

**Form ADV Part 2A**

**Item 1  
Brochure Cover Page**

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**This brochure provides information about the qualifications and business practices of Wealth Planning and Design LLC. If you have any questions about the contents of this brochure, please contact us at (941) 361-1484. 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. Registration does not imply a certain level of skill or training.**

**Additional information about Wealth Planning and Design LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2           Material Changes**

Wealth Planning and Design LLC (“Advisor”) has made the following material changes to its ADV Part 2A (“Brochure”) since its Brochure dated June 1, 2018:

Item 10 – Other Financial Industry Activities and Affiliations: Mark Clark became the Managing Member of Insurance Planning and Design LLC (“IPD”), reflecting its transfer of the Advisor’s ownership in IPD to Mr. Clark individually.

Item 12 – Brokerage Practices: The Advisor ceased recommending Trust Company of America (“TCA”) and now has a limited purpose custodial relationship with TCA in order to service and maintain custody of an existing client’s assets held at TCA.

The Advisor’s Brochure may be requested by contacting Joni Rametta at (941) 361-1484.

Additional information about the Advisor is also available via the SEC’s website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s website provides information about any person affiliated with the Advisor who is registered, or is required to be registered, as investment advisor representative of the Advisor.

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## **Item 4            Advisory Business**

Wealth Planning and Design LLC (the “Firm” or “Advisor”) is a limited liability corporation formed under Florida law and has been registered as an investment advisor since November 2015.<sup>1</sup> The Firm was established in April 2015 by Joni L. Rametta and Mark R. Clark, the Firm’s Managing Members.

Advisory services include portfolio management, financial planning services, consulting services, and separately managed accounts. This Brochure provides information about the Advisor and its advisory services.

The Advisor’s services are limited to the following types of investments: equity securities, mutual funds, closed end funds, exchange traded products (“ETP”), separate account managers (third party money managers) of equities and bonds, warrants, options, debt securities, REITS, unit investment trusts, private placements, limited partnerships, structured products, alternative investments, annuities and life insurance products. Advisory services are tailored to an individual client’s needs.

The Advisor provides information in a separate disclosure brochure for its services offered through the WPAD Wrap Program. The WPAD Wrap Program services are similar to the portfolio management services described in this Brochure, in that the Advisor provides customized investment advice and management to the client. Under the WPAD Wrap Program, the Advisor exercises discretion over the client’s account and the corresponding broker-dealer custodian’s execution and transaction charges are included in the advisory fee the Advisor charges for its services. If a client would like more information on the WPAD Wrap Program, the client should contact their investment advisor representative (“IAR”) for a copy of the WPAD Wrap Program Brochure that describes the program or go to [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

As of January 28, 2019, the Advisor managed approximately \$101,440,184 on a discretionary basis and \$4,017,340 on a non-discretionary basis.

### **1. Portfolio Management**

The Advisor provides ongoing investment advice and management of customized client portfolios on a discretionary and non-discretionary basis according to each client’s investment objective and financial situation. The Advisor’s advice is tailored to the individual needs of the client based on the client’s investment objectives. A client may impose restrictions on investing in certain securities or groups of securities. The Advisor will conduct regular portfolio, investment, and planning reviews to help ensure a client’s financial objectives are consistent with the client’s investment portfolio.

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<sup>1</sup> Registration does not imply a certain level of skill or training.

If a client chooses to engage the Advisor's services, the client will enter into a written investment advisory agreement and be charged an advisory fee for the Advisor's services. The client is charged separate fees for brokerage and execution services provided by the broker-dealer maintaining custody of the client's account.

## *2. Financial Planning*

The Advisor provides clients with financial planning services to aid them in defining personal financial goals and objectives related to their investment objectives and risk tolerances. Financial planning provided in connection with college funding may include access to college planning services (e.g. researching scholarships, choosing colleges, negotiating financial aid, standardized test preparation). The Advisor provides these services under its College Planning and Design division. The Advisor charges additional fees for College Planning and Design related services. See Item 10, Other Financial Industry Activities and Affiliations and Item 14, Client Referrals and Other Compensation for additional information.

The client retains the sole responsibility for determining whether to implement any recommendation made by the Advisor and for placing any resulting transaction. The Advisor does not provide ongoing financial planning services, and does not have discretionary authority with respect to the client's assets unless the client enters into a portfolio management investment advisory agreement with the Advisor.

A conflict of interest exists between the Advisor and the interests of the client if a financial plan includes recommendations for products or services the Advisor provides. A client is under no obligation to act upon the Advisor's recommendation. If a client elects to act on any of the Advisor's recommendations, the client is under no obligation to effect the transaction through the Advisor.

## *3. Consulting Services*

The Advisor provides consulting services on an hourly basis. The Advisor's advice takes into account information collected from the client such as financial status, investment objectives and tax status, among other data. The Advisor will deliver to the client a written analysis or report as part of its services if selected in the investment advisory consulting agreement. The Advisor tailors the hourly consulting services to the individual needs of the client based on the client's investment objectives.

The Advisor does not have any discretionary investment authority when offering hourly consulting services. The Advisor will make recommendations as to general types of investment products or securities that may be appropriate for a client to consider and may also provide recommendations regarding specific investments or securities.

For consulting services associated with retirement plans, the Advisor's recommendations will be limited to the investment options available within the client's retirement plan and other securities that may be available in brokerage windows or other similar plan arrangements that

enable participants to select investments beyond those designated by the client's retirement plan (e.g. mutual funds, exchange traded funds, collective investment trusts, pooled separate accounts, allocations among annuity sub-accounts, publicly traded employer stock ("company stock")). The Advisor does not provide any advice or recommendations regarding any participant loans from a client's retirement plan assets.

The client retains the sole responsibility for determining whether to implement any recommendations made by the Advisor and for placing any resulting transactions. The Advisor does not provide ongoing consulting services, and does not have discretionary authority with respect to the client's assets.

A client is under no obligation to act upon the Advisor's recommendation. If a client elects to act on any of the Advisor's recommendations, the client is under no obligation to effect the transaction through the Advisor.

#### 4. Separately Managed Accounts

On a discretionary and nondiscretionary basis, the Advisor selects investment advisory services of third party professional portfolio management firms for the individual management of client accounts. As part of this process, the Advisor assists clients in identifying an appropriate third party money manager. The Advisor provides initial due diligence on third party money managers and ongoing reviews of their management of clients' accounts.

In order to select a third party money manager, the Advisor gathers information from the client about their financial situation, investment objectives, and reasonable restrictions they can impose on the management of the account, which are often very limited. It is important to note that the Advisor does not offer advice on any specific securities or other investments in connection with this service. Investment advice and trading of securities is only offered by or through the third party money managers to clients.

The Advisor periodically reviews third party money managers' reports provided to the client, but no less often than on an annual basis. The Advisor will contact a client from time to time, as agreed to with the client, in order to review their financial situation and objectives; communicate information to third party money managers as warranted; and, assist the client in understanding and evaluating the services provided by the third party money manager. The client will be expected to notify the Advisor of any changes in his/her financial situation, investment objectives, or account restrictions that could affect their account. Pursuant to the terms of the agreement with the third party money manager, the client may also directly contact the third party money manager managing the account or sponsoring the program.

## **Item 5            Fees and Compensation**

### **1. Portfolio Management**

#### ***Investment Advisory Fees***

Investment advisory fees for portfolio management services are based on the value of assets managed by the Advisor, calculated as a percentage of assets under management. This fee is compensation for advisory services and portfolio management rendered by the Advisor.

Fees may be negotiated on a client-by-client basis depending on the client's specific financial needs as well as the size, complexity and nature of the portfolio managed and will be set forth in the investment advisory agreement. Because the Advisor's fees may be negotiated, not all clients will pay the same fees. A client may pay higher or lower fees depending on considerations such as the size of the client's account, the amount of time the client has maintained an account with the Advisor (or its affiliated IAR), and/or the combined market value of related portfolios. While the Advisor believes that its investment advisory fees are competitive, clients may find lower or higher fees for comparable services from other sources.

The Advisor charges accounts a maximum annual advisory fee of 2% of the value of assets under management. The amount of the investment advisory fee is set forth in the investment advisory agreement executed by the client at the time the relationship is established.

There is no minimum investment.

Investment advisory fees are charged quarterly in advance as a percentage of the portfolio value on the last business day of the previous quarter or the last value provided by the custodian. These asset-based fees are assessed on all billable assets under management, including securities, cash, and money market funds. The initial investment advisory fee will be billed and based on a client's account value at the time the account is established at the custodian. The initial fee will be prorated based upon the number of days from the first day of management to the end of the quarter. Subsequently, investment advisory fees are determined on the first day of each quarter.

The Advisor may make amendments to the investment advisory fee outlined in the investment advisory agreement at any time with at least 30 days written notice to the client.

#### ***Automatic Debiting of Investment Advisory Fees***

Upon establishing an account with the Advisor, the client will authorize and direct the client's custodian broker-dealer to debit the client's account for the investment advisory fee payable from the account, which will result in the client's custodian broker-dealer sending the investment advisory fee payable directly to the Advisor.

At the beginning of the quarter, the Advisor will direct the client's custodian broker-dealer to debit the client's designated account(s) the amount of the investment advisory fee. If the

client's account does not maintain a sufficient cash or money market balance to cover the investment advisory fees or is restricted from automatic debiting of fees, the client may deposit additional funds (subject to certain restrictions for IRA accounts and Qualified Retirement Plans) or make payment in an alternative manner acceptable to the Advisor. If such funds are not deposited, certain securities in the client's account may be liquidated in an amount sufficient to cover such debits.

### *Other Charges and Information*

The Advisor's investment advisory fees are separate from charges assessed by third parties, such as broker-dealers, custodians, or mutual fund companies.

A client incurs brokerage and other transaction costs charged by broker-dealer(s) executing the transactions and the custodians maintaining the client's assets. These costs include, but are not limited to, brokerage transaction and money movement costs, commissions, ticket charges, fed fund wire fees, custodial fees, and margin interest. These costs are in addition to the Advisor's investment advisory fees and are not shared with the Advisor. For additional information, see "Brokerage Practices" below.

Mutual funds charge an investment management fee, which is in addition to the investment advisory fee a client pays to the Advisor. Some funds also assess administrative fees and 12b-1 fees. The Advisor does not receive any portion of these fees. These fees are in addition to the investment advisory fees the Advisor charges. The client does not pay these fees directly; rather, they are deducted from the mutual funds' assets and will affect the performance of the investments. These funds' advisory, administrative, and 12b-1 fees are described in the funds' prospectuses. Mutual fund share prices and execution costs differ based on share class. In certain instances, the Advisor will review the cost of a fund's share classes in conjunction with execution costs to assure that it meets its fiduciary duty to obtain best execution.

When investing in an ETP, e.g., exchange traded fund or exchange traded note, a client will bear the ETP's proportionate share of fees and expenses as an investor in the ETP. The client does not pay these fees directly; rather they are deducted from the ETP's assets and will affect the performance of the investment.

The Advisor recommends that clients establish brokerage accounts with TD Ameritrade, a FINRA-registered broker-dealer, member SIPC, to maintain custody of their assets and to effect trades for their accounts.

Choosing an alternate broker-dealer may result in additional expenses, fees, and lack of efficiency in reporting account information because the Advisor has established a relationship with this broker-dealer to facilitate certain additional services, which are outlined in the section "Brokerage Practices" below. For information about the factors the Advisor considers in selecting and/or recommending brokerage firms, see "Brokerage Practices" below.



### *Termination*

A client has the right to terminate the investment advisory agreement for investment advisory services without penalty within five (5) business days after entering into an investment advisory agreement. Thereafter, the investment advisory agreement will terminate upon the Advisor's receipt of the client's written notice. The Advisor may cease providing investment advisory services upon its written notice of termination of the investment advisory agreement to the client or upon the occurrence of certain events as described in the investment advisory agreement.

If an investment advisory agreement is terminated during a quarter, the Advisor does not refund the advisory fees paid.

### *2. Financial Planning*

The Advisor charges hourly or flat rate fees for its financial planning services. The hourly charge for financial planning services is a maximum of \$250 per hour and the flat rate fee ranges from \$1,500 to 1% of assets advised on. Fees are negotiated on a client-by-client basis depending on the size, complexity and nature of the client's portfolio and will be set forth in the financial planning agreement. There is no minimum asset requirement for a financial planning engagement. Upon presentation of a completed financial plan to the client, the Advisor will present an invoice reflecting the fees owed for services.

### *Termination*

A client has the right to terminate the financial planning agreement for investment advisory services without penalty within five (5) business days after entering into an agreement. Thereafter, the agreement automatically terminates, unless otherwise agreed in writing, upon delivery of the financial plan.

The client or Advisor may terminate providing investment advisory services upon written notice of termination to the client or upon the occurrence of certain events as described in the agreement. The Advisor will present the client with an invoice for any services provided up to termination.

### *3. Consulting Services*

The Advisor charges hourly or flat rate fees for its consulting services. The hourly charge for financial planning services is a maximum of \$250 per hour and the flat rate fee ranges from \$1,500 to 1% of assets advised on. Fees are negotiated on a client-by-client basis depending on the size, complexity and nature of the client's portfolio and will be set forth in the consulting agreement. There is no minimum asset requirement for a consulting services engagement. The client is required to pay at the time of consultation with the Advisor.

### *Termination*

A client has the right to terminate the consulting agreement for investment advisory services without penalty within five (5) business days after entering into an agreement. Thereafter, the agreement automatically terminates, unless otherwise agreed in writing, upon final consultation with the client.

The client or Advisor may terminate providing investment advisory services upon written notice of termination to the client or upon the occurrence of certain events as described in the agreement. The Advisor will present the client with an invoice for any services provided up to termination.

#### *4. Separately Managed Account Program Fees*

A client investing in separately managed account programs will pay an ongoing advisory fee to compensate the Advisor, as well as the third party money manager. The fee charged may be up to 2% annually. Client fees are payable quarterly in advance based on assets under management using the fee schedules set forth in the third party money manager(s)' Disclosure Brochure(s).

The client also pays custodial fees and transaction charges, depending on the custodian selected by the independent portfolio manager(s). There also are additional fees of the underlying investments, such as mutual funds or ETPs, which will result in a reduction of that product's net asset value.

Separate written disclosures provided to the client include a copy of the third party money manager's Form ADV Part 2, all relevant Brochures, a Solicitation Disclosure Statement detailing the exact fees the Advisor is paid and a copy of the third party money manager's privacy policy. The third party money managers the Advisor recommends will not directly charge a client a higher fee than they would have charged without the Advisor introducing the client to them.

Termination provisions are also set out in the third party money manager(s)' Disclosure Brochure(s).

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

#### *Performance-Based Fees*

The Advisor does not accept performance-based fees, which are fees based on a share of capital gains or appreciation of the client's assets.

#### *Side-By-Side Management*

Side-by-side management refers to the practice of managing accounts for which an advisor charges performance-based fees while at the same time managing accounts that are not charged performance-based fees.

The Advisor does not participate in side-by-side management.

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

The Advisor generally offers advisory services to individuals, high net worth individuals, retirement accounts, charitable organizations, and corporations or other businesses.

There is no minimum investment.

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

##### Methods of Analysis

The Advisor uses the following methods of security analysis:

- Charting - (analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices)
- Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
- Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)

##### Investment Strategies

The Advisor uses the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)

##### Risk of Loss

Clients are advised and should understand that:

- Investing in securities involves risk of loss that clients should be prepared to bear.
- Asset allocation does not ensure a profit or protect against a loss.
- Past performance is not a guarantee of future results.
- Market conditions, interest rates, and other investment related risks may cause losses in their portfolio.
- Risk parameters established for their portfolio are guidelines only – the selected risk parameters may be exceeded and index comparisons may outperform their portfolio.
- Portfolio values are subject to a variety of factors, such as liquidity and volatility of the securities markets.
- There may be a higher level of risk with leveraged and inverse ETPs because, to

accomplish their objectives, they may pursue a range of investment strategies through the use of swaps, futures contracts, and other derivative instruments.

- Investment risks are described in an investment's prospectus or offering documents.

## **Item 9           Disciplinary Information**

Registered investment advisors are required to disclose specific information related to certain legal or regulatory events that may be material to choosing an advisor. The Advisor and its Covered Persons have not been the subject of any material legal or disciplinary proceedings.

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

Joni L. Rametta is a Managing Member of The Leetzow Group LLC a doing business as (DBA) name and management support company.

Mark Clark is actively engaged in a business other than providing investment advisory services. Mr. Clark is the president of MT Planning Solutions, Inc. DBA name, management support company, and insurance agency. MT Planning Solutions, Inc. receives compensation for referring clients to Legacy Financial Advisors, Inc., an investment adviser that is not affiliated with the Advisor, MT Planning Solutions, Inc., or Mr. Clark. Any engagement a client enters into with Legacy Financial Advisors, Inc. for advisory or other services is not related to the Advisor, the services it provides, or the services Mr. Clark provides in connection with his affiliation with the Advisor. The potential for the receipt of referral compensation through this arrangement may give Mr. Clark an incentive to refer a client based on the compensation he receives rather than on the client's needs. The Adviser addresses this conflict by disclosing this potential conflict to clients to assure that their interests are considered. Further, Mr. Clark delivers a statement to clients that he refers disclosing the compensation he and his company will receive from the referral to assure that their interests are considered. Clients are under no obligation to engage any unaffiliated investment advisor that they are referred to.

The Advisor also conducts business as College Planning and Design, a DBA name for the Advisor's college planning activities.

### **Insurance Activities**

The Advisor and its IARs are also insurance licensed in one or more states and may recommend the purchase of insurance products. They may receive commissions for the sale of such insurance products.

In addition to offering insurance products directly, IARs may also recommend clients purchase insurance products through the Advisor's affiliate insurance agency, Insurance Planning and Design LLC ("IPD"). Mark Clark is a Managing Member of IPD, which he co-owns with an unaffiliated insurance agent. The Advisor shares office space with IPD. IPD also participates in a commission sharing arrangement with an unaffiliated insurance agency. In instances where IARs refer clients to IPD for insurance services, the IAR will share in the commissions earned

from the sale of such insurance products. Any insurance commissions an IAR earns in connection with a client's purchase of insurance products are through the Advisor or IPD are separate and in addition to any advisory fees the Advisor receives from the client for investment advisory services.

The ability to receive commissions from the sale of insurance products presents a conflict of interest, in that it gives an incentive to recommend a particular insurance product over a different insurance product or a different investment, based on the compensation received, rather than on a client's needs. The Advisor addresses these conflicts by disclosing this potential conflict to clients to assure that their interests are considered.

#### Client Referrals

The Advisor receives compensation for referring clients to other investment advisors. The potential for the receipt of referral compensation may give the Advisor an incentive to refer a client based on the compensation received, rather than on the client's needs. The Advisor addresses these conflicts by delivering a disclosure statement to clients disclosing its compensation for this potential conflict to clients to assure that their interests are considered. Clients are under no obligation to engage an investment advisor that they are referred to by the Advisor. Prior to referring or selecting investment advisors for clients, the Advisor assures that they are properly licensed or registered as investment advisors.

IARs receive compensation for referring clients to insurance agencies as set forth in "Insurance Activities" above.

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

The Advisor has adopted a Code of Ethics ("Code") pursuant to industry standards. The Code is predicated upon serving the best interest of our clients. All persons covered under the Code ("Covered Persons") must at all times reflect the professional standards expected of those engaged in the investment advisory business, and shall act within the spirit and the letter of the federal, state, and local laws and regulations pertaining to investment advisors and the general conduct of business. These standards require all personnel to be judicious, accurate, objective, and reasonable in dealing with both clients and other parties so that their personal integrity is unquestionable.

The Code is certified annually with Covered Persons of the Firm. For a copy of the Code, a written request should be sent to Wealth Planning and Design LLC, Attn: Joni Rametta, 6230 University Parkway, Suite 305, Sarasota, FL 34240.

On occasion, the Advisor may buy or sell securities that it recommends to clients or may recommend securities transactions in which the Advisor or its Covered Persons has some financial interest. This practice would create a conflict of interest if the transactions were structured to trade on the market causing an impact on recommendations made to the

Advisor's clients. The Advisor addresses this conflict by prohibiting the execution of a personal transaction in a security for which a client has a pending buy or sell order, until such client order is executed or withdrawn.

The Chief Compliance Officer reviews Covered Persons' personal transactions quarterly. The Code requires pre-approval of personal transactions in some cases. The Advisor believes that it has adopted sufficient controls so that personal transactions are consistent with advice given to clients.

## **Item 12      Brokerage Practices**

The Advisor does not provide brokerage services. The Advisor may recommend clients establish brokerage accounts with TD Ameritrade Inc., a FINRA-registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts.

Although the Advisor may recommend that clients establish accounts at TD Ameritrade Inc., it is a client's decision to custody assets with TD Ameritrade Inc. or another custodian. The client should be aware that there may be brokerage and execution services available elsewhere at lower cost. The Advisor is independently owned and operated and is not affiliated with or supervised by TD Ameritrade Inc.

Clients may utilize the broker-dealer of their choice and have no obligation to purchase or sell securities through TD Ameritrade Inc.

### **TD Ameritrade Inc.**

TD Ameritrade Inc. provides the Advisor with access to its trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis.

These services are not contingent upon the Advisor committing to TD Ameritrade Inc. any specific amount of business (assets in custody or trading commissions). TD Ameritrade Inc.'s brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments.

For the Client's accounts maintained by TD Ameritrade Inc., it generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through TD Ameritrade, Inc. or that settle into TD Ameritrade Inc. brokerage accounts.

### **Research & Other Soft Dollar Benefits**

The Advisor participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include

custody of securities, trade execution, clearance and settlement of transactions. The Advisor receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, the Advisor participates in TD Ameritrade's institutional customer program and recommends TD Ameritrade to clients for custody and brokerage services. There is no direct link between the Advisor's participation in the program and the investment advice it gives to its clients, although the Advisor receives economic benefits through its 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 the Advisor 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 the Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by the Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit the Advisor but may not benefit its client accounts. These products or services may assist the Advisor in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help the Advisor manage and further develop its business enterprise. The benefits received by the Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, the Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by the Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

#### Trust Company of America

The Advisor has a limited purpose custodial relationship with Trust Company of America (TCA) in order to service and maintain custody of the Advisor's existing client that has accounts with TCA. TCA provides the Advisor access to its trading platform and services not available to clients. TCA offers clients an asset management account for which the Advisor has a platform for placing investments in client investment portfolios.

Custody of assets and funds are maintained through an agreement between client and TCA. All transactions are cleared pursuant to the Advisor's agreement with TCA. Trades are affected by TCA through broker dealers that are not affiliated with Advisor, but may be affiliated with TCA. For clients participating in this program, the Advisor manages on a discretionary basis pursuant to the client's written authorization in the investment advisory agreement.

The Advisor does not receive any research or soft dollar benefits from Trust Company of America.

### Best Execution

In recommending broker-dealers, the Advisor considers “best execution.” Best execution means in recommending a broker-dealer, the Advisor will comply with its fiduciary duty to obtain best execution and as defined by the Securities Exchange Act of 1934 and will take into account such relevant factors as:

- (i) price;
- (ii) the broker-dealer’s facilities, reliability, and financial responsibility;
- (iii) the ability of the broker-dealer to effect transactions, particularly with regard to such aspects as timing, order size, and execution of order;
- (iv) the research and related brokerage services provided by such broker-dealer to the Advisor, notwithstanding that a client’s account may not be the direct or exclusive beneficiary of such services; and
- (v) any other factors the Advisor considers to be relevant.

### Aggregation of Orders

The Advisor does not aggregate orders. Therefore, the client may pay more or less than a client buying or selling the same security because of market fluctuations.

### Directed Brokerage

If a client directs the Advisor to use a specific firm for brokerage or custodial services, the client should be aware that there may be brokerage and execution services available elsewhere at lower cost. Clients should consider whether directing brokerage to a particular broker-dealer firm may result in certain costs or disadvantages, such as higher commissions, less favorable executions, or being limited in investment options.

If a client’s account is invested in mutual funds, these directed brokerage arrangements might limit the investment options for the Advisor’s use in managing the client’s account. The reasons for a brokerage firm to limit these options are many, such as the brokerage firm offers only its proprietary investment products or is paid a higher commission when the volume of a particular product attains a certain level. In addition, with directed brokerage arrangements, the client is responsible for negotiating the brokerage firm’s commission rates and other fees.

## **Item 13      Review of Accounts**

The Advisor’s Chief Compliance Officer reviews client account activity no less than quarterly. The level of review is determined by the complexity of the portfolio at the discretion of the Advisor’s Chief Compliance Officer. Other factors that may trigger review are changes in economic or market conditions, and individual client situations.



The custodian will deliver account statements at least quarterly that include a summary of the client's activity. In addition, written portfolio performance summaries that provide historical information regarding a client's investments are provided quarterly. Performance summaries should not be relied upon as predictive of future performance.

The custodian, broker-dealer, or other investment vendor will value the securities held in a client's portfolio. The values of some investments, such as alternative investments or private placements, are provided by the investment's manager, which may be monthly, quarterly, but not less than annually; often, these values are estimates made by the alternative investment's manager and may not be the liquidation value.

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

Any compensation that the Advisor receives from non-clients is described in "Other Financial Industry Activities and Affiliations" and "Brokerage Practices."

The Advisor's affiliated insurance agency, IPD, participates in a commission sharing arrangement with an unaffiliated insurance agency. In instances where IARs refer clients to IPD for insurance services, the IAR will share in the commissions earned from the sale of such insurance products.

The Advisor pays referral fees to and enters into solicitation arrangements with third parties ("Solicitors") to offer the Advisor's advisory services or programs. The Advisor enters into referral agreements with Solicitors pursuant to Rule 206(4)-3 of the Investment Advisers Act of 1940. The Advisor compensates the Solicitor directly if a client enters into a relationship with the Advisor. This compensation may be a one-time payment or ongoing and made up of a portion of the investment advisory fee the Advisor charges the client, which may be up to 50% of the Advisory Fee. A Solicitor will provide the client with a notice disclosing the terms of the Solicitor's arrangement with the Advisor. The Advisor assures that Solicitors are properly licensed or registered in accordance with state securities laws.

College Planning and Design offers access to ACT and SAT test preparation services and assistance in planning for future tuition expenses. In instances where the Advisor refers clients to utilize College Planning and Design services, the Advisor will earn additional fees. Costs and fees related to college planning services are in addition to any advisory fees the Advisor receives from the client for investment advisory services.

The Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by the Advisor or its related persons in and of itself creates a potential conflict of interest.

#### **Item 15          Custody**

The Advisor has custody of clients' funds to the extent that it has the ability to deduct fees from clients' accounts. Neither the Advisor nor its associated persons will accept delivery of a client's

securities or funds in the name of the Advisor or its associated person.

The Advisor is deemed to have custody when clients authorize us via standing letters of instruction to direct funds to third-parties from their custodial accounts. In connection with standing letters of instruction a client must provide signed written instruction to the custodian to direct transfers to a third party, which the client may instruct the custodian to terminate or change at any time. The Advisor has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction. The custodian will verify the instruction with an initial notice, provide the client with a transfer of funds notice promptly after each transfer, and an annual notice reconfirming the instruction. The Advisor and its affiliates may not accept funds in connection with standing letters of instruction, nor may funds be delivered to locations where the Advisor or its affiliates conduct business.

Executing broker-dealers, custodians, or other investment vendors provide account statements at least quarterly and confirmations. Account statements should be carefully reviewed. The Advisor urges clients to compare statements received from custodians with any reports the Advisor may provide. If there are any differences, please contact the Advisor immediately for resolution.

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

Clients who have entered into a discretionary investment advisory agreement with the Advisor grant the Advisor power of attorney to exercise discretion over the selection of the investments, timing of placing the trade, and amount of securities to be bought or sold. This investment authority may be subject to specified investment objectives and guidelines and/or conditions imposed by the client in writing, as described above in "Advisory Business."

Clients who do not choose a discretionary arrangement retain the responsibility for the final decision on all actions taken with respect to their portfolios and the Advisor must contact them prior to the execution of any recommended trade. This may result in a delay in executing trades, which could adversely affect the performance of a client's portfolio.

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

The Advisor does not vote proxies on behalf of client owned securities. A client maintains exclusive responsibility for: (i) directing the manner in which proxies solicited by issuers of securities they beneficially own will be voted, and (ii) making all elections relative to mergers, acquisitions, tender offers, bankruptcy proceedings or other types of events pertaining to the client's investments.

The Advisor does not render advice to or take any actions on behalf of clients with respect to any legal proceedings, including bankruptcies, and shareholder litigation, to which any securities or other investments held in client accounts, or the issuers thereof, become subject, and does not initiate or pursue legal proceedings, including without limitation shareholder

litigation, on behalf of clients with respect to transactions, securities or other investments held in client accounts. The right to take any actions with respect to legal proceedings, including shareholder litigation, with respect to transactions, securities or other investments held in a client account is expressly reserved to the client.

**Item 18            Financial Information**

The Advisor has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to its clients nor has it been the subject of a bankruptcy proceeding.