

# **Investment Advisory Services Brochure**

## **Trustee Empowerment & Protection, Inc.**

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[www.TEPI.tech](http://www.TEPI.tech)

This brochure provides clients with information about investment advisory services that have been proposed, and this brochure should be reviewed and its contents considered before any investment is made. Trustee Empowerment & Protection, Inc. is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. If you have any questions about the contents of this brochure, please contact us at 888-844-2772.

This information has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Trustee Empowerment & Protection, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

July 16, 2018

## Item 2 – Material Changes

This brochure (dated 7/11/2018) has been prepared according to the SEC's requirements and rules.

Pursuant to the amendments adopted by the SEC in July, 2010, we are required to provide you with a list of material changes that have occurred since our last issuance of this document.

There are material changes to report at this time. On June [REDACTED], 2018, CSSC Investment Advisory Services, Inc. officially changed its name and is now doing business as Trustee Empowerment & Protection, Inc.

The last filing of our brochure with the SEC was June 15, 2018.

We will further provide you with a new brochure as necessary based on changes or new information, at any time, without charge. Currently, our brochure may be requested by contacting our Compliance Team at 888-844-2772 or [ComplianceTeam@CSSC.com](mailto:ComplianceTeam@CSSC.com).

Additional information about Trustee Empowerment & Protection, Inc. is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Trustee Empowerment & Protection, Inc. who are registered, or are required to be registered, as investment adviser representatives of Trustee Empowerment & Protection, Inc.

### Item 3 – Table of Contents

Item 1 – Cover Page.....	1
Item 2 – Material Changes.....	2
Item 3 – Table of Contents.....	3
Item 4 – Advisory Business.....	4
Item 5 – Fees and Compensation.....	7
Item 6 – Types of Clients.....	11
Item 7 – Methods of Analysis, Investment Strategies and Risk of Loss.....	12
Item 8 – Disciplinary Information.....	12
Item 9 – Other Financial Industry Activities and Affiliations.....	12
Item 10 – Code of Ethics / Client Information / Privacy / Security .....	13
Item 11 – Brokerage and Other Services .....	15
Item 12 – Review of Accounts.....	15
Item 13 – Client Referrals and Other Compensation.....	16
Item 14 – Custody.....	16
Item 15 – Discretion.....	16
Item 16 – Proxy Voting.....	16
Item 17 – Financial Information.....	17

## Item 4 – Advisory Business

Trustee Empowerment & Protection, Inc. (“TEPI”) is a wholly owned subsidiary of CSSC Services and Solutions, Inc., which is a wholly owned subsidiary of Consulting Services Support Corporation (“CSSC”). We were incorporated on January 21, 1998, under Michigan Law, and became registered with the SEC in February of 2002.

TEPI is introducing a new and innovative investment consulting model and methodology which enables retirement plan trustees and fiduciaries of institutional investment accounts to optimize investment manager selection and performance monitoring in a way never before possible, through a unique and patented investment advisory process developed licensed from Decision Technologies Corporation.

As of December 31, 2017, we had \$192,335,000 in assets under management (\$174,099,000 in non-discretionary and \$18,236,000 in discretionary), principally consisting of individual investment advisory accounts to which we offered Individual Financial Consultations, a Professional Money Manager Evaluation Program, and an Open Architecture Group Retirement Program. We are now in the process of discontinuing to provide such services to individual investment advisory clients, and expect the above stated amounts under management for such clients to decrease to zero, as investment advisory engagements with individual investors are terminated.

We are now transitioning to an exclusive focus on, and are now engaged in, advising retirement and benefit plans and trusts, including without limitation: public plans, Taft-Hartley plans, 401(k) plans, 403(b) plans, health and welfare plans, and their trustees and other fiduciaries, as well as the trustees and fiduciaries of other institutional investment accounts, as a primary investment consultant and as a reviewing consultant. The approximate current value of the assets under advisement in such roles totals \$2.1 billion.

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<sup>1</sup> The term “professional money manager” refers specifically to either mutual fund money managers (both load and no-load), exchange traded funds (ETF), or private or separate account money managers (sometimes referred to as “SMAs”. The word “all” is intended to refer to those money managers, both mutual fund and separate account money managers, that make performance information available to

Investment Advisory Review and Consultation - In the event of a request for an investment advisory review or consultation, there will either be a fixed-fee or an hourly fee charged for the agreed-upon work. Fee amounts, or rates, are based on the complexity of the work being performed, the estimated amount of time involved, the value provided to by the review or consultation, and other relevant factors. Fees may be waived in certain conditions. Clients who are political corporations or political sub-divisions may qualify for on-going asset management through the PC/PS Program, which is exclusively available to and tailored for this type of client. More information about this program may be found in our PC/PS advisory services agreement.

Ongoing Investment Advice and Manager-of-Managers Oversight / Management – In this Program we will provide an analysis and ongoing oversight of investments that help clients select and maintain both an appropriate asset allocation and corresponding professional money managers (i.e. appropriate money management teams) from all available professional money managers,<sup>1</sup> determined to be qualified representatives of the universe of managers investing within particular asset class categories comprising their investment portfolios.

We monitor and review the client’s asset allocation quarterly for any imbalances. Each quarter we also monitor, review, and comparatively evaluate the investment performance of each of the client’s selected professional money managers.

This Program is best suited for those clients that want full initial and ongoing investment advice, including quarterly reviews, to help identify those professional money managers whose historic performance most closely matches the composite investment performance such clients wish to experience; from out of the more than 17,000 mutual funds, exchange traded funds (ETF), and more than 4,000

national reporting services. The word “available” means those professional money managers with regard to the services of which clients may be able access. To the greatest extent practically possible, we seek to provide truly universal, unbiased comparative performance evaluations of all available, non-proprietary investment managers.

privately/separately managed accounts<sup>2</sup> available in the marketplace today.

For this service there will either be an asset-based advisory fee or a fixed-fee. Asset-based advisory fees will be set according to the fee schedule set out on page [REDACTED], which may be varied and/or individually negotiated, at our discretion. Fixed fee amounts are based on the complexity of the work being performed, the estimated amount of time involved, the value provided by the engagement, and other relevant factors. Fees may be waived in certain circumstances.

#### Reviewing Consultant / Consulting Engagements –

In this Program we will provide retirement plans, institutional investment accounts, and/or their trustees and other fiduciaries, with an ongoing review and analysis of their investment-related decision-making and the advice they are receiving from other investment consultants and advisors. One of the principal goals of this Program is to help better protect clients from claims of fiduciary imprudence in their investment-related decision-making, by providing them with a “second opinion” with regard to such decisions.

In this Program, there is special emphasis on helping clients in the selection and ongoing performance monitoring of professional money managers (i.e. appropriate money management teams) from all available professional money managers,<sup>3</sup> determined to be qualified representatives of the universe of managers investing within particular asset class categories comprising their investment portfolios.

We periodically (quarterly or annually) monitor, review, and comparatively evaluate the investment performance of such of the client’s selected professional money managers as shall be designate by agreement with the client. At present, such services are not offered with regard to client investments in hedge funds, private equity, and other “alternatives.”

This Program is best suited for those clients that wish to retain their existing investment consulting and advisory relationship(s), but want to ensure that their reliance on their advice is reasonably justified – that wish to have an additional advisory review and

“second opinion” regarding such advice and their investment-related decisions.

For this service there will either be a negotiated fixed-fee, which takes into account the complexity of the work being performed, the estimated amount of time involved, the value provided by the engagement, and other relevant factors. Fees may be waived in certain circumstances.

#### The Open Architecture Group Retirement Program -

We designed this program to assist trustees of group retirement plans in meeting their fiduciary responsibilities by helping them to identify and comparatively evaluate mutual fund and ETF money managers qualified for inclusion within group retirement plans. Trustees will receive an initial analysis that may contain, if applicable, a study of suggested model portfolios representing a wide spectrum of risk tolerances (from conservative to aggressive), as well as a comparative analysis of money managers that would appear to be appropriate candidates for inclusion within the various asset classes within each of the model portfolios within the group retirement plan.

Once the client has selected the investments, each manager’s performance is then reviewed and comparatively evaluated quarterly, the results of which are provided to the client in a quarterly review that is designed to assist the client in meeting its ongoing fiduciary responsibilities regarding the monitoring of investment results and manager performance.

Upon approval, private / separate account money managers, individual securities (e.g. individual stocks, bonds, etc.) or other types of investments (e.g. annuities) may be included in this program to fulfill the client’s specifically stated needs and investment preferences. We do not accept or maintain custody of the plan’s investments, cash, or securities.

**TEPI’s Advisory Programs do not include third party administration (TPA) services, custody/trust services, and other services that its clients may need, which are separate from the investment advisory services provided by us. And, regarding each of the Programs / advisory services**

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<sup>2</sup> In this context, “accounts” refers to composite portfolio performance reported by professional money managers for the various clients that they serve.

<sup>3</sup> See footnote 1, above.

described above, the content of any documents prepared for you by TEPI should not be construed as legal or tax advice. Clients are advised to always consult an attorney or tax professional regarding their specific legal or tax situation.

## **Effective Date and Amendment of Advisory Agreements**

### **Effective Date<sup>4</sup> of the Advisory Agreement**

Advisory Agreements may provide for an Effective Date different from the date of execution.<sup>5</sup>

### **Changes to Your Advisory Services Agreement**

We reserve the right to alter and/or amend any portion of the provisions or terms and conditions of our Advisory Agreement upon at least a thirty (30) day prior written notice, during which time you may terminate the Advisory Agreement by providing us with written notice of termination. If no notice of termination is given, the amended Advisory Agreement will become effective as of the effective date specified in the notice (unless otherwise noted), and the newly revised Advisory Agreement shall thereafter supersede any prior Advisory Services Agreement.

## **Quarterly Reviews**

For those advisory services engagements / Programs in which quarterly reviews are to be provided to the client, if the client's Advisory Agreement is not effective prior to the last month of the calendar year quarter,<sup>6</sup> then we will not provide a quarterly review for that calendar quarter.

### **Form and Content of Quarterly Reviews**

The content and format of quarterly reviews may vary from client to client. We provide reports and information based upon the specific circumstances and needs of the client, and upon the performance

reporting protocols from time to time adopted by us. Upon agreement with the client, the quarterly review may be sent in purely digital form.

### **Timing of Quarterly Reviews**

In general and unless otherwise agreed, clients will receive their quarterly reviews within a reasonable period of time, typically not exceeding 31 days, following the end of each calendar quarter.<sup>7</sup> In the event that you do not receive the quarterly review in a timely manner, you may directly contact us and request a copy.

## **Termination of Advisory Services Engagements**

### **Mutual Rights to Terminate.**

Unless otherwise provided in the client's Advisory Agreement, TEPI and the client may each terminate the Advisory Agreement by informing the other of the desire to do so in writing, at least 30 days prior to the effective termination date.

### **Automatic Termination of Asset-Based Advisory Fee Engagements Due to Reductions Below Minimum Size**

Unless otherwise agreed, if a client's assets under advisement fall below the minimum size of \$250,000 at the end of any quarter<sup>8</sup>, for any reason other than market fluctuations or deduction of the investment advisory fee (such as a reduction below the minimum size as a result of withdrawals that the client has made), then the Advisory Agreement will be terminated as of the end of that quarter and no further investment advisory services will be provided. In order to re-qualify for advisory services within that Program, the account will have to once again meet the minimum size requirement of \$250,000, and a new Advisory Agreement will have to then be entered into.

<sup>4</sup> The term "Effective Date" shall mean the date upon which the Parties intend for the Agreement to be enforceable in all respects.

<sup>5</sup> A facsimile or scanned copy of the Advisory Services Agreement may be accepted by Trustee Empowerment & Protection, Inc. at its sole discretion.

<sup>6</sup> January 1<sup>st</sup> – March 31<sup>st</sup> / April 1<sup>st</sup> – June 30<sup>th</sup> / July 1<sup>st</sup> – September 30<sup>th</sup> / October 1<sup>st</sup> – December 31<sup>st</sup>.

<sup>7</sup> Although not anticipated, it is possible that the delivery of the quarterly review may be delayed longer than thirty-one (31) days after the end of a calendar quarter due to circumstances outside of our control.

<sup>8</sup> This does not include new clients in the process of transferring assets into this Program, where the total amount of assets being transferred will exceed the minimum account size requirement.

### **Effect of Termination on Quarterly Reviews**

Unless otherwise agreed, clients will not be provided with a quarterly review for the quarter in which the client's Advisory Agreement with TEPI is terminated.

### **Effect of Termination on Calculation and Payment of Advisory Fees.**

Upon the termination of the client's advisory services engagement, the investment advisory fee therefore (unless pre-paid) will become due and payable, based upon a pro-rata calculation of the number of days that the client received our advisory services, for which the client had not yet paid (i.e. from the date of termination back to the last date with regard to which fees were paid for services rendered).

### **Confidential & Proprietary Information**

Client's acknowledge and agree that the investment advice provided by TEPI, both written and oral, constitutes confidential and proprietary information; and that such information has been produced by and/or has resulted from processes that are patented and/or may constitute proprietary trade secrets of TEPI or Decision Technologies Corporation. Clients also acknowledge that such information is designed and intended to be utilized only for the client's accounts that are being advised by TEPI under the terms of an Advisory Agreement between the client and TEPI – not for any other entities or accounts. Accordingly, clients agree that they will preserve the confidentiality of such information and not communicate or distribute the same, in any form or manner, without the prior written authorization of TEPI. Moreover, clients understand and agree to provide to TEPI, promptly upon its such information as will permit us to verify the client's compliance with these provisions / requirements.

## **Item 5 – Fees and Compensation**

### **Fixed Fee and Hourly Fee Pricing**

Flat fee and hourly fee pricing are available for all TEPI Programs, at the sole discretion of TEPI, and are the only pricing options available for Investment Advisory Review and Consultation and its Reviewing Consultant / Consulting engagements.

For its Ongoing Investment Advice and Manager-of-Managers Oversight / Management Program and its Open Architecture Group Retirement Program there are two pricing options: a Fixed Fee pricing option and an Asset-Based Advisory Fee option, which is available to all clients with accounts of not less than \$250,000.

### **Asset-Based Advisory Fee Pricing**

The calculation of the Asset-Based Advisory Fee option is based upon the total ending balance of the client investment accounts for which investment advisory services are being provided, and is deducted from your designated account. It will be computed and billed, and it can be arranged to be deducted from the client's account, at the end of each quarter.

The advisory fees can be negotiated in some circumstances, but any discount is at the sole discretion of TEPI.

### **Compensation of the Investment Advisory Professional**

Under of our investment advisory Programs / engagements, the TEPI employed or affiliated Investment Advisory Professional advising / servicing the client in any of the above described Programs / investment advisory services engagements, will receive either a salary and/or a percentage of the advisory fee charged to the client. The amount of compensation may, in some instances, be more than the amount the Investment Advisor would receive if you participated in other TEPI programs.

We may also enter into licensing and other teaming arrangements with other registered investment advisors and firms to make TEPI's unique investment advisory Programs available to their clients. In the event we do, investment advisory fees will be shared with such investment advisors / firms, and may be set by them at rates they determine, with our agreement.

We may also, in our sole discretion, reduce and/or waive the advisory fee and/or account size for TEPI or its parent company (CSSC Services and Solutions, Inc.) and its parent and sister companies.



## Asset-Based Advisory Fee Schedule

Clients qualifying for the Asset-Based Advisory Fee option will have their advisory fee calculated in the manner described below, based upon incremental rates that are charged to each tier of assets, and applied to all assets within the client's account(s) being advised within the applicable Program. The advisory fee is assessed at the end of each calendar quarter,<sup>9</sup> in an amount equal to ¼ of the annual Asset-Based Advisory Fee. The schedule below shows the Annual Incremental Rate that applies to each tier of assets.

Once the dollar value of the client's account(s) being advised within the applicable Program has been determined, **(1) reference the schedule below to identify the applicable "Dollar Value of Assets" tier**, and then **(2) use the corresponding "Annual Fee Calculation" portion of the schedule to calculate the annual fee.**

For example, the annual fee for a portfolio that has a total dollar value of \$550,000 is calculated in the following way:

Given that the value of the portfolio exceeds \$500,000 but has less than \$1,000,000, the annual fee for this portfolio will be "\$8,250 + 1.00% of the amount over \$500,000." The application of this formula is shown below:

$$\$8,250 + (1\% * (\$550,000 - \$500,000)) =$$

$$\$8,250 + (1\% * \$50,000) =$$

$$\$8,250 + \$500 = \$8,750.$$

Dollar Value of Assets	Annual Incremental Rate	Annual Fee Calculation
250,000* - 500,000	1.25%	\$5,125 + 1.250% of the amount over \$250,000
500,001 - 1,000,000	1.00%	\$8,250 + 1.000% of the amount over \$500,000
1,000,001 - 2,500,000	0.75%	\$13,250 + 0.750% of the amount over \$1,000,000
2,500,001 - 5,000,000	0.60%	\$24,500 + 0.600% of the amount over \$2,500,000
5,000,001 - 10,000,000	0.50%	\$39,500 + 0.500% of the amount over \$5,000,000
10,000,001 - 25,000,000	0.375%	\$64,500 + 0.375% of the amount over \$10,000,000
25,000,001 - 50,000,000	0.150%	\$120,750 + 0.150% of the amount over \$25,000,000
50,000,001 - 100,000,000	0.075%	\$158,250 + 0.075% of the amount over \$50,000,000
100,000,001 - 250,000,000	0.050%	\$195,750 + 0.050% of the amount over \$100,000,000
250,000,001 - 500,000,000	0.030%	\$270,750 + 0.030% of the amount over \$250,000,000
500,000,001 - +	Negotiable	Negotiable

\* If the total asset value of the client's advised account(s) falls below \$250,000, we will charge the client a minimum annual advisory fee of \$5,000.00 (assessed quarterly);

The Asset-Based Advisory Fee will be paid in quarterly installments, which will be due and payable on the first business day of each quarter based upon the asset value of the account(s) as of the last business day of the prior quarter. Additional deposits to the account are subject to the then current investment advisory fee charged at the end of the quarter within which the additional deposits are made.

<sup>9</sup> This excludes any "partial quarter" wherein the investment advisory fee is prorated based upon the amount of time the client has been in the Program.



## **Crediting of Commissions / Fees**

**Effective April 1, 2018, Trustee Empowerment & Protection, Inc. discontinued the Crediting of Commissions feature in certain of its investment advisory Programs then in effect.**

**Effective on April 1, 2018, any commissions generated in the purchase or sale of a security included within the advisory program will not be applied as a credit towards a client's advisory fee. The commission credits that a client may already have will continue to be available to use towards that client's advisory fee, as long as the client's account remains with TEPI. There can, however, be no payment to the client of the amount of any unearned commission credits, as the same is regulatorily prohibited. As a consequence, the amount any unearned commission credits will be forfeited upon the termination of investment advisory services by TEPI or the client.**

For clients that have remaining commission credits on April 1, 2018 the following information will still apply. Commissions received by our affiliated broker/dealer, CSSC Brokerage Services, Inc., which is closing, are applied as a credit against advisory fees due, and such amounts that are so applied are referred to as a "commission credit". This non-refundable credit will apply to the portion of the annual advisory fee due for the quarter within which the commission is received. Any unused portion of such credit will be applied as a credit against future quarterly installments of the annual advisory fee, as the same become due, until the entire amount of such "commission credit" is exhausted. No unused portion of any such commission credit will be refundable. Any commissions generated prior to the Effective Date of the Advisory Agreement will not be credited towards the Asset-Based Advisory Fee. Commission credits are fully-transferable when switching between any applicable pricing options.

## **Nature of Fees**

Clients should be aware that by utilizing any of our programs the client may incur other fees from third parties such as retirement plan administration fees, custodians, clearinghouse transactions and service charges, deferred sales charges on mutual funds, and 12b-1 fees and other mutual fund expenses.

Trustee Empowerment & Protection, Inc. has no contractual relationship with any brokerage firm or custodian that would require clients to use the services of any such entity, and clients shall remain free to select any brokerage and/or clearing firm through which to buy, sell, and hold securities within their accounts. It is, however, understood that the services provided by TEPI may depend on information from such entities, access to which may need to be made available to TEPI in such forms and at such times as TEPI may reasonably require. Clients therefore agree to take such action as may be necessary to ensure that the information needed by TEPI is provided in the manner and within the time frames necessary to enable it to perform its services to the client.

## **Use of Back-End & Level-Loaded Mutual Funds**

The purchase of back-end loaded and level-loaded mutual fund share types will only be permitted if an acceptable rationale can be provided to us. Back-end mutual fund share types (commonly referred to as "B shares") and level-loaded share types (often referred to as "C shares") rarely result in an overall lower expense ratio for clients than other share types and are, therefore, rarely considered by us to be in our clients' best interests.

## **Account Maintenance / Transaction Charges**

In addition to the investment advisory fees that you will pay to us, clients will be charged transaction charges pursuant to whatever broker/dealer and clearinghouse arrangements they may make for the servicing of their investment accounts. TEPI has no control over such agreements, and will not receive any portion of the fees and charges paid to any such entities by the client.

## **Deduction of Investment Advisory Fee**

Clients may arrange to have their investment advisory fees automatically deducted from a designated investment or other account. To arrange this, the client will designate an "advisory fee deduction account," from which the advisory fee will be deducted. We recommend using a taxable account if the client has multiple account types that will be included in one quarterly review.

Thereafter, if a client wishes to change the advisory fee deduction account, the request must be made in writing, prior to the end of the calendar quarter. We reserve the right to approve or disapprove any such request.

The quarterly fee will be deducted directly from the designated account unless the custodial arrangement selected does not permit direct debiting of advisory fees, in which case an invoice for payment will be sent to client.

In the event the advisory fee deduction account does not have sufficient cash position(s) to cover the quarterly fee, we will directly bill the client for the amount of the then due advisory fee. In such event, an additional fee of \$100 may be assessed to help defray the administrative time and costs to range to do so.

If a client authorizes any transaction(s) in any account(s) not included in the Program, which appear to be based on information obtained from the client's use of investment advice and/or information provided by us for another of the client's accounts, then the client agrees that we may automatically include any such investment(s), which we believe were derived from, or influenced by, our analyses, in and adjust our investment advisory fees accordingly. In such event, the applicable investment advisory fee will be due and payable immediately and assessed upon the amount of time elapsed since the transaction(s) took place. Thereafter, any such investments, and the account(s) holding such investments (if we determine the same to be appropriate), will be included in the applicable program from which the advice and/or information was obtained and will automatically subject to all other provisions of the program.

#### Direct Billing of Investment Advisory Fee

Absent a client's request for the automatic payment of advisory fees from a designated account, we will directly bill the client for the amount of the advisory fees. The invoice will be due upon receipt. If, for any reason, the invoice is not paid by the client, within fifteen (15) calendar days from the due date, a late charge of one (1%) percent per month for every month (or portion of a month) that payment is delayed.

#### **Adjustments to the Investment Advisory Fee**

In the event of an error, we reserve the right to adjust your investment advisory fee. We will notify you of any such correction within a reasonable timeframe and provide an explanation of the adjustment.

#### **Adjustments to the Security Prices Received from Custodian / Effect on Asset-Based Fees**

We rely upon security price files obtained from the client's custodian for the purposes of calculating asset-based advisory fees due and for purposes of evaluating and reporting performance. In the event, we discover discrepancies in security prices between qualified custodians, outside third-party pricing services may be utilized to determine the most accurate price as may reasonably be possible. This may cause a difference in value reported on brokerage statements compared to values reported by us. In the event of such a discrepancy by either a reporting company (such as a publicly traded company or mutual fund company), we reserve the right to adjust the client's investment advisory fee.

#### **Changes to Advisory Fees**

We may change the advisory fee charged to a client upon thirty (30) days written notice to the client, during which time the client may terminate the Advisory Services Agreement by providing us with a written notice of termination. If no notice of termination is given, the new advisory fee will become effective as of the effective date specified in the notice of the fee change (unless otherwise noted). Additionally, if, for any reason, an advisory fee is changed mid-quarter, the fee will be calculated based upon the number of days each fee rate was effective during such time period.

#### **Aggregating Accounts In Order to Obtain a Decreased Investment Advisory Fee**

Unless otherwise agreed by us, accounts will not be aggregated for the purpose of obtaining a lower fee unless there is a compelling and obvious rationale for doing so and the accounts can reasonably and logically be combined into one quarterly review.

Although not meant to be a complete list, aggregation of accounts will typically not be approved if there is a difference in any of the following:

- 1) Plan sponsors,
- 2) Goals, objectives, and risk tolerance,
- 3) Custodians, and/or:
- 4) Accounts presenting a potential conflict of interest.

We must agree to the aggregation of each account and specifically reserve the right to decline requests to combine accounts.

### **Death of Client / Termination of the Existence of a Non-Natural Client Entity**

Although TEPI is not planning on continuing to provide investment advisory services to natural persons, exceptions may be made, especially for those with institutional sized accounts and similar needs. If we do so, then, upon notice of the death of such a client, the client's assets will be frozen and the Advisory Services Agreement will be immediately terminated. The client's fee will be prorated to the date of the client's death and deducted from the client's account. If the estate of the deceased, or the beneficiary of the assets, should wish to continue with the investment program, a new Advisory Services Agreement must be established. If the deceased had any existing commission credits, they will not be carried over to any new Advisory Services Agreement.

In the event of the dissolution of a corporate, trust, or other non-natural entity client (e.g. termination of a trust, dissolution of a profit sharing plan), we will address each such situation on a case-by-case basis.

### **The Open Architecture Group Retirement Program**

#### **Start-Up and Small Group Retirement Plans**

A plan desiring to use the Open Architecture Group Retirement Program should have anticipated plan assets of at least \$250,000. The minimum annual advisory fee for group retirement plans under \$250,000 in size is \$5,000 per year, assessed directly to the plan sponsor, and payable quarterly. Once the plan's assets reach \$250,000, the plan will begin paying the advisory fee pursuant to the asset-based fee schedule, and the plan sponsor can either elect to

continue to be billed directly or deducted pro-rata from plan participants' account(s).

#### **Direct Billing of Annual Advisory Fee**

In the event the plan sponsor wishes to pay the Asset-Based Advisory Fee on behalf of plan participants, we will bill the plan sponsor directly.

#### **Custodian Fees**

Fees assessed by the custodian are separate from those charged by us. Custodian fees will vary depending on, but not limited to, the custodian utilized, the scope of services requested, and size of the plan.

#### **Third Party Administrator (TPA) Fees**

Fees assessed by the TPA are separate from those charged by us. TPA fees will vary depending on, but not limited to, the TPA utilized, the scope of services requested and performed, and size of the Plan.

### **Fixed Fees for Advisory Review / Consulting Services**

Fees for Investment Advisory Review and Consultation and its Reviewing Consultant / Consulting engagements will be disclosed, and/or negotiated with the client, prior to the commencement of any work. Any agreed upon fee will not be binding upon us until such time as we accept the terms of the agreement reached, as evidenced by a properly signed and completed Advisory Agreement.

Such fees may be billed in arrears, or in advance of the services to be performed provided, however, that such billings (for future services) shall not exceed a period of six (6) calendar months.

Upon written notification from you requesting a termination of the Advisory Agreement, you shall be entitled to a refund of fees for that portion of the work (if any) that has been prepaid but has not yet been performed. Any out of pocket expenses incurred by us will be your responsibility, and shall be immediately due and payable upon notice to you.

### **Item 6 – Types of Clients**

Our Programs are designed to serve a diverse range of clients with various goals and objectives. We

provide investment advice principally to all types of retirement plans, but also to businesses, banks, trusts, estates, non-profit organizations, other institutional investors, as well as individuals, each with accounts of not less than \$250,000.

## **Item 7 – Methods of Analysis, Investment Strategies and Risk of Loss**

### **Advisory Engagement Limitations**

Our advisory services primarily involve the comparative evaluation of the performance of mutual funds and private / separate account managers. Other types of investments (e.g., hedge funds, private equity, annuities, real estate, and others), may be included in clients' investment accounts in order to fulfill specific portions of their stated investment preferences and/or intended asset allocation. However, such investments are not analyzed or comparatively evaluated in the same way as the mutual fund and private / separate money managers are comparatively evaluated within our advisory Programs. Investing involves risk of loss that clients should be prepared to bear.

### **Types of Investments and Investment Strategies Used**

In addition to mutual funds and private / separate account managers, TEPI's Investment Advisory Professionals may offer advice on a wide range of investments, including, but not limited to equity securities, warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities, United States Government securities, options, and interests in partnerships investing in real estate, oil and gas interests, and financial assets. This may also include advice regarding the use of various investment strategies, based on what appears to be most appropriate to meet the client's needs, goals, investment preferences, and tolerance of risk, including, but not limited to, long and short-term purchases, trading, short sales, margin transactions, and option writing.

### **Investment Analyses and Techniques**

When providing investment advisory services to the client, we may use many different types and methods

of analysis, including, but not limited to: charting, fundamental, technical, and cyclical analysis, in addition to the methodologies and patented decision-assistance technology that we license from Decision Technologies Corporation. When performing such analyses, we may also use information derived from third-party sources including, but not limited to: financial publications, third party rating and analyses services, company press releases, prospectuses, annual reports, and other public filings made with the United States Securities and Exchange Commission.

## **Item 8 – Disciplinary Information**

We are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. A company affiliated with TEPI, CSSC Brokerage Services, Inc. and Mr. Eric S. Smith, have been named in a complaint by the self-regulatory organization, FINRA. The complaint alleges violations of NASD Rule 1031 and 1021, FINRA Rule 2010, 2020, 2210(D)(1)(A-B), SEC Exchange Act Rule 10B-5 and SEC Section 17(A)(2)-(3). It is alleged that the broker-dealer was involved with a bridge loan offering being conducted by its parent company. The allegations include alleged misrepresentations and alleged failure to disclose material information, along with an alleged failure by CSSC Brokerage Services, Inc. to register the CEO of the parent company as a representative of the broker-dealer. Mr. Eric S. Smith is also the President of TEPI, which has not been named and is not involved in the action.

TEPI had no involvement in the bridge loan offering at issue. The broker-dealer and Mr. Eric S. Smith have filed a response denying and contesting all allegations in the complaint.

For more information about this event you may contact TEPI at (888) 844-2772, and /or refer to FINRA BrokerCheck at [www.finra.org](http://www.finra.org).

## **Item 9 – Other Financial Industry Activities and Affiliations**

### **Other Business Activities**

Our principal business is providing investment advisory services. However, our executive officers and investment advisory professionals may also



perform duties that involve providing services other than, or in addition to, investment advisory services.

TEPI is a wholly owned subsidiary of CSSC Services and Solutions, Inc. a wholly owned subsidiary of Consulting Services Support Corporation ("CSSC"). Some Investment Advisory Professionals of TEPI are currently also Registered Representatives of CSSC Brokerage Services, Inc., a registered general securities broker/dealer, member FINRA & SIPC. CSSC Brokerage Services, Inc. is also a wholly-owned subsidiary of CSSC Services and Solutions, Inc. and is a sister company of TEPI. CSSC Brokerage Services, Inc. is in the process of being closed. Investment Advisory Professionals of TEPI may also be licensed to assist clients in the evaluation and procurement of insurance products and may receive insurance compensation in the form of commissions or fees if the client utilizes such services. Insurance implementation may be provided by CSSC Insurance Services, Inc., a subsidiary of CSSC Services and Solutions, Inc. and a sister company of TEPI.

#### **Item 10 – Code of Ethics / Client Information / Privacy / Security**

In accordance with SEC Rule 204A-1 under the Advisers Act, we have adopted a written Code of Ethics. Our firm's Code of Ethics requires adherence to rigorously high standards of business conduct and compliance with federal securities laws. This Code of Ethics is based on the principle that all Investment Advisory Professionals, and certain other persons, have a fiduciary duty to place the interests of our clients ahead of their own. This Code of Ethics applies to all of our Investment Advisory Professionals. Our Investment Advisory Professionals must avoid activities, interests, and relationships that might interfere with making decisions that are in the best interests of investment advisory clients. When potential conflicts of interest may exist, it is the responsibility of the Investment Advisory Professional to inform you that a potential conflict of interest exists. Unless otherwise consented to by you, Investment Advisory Professionals are prohibited from revealing information relating to the investment intentions, activities, or portfolios of investment advisory clients except to persons whose responsibilities require knowledge of such information.

A complete copy of our Code of Ethics is available upon written request. You may request a copy by directing your request to our Chief Compliance Officer, Eric Smith, at 755 W. Big Beaver Rd. Suite 2000 Troy, MI 48084.

#### **Client Information**

The client information that may be communicated to the clearing house, any brokerage firm used (including CSSC Brokerage Services, Inc.), and/or any money manager employed is detailed in the data gathering and new account form (when utilizing mutual fund money managers) and in the investment policy statement (when utilizing private money managers). Some of the information contained in these documents may include name(s), birth dates, investment goals, investment time horizon, risk tolerance, and various companies or industries in which you may not wish to invest (i.e. tobacco companies), etc.

In the event your overall investment goals and/or risk tolerance change and result in a new Investment Policy Statement, we will provide to the private money manager an updated Investment Policy Statement. There is no set time period for when, or how often, this will occur. Decisions regarding whether or not to provide additional information to the private money manager will typically be made by you and your Investment Advisory Professional during the process of reviewing your quarterly review, or at such other times as contact is initiated by you in order to inform your Investment Advisory Professional that your circumstances, investment goals, and/or risk tolerance have changed.

#### **Client Information**

The client information that may be communicated to the clearing house, any brokerage firm used, and/or any money manager employed is detailed in the data gathering forms we may use and in the investment policy statements, brokerage statements, and quarterly investment reviews provided to us by clients. Some of the information contained in these documents may include name(s), birth dates, investment goals, investment time horizon, risk tolerance, and various companies or industries in which clients may not wish to invest (i.e. tobacco companies), etc.

In the event a client's overall investment goals and/or risk tolerance change and result in a new Investment Policy Statement, we will provide to the private money manager an updated Investment Policy Statement. There is no set time period for when, or how often, this will occur. Decisions regarding whether or not to provide additional information to the private money manager will typically be made by you and your Investment Advisory Professional during the process of reviewing your quarterly review, or at such other times as contact is initiated by you in order to inform us that your circumstances, investment goals, and/or risk tolerance have changed.

We have a Privacy Policy Statement to ensure the protection of client information (see Privacy Policy Statement below).

### **Privacy Policy**

Preserving our clients' trust, confidence, and privacy, is of paramount importance in the services that we perform. That is why we want you to know how we protect client privacy when we collect and use client information, and the steps that we take to safeguard that information. This notice is provided to you on behalf of TEPI's Investment Advisory Professional.

#### The Information We Collect

When we render our investment advisory / consulting services, we will collect such client information that we determine to be necessary to perform the requested services. We may obtain this information from a wide variety of sources, including, principally, the information the client provides to us directly. This information will typically include (without limitation) information regarding the client's assets, liabilities, and investment needs, goals, and preferences, along with details concerning the client's investment holdings and prior investment performance. In the case of individual investors, then information may also include the client's net worth; income; age; activities; and certain medical information.

#### What We Use This Information For

We use this information to design and implement the financial services solutions and perform the other services for which we are engaged. We may

(although we are not obligated to do so) also use the information to diagnose a client's need for additional financial services beyond the scope of the engagement for which such information was gathered.

#### To Whom Do We Disclose This Information

We will provide this personal information to the consulting and financial services firms that help us provide you with the services and solutions that you have requested. We do not sell the personal information of our clients to third party providers of goods and/or services. We will not provide this information about you to third party sellers of goods and/or services except as needed to perform the financial services and implement the financial services solutions that you have asked us to perform for you.

#### Our Security Policy

We maintain physical, electronic, and procedural security measures that comply with applicable state and federal regulations to safeguard the confidentiality of your personal information. Authorized access to your personal information is provided only to those who require it to design and implement the financial services solutions that you have asked us to perform, to service your account(s), or to those who otherwise may need it to review and/or supervise such work.

#### Changes in Our Privacy Policy

If we make any substantive changes in the way we use or disclose your personal information, we will notify you.

### **Anti-Money Laundering**

We have designated John Reynolds, as our AML (i.e., Anti-Money Laundering) Compliance Officer. We ensure that all clients' identities have been verified before investment advisory services are provided. We will not provide investment advisory services to, or on behalf of, any person or entity whose name appears on the List of Specifically Designated Nationals and Blocked Persons maintained by the U.S. Office of Foreign Assets Control, from any Foreign Shell Bank,

or from any other prohibited persons or entities as may be mandated by applicable law or regulation.

### **Business Continuity Plan**

We have in place a continuity plan designed to enable us to quickly recover and resume business operations after a significant business disruption, as well as to facilitate the safeguarding of our employees and property, making financial and operational assessments, protecting the firm's books and records, and allowing our clients to transact business with and through us. In short, our business continuity plan is designed to permit our firm to resume operations as quickly as possible, given the scope, severity, and significance of the business disruption.

Our business continuity plan addresses: data backup and recovery; all mission critical systems; financial and operational assessments; alternative communications with clients, employees, and regulators; alternate physical location of employees; critical supplier, contractor, bank and counter-party impact; regulatory reporting; and assuring to the extent that our services include it that clients can obtain access to their funds and securities if we are unable to continue our business. In this latter case, our ability to help clients access their funds and securities, may be affected by the service capabilities of our clients' other services providers.

For example, for clients utilizing the custodial services of Pershing LLC, Pershing has informed us that they back up client records in a geographically separate area. While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, we have been advised by Pershing that its objective is to restore its own operations and be able to complete existing transactions and accept new transactions and payments within four (4) hours. Client orders and requests for funds and securities could, however, be delayed during this period.

### **Item 11 – Brokerage and Other Services**

With the closure of CSSC Brokerage Services, Inc., TEPI will soon no longer be affiliated with it or any other brokerage firm, and clients will be free to select whichever brokerage and clearing firm relationships they determine to be best.

Investment Advisory Professionals of TEPI may also be licensed to provide clients with assistance in the evaluation and procurement of insurance products and may receive compensation in the form of commissions or fees if clients utilize such services.

The value of products and research that may be received by us from broker/dealers is not a factor considered in selecting broker/dealers or clearing firms or in seeking best execution. Best execution is not necessarily measured by the circumstances surrounding a single transaction but may be sought over time across multiple transactions. Some factors to consider in an evaluation of whether "best execution" is being provided is whether the execution is prompt and reliable, at favorable security prices, with reasonable commission rates and/or other transaction costs, and a number of other factors may also enter into the evaluation.

### **"Soft Dollar" Policy**

As a matter of policy and practice, we do not have any formal or informal arrangements or commitments to utilize research, research-related products and any other services obtained from broker/dealers, or third parties, on a "soft dollar" commission basis. We specifically prohibit the acceptance of, or participation in, such arrangements in order to remain truly unbiased and objective.

### **Item 12 –Review of Accounts**

All of our consultants are, or are involved with assisting, TEPI's Investment Advisory Professionals, who are the final arbiters in making performance evaluations and in determining the investment advice ultimately delivered to you.

TEPI, and its consulting staff are, or work with and on behalf of, the Investment Advisory Professionals directly employed by or otherwise affiliated with us. These Investment Advisory Professionals can be attorneys, CPAs, and/or other licensed investment advisors, who seek our assistance in helping them to provide investment advisory services to their clients. We also provide advice directly to our advisory clients without the intermediation of others. Consequently, a description of the number of "reviewers" and the number of accounts assigned to each is not applicable, since the final "reviewer" is may be an



independently affiliated Investment Advisory Professional.

### **Selection and Review of Professional Money Managers**

TEPI's employed or affiliated Investment Advisory Professionals will provide advice with respect to which professional money manager(s) would appear to be suitable to meet client investment needs, preferences, and risk tolerance, based upon a comparative analysis of a money manager's (or mutual fund's) stated style, investment philosophy, and historical record of performance. Performance of the professional money manager(s) will be reviewed on a quarterly basis, and will be compared to the performance of other professional money managers having similar investment styles and philosophy.

If it is determined that a professional money manager is not meeting a client's expectations, nor is likely to meet these expectations within a time frame acceptable to the client, alternative recommendations of other professional money managers will be made for the client's review and consideration. If the client, with the assistance of the Investment Advisory Professional, determines that a change in professional money managers would be appropriate, the professional money manager will be replaced.

### **Performance Analysis and Review**

Third party data and software is used, predominantly from Steele Systems, Inc. by Morningstar, Inc., Interactive Data Corporation, PSN Informa and Schwab Performance Technologies, in conjunction with Decision Technologies Corporation's proprietary and patented software systems and analytical processes, to comparatively evaluate various money managers and their relative investment performance. Professional money manager performance statistics and other evaluation information obtained from third parties are not independently reviewed or verified for accuracy by us. Thus, no warranty of any kind, can be made regarding the accuracy of that information or of the integrity of the information that may be derived from it.

## **Item 13 – Client Referrals and Other Compensation**

### **Participation of Interest in Client Transactions**

From time to time, clients may purchase securities of the parent company (Consulting Services Support Corporation) or TEPI, its wholly owned subsidiary, or a sister company, also principally owned and/or controlled by TEPI's parent Company. Any such purchases would be merely incidental to, and not a part of, the core advisory programs of TEPI. Nevertheless, since Consulting Services Support Corporation is the parent company of TEPI, any such transactions could represent a potential conflict of interest.

### **Solicitors – Compensation**

We may compensate individuals with whom we have a solicitation agreement according to, and in compliance with Rule 206(4)-3 of the Investment Advisers Act of 1940.

## **Item 14 – Custody**

The SEC deems that any advisers that have the ability to directly debit advisory fees do, in effect, have custody of client assets. To the extent that we have that ability, we will be deemed to have custody of a client's assets, solely on that basis.

Other than this very limited exception, neither the Investment Advisory Professional nor do we accept or maintain custody of client funds or securities. Our investment advisory Programs do not include custody/trust services, which are separate from the investment advisory services provided by us.

## **Item 15 – Discretion**

If we accept discretionary authority over a client's accounts or investment decisions, a written advisory agreement would be required between that client, the Investment Advisory Professional, and us. Any limitations a client would place on our authority would be required to be specifically detailed in it.

## **Item 16 – Proxy Voting**

Clients retain the right to vote all proxies that are solicited for securities held in their accounts. The Investment Advisory Professional is expressly prohibited from voting proxies for securities held in a client's account and will not take any action or render advice with respect to the voting of proxies. Clients will receive proxies or other solicitations directly from their custodian or transfer agent.

### **Item 17 – Financial Information**

Registered Investment Advisers are required in this Item to provide clients with certain financial information or disclosures about our financial condition. Prior to its transition away from providing individual investment advisory services through a national network of accounting firms and law firm affiliates, and to investment advisory services more narrowly focused on retirement and benefit plans and other institutional investment funds, TEPI encountered financial conditions that could have potentially impaired our ability to meet its contractual commitments to its law firm and accounting firm

affiliates and their investment advisory clients. Those financial conditions had resulted in delayed payments to advisors and wages to support staff, delayed payments to critical vendors, and a more limited support staff. With our transition away from providing individual investment advisory services to the clients of law firm and accounting firm affiliates, and with more narrowly focused and efficient business model, we believe these conditions are being remedied. Nevertheless, existing debt carried over from earlier operations still poses a potential threat to our ability to continue uninterrupted services to our clients.

Client financial assets, however, are not custodialized at Trustee Empowerment & Protection, Inc.; most client's assets are held at brokerage and/or clearing firms that clients have selected. The services we provide will not eliminate, limit, or otherwise adversely affect the services that clients receive from them. TEPI is not, and has not been, the subject of any bankruptcy or collection proceeding.