publishing the Best Practices as well as maintaining a corresponding register of subscribing financial advisors. You can find a complete list of the Best Practices on our website or at <http://www.thefiduciaryinstitute.org/wp-content/uploads/2016/09/BestPracticesSpecificRequirementsSeptember132016.pdf> and verify our subscription status at [www.thefiduciaryinstitute.org](http://www.thefiduciaryinstitute.org).

### **Review of Accounts**

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We review accounts on at least an annual basis for our clients subscribing to our Wrap Comprehensive Portfolio Management service. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Only our Financial Advisors or Portfolio Managers will conduct reviews. We do not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when we meet with clients who subscribe to our Wrap Comprehensive Portfolio Management service.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

## Selecting a Brokerage Firm

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

- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Financial condition
- Business reputation
- Quality of services

Our firm recommends the custodial services of TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade is an independent [and unaffiliated] SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions.

As part of the arrangement described, TD Ameritrade also makes certain research and brokerage services available at no additional cost to our firm. These services include certain research and brokerage services, including research services obtained by TD Ameritrade directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by TD Ameritrade to our firm may include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by TD Ameritrade to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services are used by our firm to manage accounts for which we have investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

As a result of receiving the services discussed for no additional cost, we may have an incentive to continue to use or expand the use of TD Ameritrade services. Our firm examined this potential conflict of interest when we chose to enter into the relationship with TD Ameritrade and we have determined that the relationship is in the best interest of our firm's clients and satisfies our client obligations, including our duty to seek best execution.

TD Ameritrade may charge brokerage commissions for effecting certain securities transactions. TD Ameritrade enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. TD Ameritrade's commission rates are generally

discounted from customary retail commission rates. However, the commission fees charged by TD Ameritrade may be higher or lower than those charged by other custodians and broker-dealers.

Clients may pay a commission to TD Ameritrade that is higher than another qualified broker dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

Our firm participates in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give our Clients, although our firm receives economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to our firm by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by our firm's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit our firm but may not benefit our Client accounts. These products or services may assist us in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by our firm or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duty to clients, we endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

Our firm also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, the Additional Services entitles our firm to receive up to \$10,000 in total Additional Services for the use of Orion Reporting Software. TD Ameritrade provides the Additional Services to our firm in its sole discretion and at its own expense. Our firm does not pay any fees to TD Ameritrade for the Additional Services. Our firm and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

Our firm's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to our firm, TD Ameritrade most likely considers the amount and profitability to TD

Ameritrade of the assets in, and trades placed for, our firm's Client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with our firm, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, our firm may have an incentive to recommend to its Clients that the assets under management by our firm be held in custody with TD Ameritrade and to place transactions for Client accounts with TD Ameritrade. Our firm's receipt of Additional Services does not diminish its duty to act in the best interests of its Clients, including to seek best execution of trades for Client accounts.

### **Client Referrals**

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Our firm does not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940.

As part of our Wrap Multi-Family program, we may refer clients out to third party professionals. In our discretion our firm may cover all or some of the costs associated with the services of these third party professionals. Referrals to third party professionals will be dictated by the want/needs of the client.

### **Financial Information**

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We are not required to provide financial information in this Brochure because we do not require the prepayment of more than \$1,200 in fees and six or more months in advance, we do not take custody of client funds or securities, and we do not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

Our firm has never been the subject of a bankruptcy proceeding.