

Item 1 – Cover Page

**Part 2A Appendix 1
Wrap Fee Program Brochure**

Rosenthal Advisory Services, LP

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Date of Disclosure Brochure: May 2018

This Wrap Fee Program Brochure provides information about the qualifications and business practices of Rosenthal Advisory Services, LP (referred to as Rosenthal Advisory Services, or RAS throughout this disclosure brochure). If you have any questions about the contents of this brochure, please contact Burk Rosenthal at 817-336-2000 or burk@RRP.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about RAS is also available on the Internet at www.adviserinfo.sec.gov. You can view our firm's information on this website by searching for Rosenthal Advisory Services, LP or our firm's CRD number 114533.

*Registration as an investment advisor does not imply a certain level of skill or training.

Item 2 – Material Changes

Since our last annual update was filed in February 2018, the following material change has been made to our disclosure brochure:

- In April 2018 the firm reached the level of assets under management where we are required to change our primary regulatory authority from the state of Texas to the U.S. Securities and Exchange Commission.
- In January 2018 the firm decided to cease working with all third-party money managers.
- In January 2018 the advisory firm ceased using the doing business as name of Rosenthal Retirement Planning.

We will continue to ensure that you receive a summary of any material changes to this and subsequent Wrap Fee Program Disclosure Brochures within 120 days after our firm's fiscal year ends. Our firm's fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. At that time, we will also offer or provide a copy of the most current Wrap Fee Program Disclosure Brochure. We may also provide other ongoing disclosure information about material changes as necessary.

Item 3 – Table of Contents

Item 1 – Cover Page	1
Item 2 – Material Changes	2
Item 3 – Table of Contents	3
Item 4 – Services, Fees and Compensation	4
Block Trading	8
Suitability and Investment Strategy	8
Additional Compensation, Economic and Non-Economic Benefits	8
Item 5 – Account Requirements and Types of Clients	9
Minimum Account Size	9
Types of Accounts	9
Item 6 – Portfolio Manager Selection and Evaluation	9
Participation in Wrap Fee Programs	10
Limits Advice to Certain Types of Investments	10
Tailor Advisory Services to Individual Needs of Clients	10
Performance-Based Fees and Side-By-Side Management	11
Methods of Analysis	11
Investment Strategies	11
Risk of Loss	12
Voting Client Securities	13
Item 7 – Client Information Provided to Portfolio Managers	13
Item 8 - Client Contact with Portfolio Managers	13
Item 9 - Additional Information	13
Disciplinary Information	13
Other Financial Industry Activities and Affiliations	14
Registered Representative of a Broker-Dealer	14
Insurance Agent	15
Interest in Client Transactions and Code of Ethics	15
Affiliate and Employee Personal Securities Transactions Disclosure	15
Account Reviews	16
Account Statements and Reports	16
Client Referrals and Other Compensation	16
Financial Information	17
Item 10 - Customer Privacy Policy Notice	17

Item 4 – Services, Fees and Compensation

Rosenthal Advisory Services, LP has been registered as an investment advisor since July 12, 1996. In April 2018, the firm applied to become registered with the U.S. Securities and Exchange Commission. Rosenthal Advisory Services, LP is a Limited Partnership formed under the laws of the State of Texas.

Rosenthal Advisory Services, LP offers asset management services through a wrap fee management program. In our wrap fee management program, the fee for advisory services (including asset management) and transaction costs (including ticket charges) are “wrapped” into one fee. Our Asset Management Services are considered a wrap fee program. Whenever a fee is charged for services described in this Wrap Fee Program Brochure, we will receive all or a portion of the fee charged.

When making the determination of whether one of the advisory programs available through RAS is appropriate for your needs, you should bear in mind that fee-based accounts, when compared with commission-based accounts, often result in lower costs during periods when trading activity is heavier, such as the year an account is established. However, during periods when trading activity is lower, the fee-based account arrangements may result in a higher annual cost for transactions. Thus, depending on a number of factors, the total cost for transactions under a fee account versus a commission account can vary significantly. Factors which affect the total cost include account size, amount of turnover, type and quantities of securities purchased or sold, commission rates and your tax situation. It should also be noted that lower fees for comparable service may be available from other sources. The exact fees and other terms will be outlined in the agreement between you and Rosenthal Advisory Services, LP.

You should discuss the advantages and disadvantages of fee-based and commission-based accounts with your investment advisor representative and you should read this Wrap Fee Disclosure Brochure carefully as it explains, in detail, our Asset Management Services.

Asset Management Services

RAS offers asset management services, which involves RAS providing you with continuous and ongoing supervision over your accounts. The RAS Asset Management Services Program is a wrap fee program. In providing asset management services, RAS will continuously monitor your account and make trades in your accounts when necessary. Your account will be managed by RAS based on your financial situation, investment objectives and risk tolerance. RAS will actively monitor your account and will make management recommendations and decisions regarding buying, selling, reinvesting or holding securities, cash or other investments.

We recommend that your assets allocated to our Asset Management Services Program be maintained in a brokerage account with LPL Financial, an SEC registered broker/dealer and member NYSE/SIPC. LPL Financial is the qualified custodian for all accounts established through our Asset Management Services Program. You will appoint RAS as your investment advisor of record on specified accounts. Your account will consist only of separate account(s) held by the qualified custodian under your name. **RAS does not act as custodian and does not have direct access to your funds and securities except to have advisory fees deducted from your account with your prior written authorization.** The qualified custodian will maintain physical custody of all funds and securities of your account, and you will retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) for your account.

You will authorize RAS to have trading authorization on your account and we will provide asset management services. When providing asset management services, RAS maintains trading authorization over your account and can provide management services on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction.

If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if we are not able to reach you or you are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

You will have the ability to place reasonable restrictions on the types of investments that may be purchased in your account. You may also place reasonable limitations on the discretionary power granted to RAS so long as the limitations are specifically set forth or included as an attachment to the client agreement.

If you have authorized us to provide asset management services on a discretionary basis, we will make all decisions to buy, sell or hold securities, cash or other investments in your managed account in our sole discretion without consulting with you before making any transactions. You must provide us with written authorization to exercise this discretionary authority, and you can place reasonable restrictions and limitations on our discretionary authority.

Fees charged for our asset management services are charged based on a percentage of assets under management, billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the previous billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in arrears at the same time as the next full billing period's fee is billed.

Fees charged for our asset management services are negotiable based on the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the potential for additional account deposits, the relationship of the client with the investment advisor representative, and the total amount of assets under management for the client.

For our asset management services, client will be charged the following annual fee based upon the amount of assets under management:

<u>Assets Under Management</u>		<u>Annual Fees</u>
Tier Min	Tier Max	
\$ 0	\$ 99,999.99	1.600%
\$ 100,000	\$ 249,999.99	1.500%
\$ 250,000	\$ 499,999.99	1.400%
\$ 500,000	\$ 749,999.99	1.200%
\$ 750,000	\$ 1,249,999.99	1.000%
\$ 1,250,000	\$ 1,999,999.99	0.800%
\$ 2,000,000	\$ 4,999,999.99	0.700%
\$ 5,000,000 and above		0.600%

The only compensation received by RAS for asset management services is the annual fee as specified in the client's advisory services agreement. RAS receives no other forms of compensation in connection with providing asset management services.

RAS believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisors offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisors offering similar services/programs. In addition to our compensation, you may also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

You can choose how to pay your investment advisory fees. The investment advisory fees can be deducted from your account and paid directly to our firm by the qualified custodian(s) of your account or you can pay our firm upon receipt of a billing notice sent directly to you.

If you choose to have the investment advisory fees deducted from your account, LPL Financial, LLC will handle all of the fee calculation and deduction processes. But, if you have multiple accounts within your household and want to take advantage of aggregated pricing ("householding"), you can sign a Customized Fee Billing Agreement, in which case RAS will calculate the fee and provide the amount to LPL for billing purposes. In your client agreement you will authorize LPL as custodian to deduct the advisory fees from your account and pay the fees directly to RAS.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted. Upon request, RAS will send you an itemized fee calculation, including the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

Each client participating in our Asset Management Services will have the option to elect whether or not to bundle the transaction ticket fees that are charged by the qualified custodian as part of the fee for asset management services. If you elect to have transaction ticket fees that are charged by the qualified custodian bundled with the fee for our Asset Management Services, then the transaction ticket fees charged by the qualified custodian will be billed directly to RAS by the qualified custodian for your account. If you elect not to bundle the transaction ticket fees charged by the qualified custodian with the fee for asset management services, then the transaction ticket fees will be billed directly to your account by the qualified custodian. RAS will not receive any portion of such transaction ticket fees.

You may incur certain charges imposed by third parties other than RAS in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12(b)-1 fees and

surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Management fees charged by RAS are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

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

In addition, under certain circumstances your account custodian (LPL Financial, LLC) may offer the option of charging execution fees based upon the level of assets maintained in the managed account (asset-based pricing) versus implementing a fee for each transaction executed. If asset-based pricing is provided as an option, we will conduct a cost/benefit analysis to determine which pricing method would be in the long-term best interest of our clients. Whether transaction-based pricing or asset-based pricing is in the best interest of an individual client may vary over the span of a client relationship in response to possible service provider contractual changes and/or overall market condition adjustments to our pricing structure.

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

Although RAS does not recommend A Share Mutual Funds in our managed portfolios RAS would have a financial incentive to recommend Class A Shares in cases where both Class A and Platform Shares are available. Although the client will not be charged a transaction charge for transactions, Advisor pays LPL a per transaction charge for mutual fund purchases and sales in the account. If used RAS would generally not pay transaction charges for Class A Share mutual fund transactions accounts but would

generally pay transaction charges for Platform Share mutual fund transactions. The cost to RAS of transaction charges generally may be a factor Advisor considers when deciding which securities to select and whether or not to place transactions in the account.

The lack of transaction charges to RAS for Class A Share purchases and sales, together with the fact that Platform Shares generally are less expensive for a client to own, present a significant conflict of interest between RAS and the client. Clients should understand this conflict and consider the additional indirect expenses borne as a result of the mutual fund fees when negotiating and discussing with your Advisor the advisory fee for management of an account.

The asset management services continue in effect until terminated by either party (i.e., RAS or you) by providing written notice of termination to the other party. Any prepaid, unearned fees will be promptly refunded by RAS to you. Fee refunds will be determined on a pro rata basis using the number of days services are actually provided during the final period.

Block Trading

We may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when RAS believes such action may prove advantageous to clients. If and when we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently.

RAS uses the pro rata allocation method for transaction allocation.

Under this procedure, pro rata trade allocation means an allocation of the trade at issue among applicable advisory clients in amounts that are proportional to the participating advisory client's intended investable assets. RAS will calculate the pro rata share of each transaction included in a block order and assigns the appropriate number of shares of each allocated transaction executed for the client's account.

If and when we determine to aggregate client orders for the purchase or sale of securities, including securities in which RAS or our associated persons may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* Neither we nor our associated persons receive any additional compensation as a result of block trades.

Suitability and Investment Strategy

RAS will assist clients in determining their objective(s), investment strategy, and investment suitability, prior and subsequent to opening an Asset Management account. Clients must contact us to notify of any changes in their investment objective(s) and/or financial situation. Investment strategies used to implement investment advice include, but are not necessarily limited to, long term purchases (investments held at least a year); and short sales.

Additional Compensation, Economic and Non-Economic Benefits

Our representatives are also registered representatives of LPL Financial, LLC, a securities broker-dealer. You may work with your investment advisor representative in his or her separate capacity as a registered representative of LPL Financial, LLC. When acting in his or her separate capacity as a registered representative, your investment advisor representative may sell, for commissions, general securities

products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to you. As such, your investment advisor representative may suggest that you implement investment advice by purchasing securities products through a commission-based brokerage account in addition to or in lieu of a fee-based investment-advisory account. This receipt of commissions creates an incentive to recommend those products for which your investment advisor representative will receive a commission in his or her separate capacity as a registered representative of a securities broker-dealer. Consequently, the objectivity of the advice rendered to you could be biased.

You are under no obligation to use the services of our representatives in this separate capacity or to use LPL Financial, LLC and can select any broker/dealer you wish to implement securities transactions. If you select our representatives to implement securities transactions in their separate capacity as registered representatives, they must use LPL Financial, LLC. Prior to effecting any such transactions, you are required to enter into a new account agreement with LPL Financial, LLC. The commissions charged by LPL Financial, LLC may be higher or lower than those charged by other broker/dealers. In addition, the registered representatives may also receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that you maintain the mutual fund investment.

Item 5 – Account Requirements and Types of Clients

Minimum Account Size

RAS generally requires a minimum of \$500,000 in order to open an account. To reach this account minimum, clients can aggregate all household accounts. Exceptions may be granted to this minimum based upon the type of client, the complexity of the client's situation, the composition of the client's account, other advisory services provided and the relationship of the client and the investment advisor representative.

Types of Accounts

RAS generally provides investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above

You are required to execute a written agreement with RAS specifying the particular advisory services in order to establish a client arrangement with Rosenthal Advisory Services, LP.

Item 6 – Portfolio Manager Selection and Evaluation

William Burk Rosenthal of RAS serves as portfolio manager for accounts receiving our Asset Management Services. Our Asset Management Service is considered a wrap fee program. For this service, we do not allow the use of portfolio managers that are not associated with Rosenthal Advisory Services. In other words, the only portfolio manager selected for managing client assets for our Asset Management Services is William Burk Rosenthal of Rosenthal Advisory Services. Therefore, conflicts of interest present in other wrap fee programs that make available both affiliated and unaffiliated portfolio managers are not present in our wrap fee program. Because our Asset Management Services program

does not provide for outside portfolio managers, we do not have procedures designed to select outside portfolio managers.

Participation in Wrap Fee Programs

RAS offers asset management services, through our Asset Management Services Program, which is a wrap fee management program. In our wrap fee management program, the fee for advisory services (including portfolio management or advice regarding selecting other investment advisors) and transaction services are provided for one fee. Whenever a fee is charged to a client for services described in this Wrap Fee Program Brochure, we will receive all or a portion of the fee charged.

Limits Advice to Certain Types of Investments

RAS provides investment advice on the following types of investments:

- Mutual Funds
- Exchange-listed Securities
- Securities Traded Over-the-Counter
- Foreign Issues
- Corporate Debt Securities
- Certificates of Deposit
- Municipal Securities
- Variable Annuities
- Variable Life Insurance
- US Government Securities
- Real Estate Investment Trusts (REITs)

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

Tailor Advisory Services to Individual Needs of Clients

Rosenthal Advisory Services LP's advisory services are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

We will not enter into an investment advisor relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

Performance-Based Fees and Side-By-Side Management

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. RAS **does not charge or accept performance-based fees.**

Methods of Analysis

RAS uses the following methods of analysis in formulating investment advice:

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong and could therefore lead to an unfavorable investment decision.

There are risks involved in using any analysis method.

To conduct analysis, RAS gathers information from financial newspapers and magazines, inspection of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses and filings with the SEC, and company press releases.

Investment Strategies

RAS uses the following investment strategies when managing client assets and/or providing investment advice:

Long term purchases. Investments held at least a year.

Short sales. A short sale is generally the sale of a stock not owned by the investor. Investors who sell short believe the price of the stock will fall. If the price drops, the investor can buy the stock at the lower price and make a profit. If the price of the stock rises and the investor buys it back later at the higher price, the investor will incur a loss. Short sales require a margin account.

Tactical asset allocation. Allows for a range of percentages in each asset class (such as Stocks = 40-50%). The ranges establish minimum and maximum acceptable percentages that permit the investor to take advantage of market conditions within these parameters. Thus, a minor form of market timing is possible, since the investor can move to the higher end of the range when stocks are expected to do better and to the lower end when the economic outlook is bleak.

Risk of Loss

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

Voting Client Securities

RAS does not vote proxies on behalf of Clients. We have determined that taking on the responsibilities for voting client securities does not add enough value to the services provided to you to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in your account.

You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us. However, you will have the ultimate responsibility for making all proxy-voting decisions.

With respect to assets managed by a third-party money manager, we will not vote the proxies associated with these assets. You will need to refer to each third-party money manager's disclosure brochure to determine whether the third-party money manager will vote proxies on your behalf. You may request a complete copy of third-party money manager's proxy voting policies and procedures as well as information on how your proxies were voted by contacting the third-party money manager or by contacting RAS at the address or phone number indicated on Page 1 of this disclosure document.

Item 7 – Client Information Provided to Portfolio Managers

Only William Burk Rosenthal of RAS serves as portfolio manager for our Asset Management Services Program. Our associated Investment Advisor Representatives are responsible for gathering all information provided by you. We will interview and work with you to gather all information needed relative to your investment objectives and needs in order to provide management services through our Asset Management Services Program. You are responsible for promptly contacting your Investment Advisor Representative to notify us of any changes to your financial situation that will impact or materially influence the way we manage your accounts. Since we do not use any outside portfolio managers, we do not share your information with any outside portfolio managers.

Item 8 - Client Contact with Portfolio Managers

Only William Burk Rosenthal of RAS serves as portfolio manager for our Asset Management Services Program. There are no restrictions placed on your ability to contact and consult with him. It is the policy of RAS to provide for open communications between William Burk Rosenthal, the Associate Financial Advisors (also referred to as "Investment Advisor Representatives"), and clients. You are encouraged to contact William Burk Rosenthal or your Associate Financial Advisor with RAS whenever you have questions about the management of your account(s).

Item 9 - Additional Information

Disciplinary Information

We have no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or the integrity of our management.

Other Financial Industry Activities and Affiliations

RAS is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), another investment advisor or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, an accountant or accounting firm, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

We are an independent registered investment registered advisor and only provide investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives may sell other products or provide services outside of their role as investment advisor representatives with Rosenthal Advisory Services, LP.

Registered Representative of a Broker-Dealer

Our representatives are also registered representatives of LPL Financial LLC., a securities broker-dealer. You may work with your investment advisor representative in his or her separate capacity as a registered representative of LPL Financial LLC.

As a result of this relationship, LPL Financial LLC. may have access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) about clients of RAS, even if a client does not establish any account through LPL Financial LLC. If you would like a copy of the privacy policy of LPL Financial LLC., please contact your investment advisor representative.

When acting in his or her separate capacity as a registered representative, your investment advisor representative may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to you. As such, your investment advisor representative may suggest that you implement investment advice by purchasing securities products through a commission-based brokerage account in addition to or in lieu of a fee-based investment-advisory account. This receipt of commissions creates an incentive to recommend those products for which your investment advisor representative will receive a commission in his or her separate capacity as a registered representative of a securities broker-dealer. Consequently, the objectivity of the advice rendered to you could be biased. However, all financial advisors with Rosenthal Advisory Services ("associated persons") with the exception of William Burk Rosenthal, receive no commissions, but rather receive salaried compensation.

You are under no obligation to use the services of our representatives in this separate capacity or to use LPL Financial LLC. and can select any broker/dealer you wish to implement securities transactions. If you select our representatives to implement securities transactions in their separate capacity as registered representatives, they must use LPL Financial LLC. Prior to effecting any such transactions, you are required to enter into a new account agreement with LPL Financial LLC. The commissions charged by LPL Financial LLC. may be higher or lower than those charged by other broker/dealers.

Approximately 45% of our associated person's time is devoted to activities as registered representatives of LPL.

Dually Registered as an Investment Advisor Representative

The representatives of RAS may also be licensed as investment advisor representatives with LPL Financial LLC. RAS and LPL Financial LLC. are not affiliated. Through LPL Financial LLC., the representatives provide asset management services as well as referrals to sub-advisors. They may earn advisory fees when providing these services through LPL Financial LLC. Therefore, you could receive advisory services from one individual acting as an investment advisor representative on behalf of two separate registered investment advisors. If the representatives of RAS provide asset management or referral services to you, you will be given the disclosure brochure of LPL Financial LLC. describing the services provided, fees charged and other information. You are encouraged to read and review the disclosure brochures for both RAS and LPL Financial LLC. and direct questions to your representative.

Insurance Agent

You may work with your investment advisor representative in his or her separate capacity as an insurance agent. When acting in his or her separate capacity as an insurance agent, the investment advisor representative may sell, for commissions, general disability insurance, life insurance, annuities, and other insurance products to you. As such, your investment advisor representative in his or her separate capacity as an insurance agent, may suggest that you implement recommendations of RAS by purchasing disability insurance, life insurance, annuities, or other insurance products. This receipt of commissions creates an incentive for the representative to recommend those products for which your investment advisor representative will receive a commission in his or her separate capacity as an insurance agent. Consequently, the advice rendered to you could be biased. You are under no obligation to implement any insurance or annuity transaction through your investment advisor representative. All financial advisors with Rosenthal Advisory Services with the exception of William Burk Rosenthal, receive no insurance commissions from clients of the firm, but rather receive salaried compensation.

Interest in Client Transactions and Code of Ethics

An investment advisor is considered a fiduciary and has a fiduciary duty to all clients. RAS has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. Rosenthal Advisory Services' Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors and investment advisor representatives are classified as supervised persons. RAS requires its supervised persons to consistently act in your best interest in all advisory activities. RAS imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of Rosenthal Advisory Services, LP. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

Affiliate and Employee Personal Securities Transactions Disclosure

RAS or associated persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express

policy of RAS that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. RAS and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client.
- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an "insider".
- Associated persons are discouraged from conducting frequent personal trading.
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of Rosenthal Advisory Services, LP.

Any associated person not observing our policies is subject to sanctions up to and including termination.

Account Reviews

Managed portfolios are reviewed on an ongoing basis. In addition to various drift alerts that may occur at any time, these model portfolios are also reviewed in detail on a quarterly basis for any factors that may lead to potential changes or updates. Individual account reviews are also conducted at least annually with the calendar as the main triggering factor. Account reviews are conducted by William Burk Rosenthal and/or the Associate Financial Advisor assigned to the account and are performed in accordance with your investment goals and objectives. Account reviews can also be performed at any time upon request.

Account Statements and Reports

For our asset management services, you are provided with transaction confirmation notices and regular quarterly account statements directly from the qualified custodian.

You are encouraged to always compare any reports or statements provided by us, against the account statements delivered from LPL or any qualified custodian. When you have questions about your account statement, you should contact our firm and the qualified custodian preparing the statement.

Client Referrals and Other Compensation

RAS does not directly or indirectly compensate any person for client referrals.

William (Burk) Rosenthal has been incented to join and remain affiliated with LPL Financial and to recommend that clients establish accounts with LPL Financial through the provision of Transition

Assistance. LPL may also provide other compensation to RAS and/or William Burk Rosenthal, including but not limited to, bonus payments, repayable and forgivable loans, stock awards and other benefits.

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

In addition, Rosenthal Advisory Services' associated persons, in their separate capacities as securities agents, may receive commissions from the execution of securities transactions. In addition, associated persons may receive 12b-1 fees (continuing trail commissions) from certain mutual fund companies as outlined in the fund's prospectus. 12b-1 fees come from fund assets, therefore, indirectly from client assets. The receipt of such fees could represent an incentive for the associated persons to recommend funds with 12b-1 fees over funds that have no fees or lower fees. As a result, there is a potential conflict of interest. However, associated persons with the exception of William Burk Rosenthal do not receive commissions, but rather receive salaried compensation. Rosenthal Advisory Services does not receive 12b-1 fees from mutual fund holdings in advisory accounts.

Rosenthal Advisory Services' associated persons that are licensed as insurance agents may receive commissions and other incentive awards for the recommendation/sale of annuities and other insurance products. The receipt of this compensation may affect the judgment of Rosenthal Advisory Services' associated persons when recommending products to its clients. While Rosenthal Advisory Services' associated persons endeavor at all time to put the interest of the clients first as a part of Rosenthal Advisory Services' fiduciary duty, clients should be aware that the receipt of commission and additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations. Associated persons with the exception of William Burk Rosenthal do not receive commissions, but rather receive salaried compensation.

Financial Information

RAS does not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, RAS has not been the subject of a bankruptcy petition at any time.

Item 10 - Customer Privacy Policy Notice

We are committed to safeguarding the confidential information of our clients. We hold all personal information we receive in the strictest confidence. Our associated persons are also securities agents and may also be investment advisor representatives of LPL, a dually registered broker-dealer and investment advisor. We and LPL are not related entities. We may also have relationships with other nonaffiliated investment advisor firms, insurance companies, trust companies, custodians and other financial institution entities. Except as required or permitted by law, we do not share confidential information about clients with nonaffiliated third parties. In the unlikely event there were to be a change in this fundamental policy that would permit additional disclosures of client confidential information, we will provide written notice to clients, and clients will be given an opportunity to direct us as to whether such disclosure is permissible.

Customer Information Collected by Advisor. We collect and develop personal information about clients, and some of that information is nonpublic personal information ("Customer Information"). The essential purpose for collecting Customer Information is to provide and service the financial products and services clients obtain from us. The categories of Customer Information collected by us depend upon the scope of the engagement with us and are generally described below. As an investment advisor, we collect and develop Customer Information about clients in order to provide investment advisory services. Customer Information we collect includes:

- Information received from clients on financial inventories through consultation with our representatives. This Customer Information may include personal and household information such as income, spending habits, investment objectives, financial goals, statements of account, and other records concerning clients' financial condition and assets, together with information concerning employee benefits and retirement plan interests, wills, trusts, mortgages and tax returns.
- Information developed as part of financial plans and analyses.
- Information concerning investment account transactions.

Data Security. Advisor restricts access to Customer Information to those representatives and employees who need the information to perform their job responsibilities within the firm. We maintain agreements, as well as physical, electronic and procedural securities measures that comply with federal regulations to safeguard Customer Information.

Use and Disclosure of Customer Information to Provide Customer Service for Client Accounts. To administer, manage and service customer accounts, process transactions and provide related services for your accounts, it is necessary for us to provide access to Customer Information within the firm and to nonaffiliated companies such as LPL, other investment advisors, other broker-dealers, trust companies, custodians and insurance companies. We may also provide Customer Information outside of the firm as permitted by law, such as to government entities, consumer reporting agencies or other third parties in response to subpoenas.

Former Clients. Should a client choose to no longer do business with the firm, we will continue to operate in accordance with the principles stated in the Notice.

Requirements of Federal Law. In November of 1999, Congress enacted the Gramm-Leach-Bliley Act ("GLBA"). The GLBA requires certain financial institutions, including broker-dealers and investment advisors, to protect the privacy of Customer Information. To the extent a financial institution discloses Customer Information to nonaffiliated third parties other than as permitted or required by law, customers must be given the opportunity and means to opt out (or prevent) such disclosure. Please note we do not disclose Customer Information to nonaffiliated third parties except as permitted or required by law (e. g., disclosures to service client accounts or to respond to subpoenas).