

## Item 1 – Cover Page

Vantage Point Advisors, LLC  
308 East 4500 South, Suite 285  
Salt Lake City, UT 84107  
(801) 272-0908  
[www.vp-advisors.com](http://www.vp-advisors.com)

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This Brochure provides information about the qualifications and business practices of Vantage Point Advisors, LLC (“VPA”). If you have any questions about the contents of this Brochure, please contact us at (801) 272-0908. 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.

VPA is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about VPA also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for VPA is 131989.

## Item 2 – Material Changes

Since VPA’s Annual Amendment filing on March 5, 2012, VPA has converted from SEC registration status to registration in the states in which it operates, primarily its home state of Utah and Texas.

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## Item 4 – Advisory Business

VPA is owned by Barbara J. Ray and has been providing Private Chief Financial Officer (CFO) services since 2004.

VPA does not offer financial planning and investment advisory services separately, it provides the whole package.

When working with VPA as your Private CFO, managing is a process, not an event:

Discovery: Exploratory – to identify values and goals

Gap Analysis: Identifying points where current planning may be falling short of intentions

Wealth Strategy Proposal: Reporting on current financial strengths and weaknesses, potential solutions and actions, and costs with our recommendations for moving forward

Wealth Management Network: A Private CFO meeting with the clients team of professionals (estate planners, accountants and others) to foster open communications

Wealth Management Plan: The core of our service: a customized plan encompassing clients values, goals, financial assets, estate planning and professional relationship responsibilities

Implemented and Regular Meetings: Implementation of plan and continual updates

As we build our advisor relationship, our focus remains on the client, and on resolving complex issues within the following four life planning components:

**Enhancing wealth.** For managing our client's financial portfolio, we offer an approach based on our fiduciary relationship with our clients as their investment advisor.

We apply a passive investment approach, tailoring our client's portfolio's level of risk (and its expected returns) according to their personal preferences, goals and circumstances. In addition to seeking broad global diversification according to the tenets of Modern Portfolio Theory, we assist with appropriate asset location between taxable versus tax-advantaged accounts.

We apply these techniques for individual investor, retirement plan sponsor and institutional client relationships alike.

**Strategies for protecting wealth.** Many of our client's financial goals can span a lifetime, or even generations, so it's important to prepare for uncertain events that could otherwise derail their overall strategy. Once we've defined our client's long-term objectives, our role also includes identifying potential threats to their success, and implementing protection against them.

Our approach to wealth protection is thoughtful, deliberate and highly individualized. Planning comes first: exploring concerns related to managing the effects of taxes, inflation and market fluctuations; privacy, security and legal actions; property and casualty losses; business continuation; and legacy creation and protection. Next we consider procedures, documents and similar techniques that can offer the protection required. As a final option, we might incorporate insurance or related tools -- but only as required for clearly defined roles.

**Transferring wealth.** While many identify leaving a legacy as among their most important life goals, research indicates that only about one-third of wealth transfers succeed after transition. Equally interesting, a common trait among those who succeed is the ability to sustain a smooth and open flow of internal communications among family members. (Source: The Williams Group, [thewilliamsgroup.org](http://thewilliamsgroup.org))

**Donating wealth.** The true value of philanthropy lies in the meaning it brings to those both giving and receiving. For example:

Ongoing legislative reform may afford existing and new opportunities for charitable giving to play an increasing role within your tax planning efforts. Keeping up with the latest regulations in this area can add value to your charitable pursuits. If our client's goals include a philanthropic component, we carefully integrate it within their overall strategy.

Each component is addressed when – and if – it plays an integral role in our client's life. We help balance and identify changing needs within client's career and creative aspirations, charitable goals, family sharing time, and social and leisure activities. When changes are warranted, we help ensure smooth transitions.

## **Summary of Financial Advisory or Wealth Management Planning Component**

In general, the Private CFO services will address any or all of the following areas of concern:

- PERSONAL: Family records, budgeting, personal liability, estate information and financial goals.
- TAX & CASH FLOW: Income tax and spending analysis and planning for current and future years. VPA may illustrate the impact of various strategies on a client's current income tax and future tax liability.
- DEATH & DISABILITY: Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.
- RETIREMENT: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.
- INVESTMENTS: Analysis of investment alternatives and their effect on a client's portfolio.
- EDUCATION: Education IRAs, financial aid, state savings plans, grants and general assistance in preparing to meet dependent's continuing educational needs through development of an education plan.

VPA gathers required information through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed. Should a client choose to implement the recommendations in the plan, VPA suggest the client work closely with his/her attorney and/or accountant. Implementation of any financial plan recommendations is entirely at the client's discretion.

### **Analysis of a Client's Financial Situation**

In the development of investment plans for clients, including the recommendation of an appropriate asset allocation, VPA relies on an analysis of the client's financial objectives, current and estimated future resources, and tolerance for risk. To derive a recommended asset allocation, VPA may use a Monte Carlo simulation, a standard statistical approach for dealing with uncertainty. As with any other methods used to make projections into the future, there are several risks associated with this method, which may result in the client not being able to achieve their financial goals. They include:

- The risk that expected future cash flows will not match those used in the analysis
- The risk that future rates of return will fall short of the estimates used in the simulation

- The risk that inflation will exceed the estimates used in the simulation
- For taxable clients, the risk that tax rates will be higher than was assumed in the analysis

### **Investment Management Services is a Component of the Wealth Management Plan:**

As of December 31, 2011, VPA managed \$10,753,000 on a discretionary basis and \$28,923,000 on a nondiscretionary basis.

VPA manages investment portfolios for individuals, trusts, charitable organizations, corporations and small businesses. VPA will work with a client to determine the client's investment objectives and investor risk profile and will design a written investment policy statement.

VPA uses investment and portfolio allocation software to evaluate alternative portfolio designs. VPA evaluates the client's existing investments with respect to the client's investment policy statement. VPA works with new clients to develop a plan to transition from the client's existing portfolio to the portfolio recommended by VPA. VPA will then continuously monitor the client's portfolio holdings and the overall asset allocation strategy and hold review meetings with the client regarding the account as necessary.

VPA will typically create a portfolio of no-load mutual funds, and may use model portfolios if the models match the client's investment policy. VPA will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. VPA primarily recommends portfolios consisting of passively managed asset class and index mutual funds. VPA primarily recommends mutual funds offered by Dimensional Fund Advisors (DFA). DFA sponsored mutual funds follow a passive asset class investment philosophy with low holdings turnover.

Client portfolios may also include some individual equity securities in situations where disposition of these securities would present an overriding tax implication or the client specifically requests they be retained for a personal reason. These situations will be specifically identified in the client's Investment Policy Statement (IPS).

VPA manages mutual fund and equity portfolios on a discretionary basis according to the investment policy selected by the client.

A client may impose any reasonable restrictions on VPA's discretionary authority, including restrictions on the types of securities in which VPA may invest client's assets and on specific securities, which the client may believe to be appropriate.

VPA may also recommend fixed income portfolios to private CFO clients, which consist of managed accounts of individual bonds. VPA will request discretionary authority from private CFO clients to manage fixed income portfolios, including the discretion to engage a third party fixed income manager. VPA will prepare a Fixed Income Investment Policy Statement for any client qualifying for separate fixed income portfolio services.

Pursuant to its discretionary authority, VPA will engage a fixed income securities manager. The fixed income securities manager will be provided with the discretionary authority to invest client assets in fixed income securities consistent with the client's Fixed Income Investment Policy Statement. The manager will also monitor the account for changes in credit ratings, security call provisions, and tax loss harvesting opportunities (to the extent that the manager is provided with cost basis information). The manager will obtain VPA's consent prior to the sale of any client securities.

On an ongoing basis, VPA will answer clients' inquiries regarding their accounts and review periodically with clients the performance of their accounts. VPA will periodically, and at least annually, review clients' investment policy, risk profile and discuss the re-balancing of each client's accounts to the extent appropriate. VPA will provide to investment manager any updated client financial information or account restrictions necessary for investment manager to provide sub-advisory services.

### **Consulting Services:**

Clients can also receive investment advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, reviewing a client's existing portfolio, or any other specific topic. VPA also provides specific consultation and administrative services regarding investment and financial concerns of the client.

## Item 5 – Fees and Compensation

### Advisory Fees

#### **Private CFO Services:**

The annual fee for Private CFO Services are negotiable, but will generally be charged as a percentage of assets under management, according to the schedule below:

<b>Assets under management</b>	<b>Annual Fee (%)</b>
\$500,000 to \$999,999	1.00%
\$1,000,000 to \$1,999,999	0.90%
\$2,000,000 to \$2,999,999	0.80%
\$3,000,000 to \$3,999,999	0.70%
\$4,000,000 to \$6,999,999	0.60%
\$7,000,000 or greater	0.50%

The annual fee is negotiable depending upon the level, complexity and scope of the service(s) required. All accounts for members of the client's family (husband, wife and dependent children) or related businesses may be assessed fees based on the total balance of all accounts.

The specific manner in which fees are charged by VPA is established in a client's written agreement with VPA. Private CFO advisory services are provided on a fee-only basis. If the clients required services are great, but the level of investable assets is not greater than \$2,000,000, VPA reserves the right to charge a one-time fee of between \$1,000 and \$3,500, in addition to the annual advisory fee, which will be memorialized in the written agreement between VPA and the client.

Private CFO clients will be invoiced in advance at the beginning of each calendar quarter based upon the value (market value based on independent third party sources or fair market value in the absence of market value; client account balances on which VPA calculates fees may vary from account custodial statements based on independent valuations and other accounting variances, including mechanisms for including accrued interest in account statements) of the client's account at the end of the previous quarter. New accounts are charged a prorated fee for the remainder of the quarter in which the



account is incepted (date of first trade). VPA will request authority from the client to receive quarterly payments directly from the client's account held by an independent custodian.

### **One-Time Wealth Management Planning Services:**

Wealth Management Plan service fees will be charged as a one-time fixed fee, which is negotiable depending upon the level, complexity and scope of the service(s) required, provided that clients have a net worth in excess of \$2,000,000. The minimum standard wealth management planning fee is negotiable, but is generally a flat fee of \$3,500, which corresponds to VPA's general rate of \$150 per hour. VPA, in its sole discretion, may reduce or waive its minimum wealth management fee based upon certain criteria (i.e. term of client relationship, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts and account composition. Fifty percent (50%) of the fee may be charged in advance with the remainder due upon delivery. VPA does not provide wealth management planning services for individuals who do not employ VPA to perform private CFO services. The specific manner in which fees are charged by VPA is established in a client's written agreement with VPA.

Clients may provide written limited authorization to VPA or its designated service provider to withdraw such fees from the client's custodial account. Clients will receive custodial statements showing the advisory fees debited from their account(s). Certain third party administrators will calculate and debit VPA's fee and remit such fee to VPA.

### **Consulting Services:**

VPA generally charges an hourly portfolio review fee of \$150 per hour, which is negotiable depending upon the level, complexity and scope of the service(s) required. Fifty percent (50%) of the fee may be charged in advance the remainder due upon delivery. Clients may provide written limited authorization to VPA or its designated service provider to withdraw such fees from the client's custodial account.

### **Miscellaneous Fee Disclosures**

VPA has contracted with BAM Advisor Services, LLC (BAM), for services including trade processing, collection of management fees, record maintenance, report preparation, marketing assistance, and research. VPA pays a fee for BAM services based on management fees paid to VPA on accounts that use BAM Advisor Services. The fee paid by VPA to BAM consists of a portion of the fee paid by clients to VPA and varies based on the total client assets participating in BAM Advisor Services through VPA. These fees are not

separately charged to advisory clients. Please refer to the Item 15 disclosure for more information regarding custody.

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded.

VPA's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. These fees will generally include a management fee and other fund expenses. All fees paid to VPA for advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders.

Such charges, fees and commissions are exclusive of and in addition to VPA's fee, and VPA shall not receive any portion of these commissions, fees, and costs.

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

VPA does not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client). All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

## **Item 7 – Types of Clients**

VPA provides services to individuals, trusts, charitable organizations, corporations and small businesses.

Generally, VPA requires a minimum account size or client relationship of \$1,000,000 for Private CFO Services. Client accounts where the total balance of all accounts is less than \$1,000,000 will be accepted only on a case by case basis. Wealth management plans will be offered to clients with net worth in excess of \$2,000,000. VPA does not provide wealth management services for individuals who do not employ VPA to perform Private CFO

services. These account sizes and minimum planning fee may be negotiable under certain circumstances.

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

### *Methods of Analysis and Investment Strategy*

VPA's services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. VPA's investment approach is firmly rooted in the belief that markets are "efficient" over periods of time and that investors' long-term returns are determined principally by asset allocation decisions, rather than market timing or stock picking. VPA recommends diversified portfolios, principally through the use of passively managed, asset class mutual funds. VPA selects or recommends to clients portfolios of securities, principally broadly-traded open end mutual funds or conservative fixed income securities to implement this investment strategy.

Although all investments involve risk, VPA's investment advice seeks to limit risk through broad diversification among asset classes and, as appropriate for particular clients the investment directly in conservative fixed income securities to represent the fixed income class. VPA's investment philosophy is designed for investors who desire a buy and hold strategy. Frequent trading of securities increases brokerage and other transaction costs that VPA's strategy seeks to minimize.

In the implementation of investment plans, VPA therefore primarily uses mutual funds and, as appropriate, portfolios of conservative fixed income securities. VPA may also utilize Exchange Traded Funds (ETFs) to represent a market sector.

Clients may hold or retain other types of assets as well, and VPA may offer advice regarding those various assets as part of its services. Advice regarding such assets will generally not involve asset management services but may help to more generally assist the client.

VPA's strategies do not utilize securities that we believe would be classified as having any unusual risks, and we do not recommend frequent trading, which can increase brokerage and other costs and taxes.

VPA receives supporting research from BAM Advisor Services and from other consultants, including economists affiliated with Dimensional Fund Advisors ("DFA"). VPA utilizes DFA mutual funds in client portfolios. DFA mutual funds follow a passive asset class investment

philosophy with low holdings turnover. DFA provides historical market analysis, risk/return analysis, and continuing education to VPA.

### *Risk of Loss*

#### **Investing in securities involves risk of loss that clients should be prepared to bear.**

All investments present the risk of loss of principal – the risk that the value of securities (mutual funds, ETFs and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

The mutual funds and ETFs utilized by VPA may include funds invested in domestic and international equities, including real estate investment trusts (REITs), corporate and government fixed income securities and commodities. Equity securities may include large capitalization, medium capitalization and small capitalization stocks. Mutual funds and ETF shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Among the riskiest mutual funds used in VPA's investment strategies funds are the U.S. and International small capitalization and small capitalization value funds, emerging markets funds, and commodity futures funds. Conservative fixed income securities have lower risk of loss of principal, but most bonds (with the exception of Treasury Inflation Protected Securities, or TIPS) present the risk of loss of purchasing power through lower expected return. This risk is greatest for longer-term bonds.

Certain funds utilized by VPA may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries.

More information about the risks of any particular market sector can be reviewed in representative mutual fund prospectuses managing assets within each applicable sector.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any

legal or disciplinary events that would be material to your evaluation of VPA or the integrity of VPA's management. VPA has no information applicable to this Item.

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

### Business Consulting Services

In addition to the investment advisory activities described above, VPA provides non-investment related business consulting services. VPA's nonadvisory services include consulting on business strategy development, mergers and acquisitions, merger integration and operational streamlining. These services are offered on a separate and distinct basis from VPA's advisory services.

Barbara J. Ray, the sole Member of VPA, holds an MBA, is a Certified Public Accountant, a Personal Financial Specialist and a member of the AICPA. See additional information on Ms. Ray on Form ADV Part 2B.

### BAM Advisor Services, LLC

As described above in Item 4, VPA may exercise discretionary authority provided by a client to select an independent third party investment manager for the management of portfolios of individual fixed income securities. VPA selects BAM Advisors Services, LLC for such fixed income management. VPA also contracts with BAM Advisor Services, LLC for back office services and assistance with portfolio modeling. VPA has a fiduciary duty to select qualified and appropriate managers in the client's best interest, and believes that BAM Advisor Services, LLC effectively provides both the back office services that assist with its overall investment advisory practice and fixed income portfolio management services. The management of VPA continuously makes this assessment. While VPA has a contract with BAM Advisor Services, LLC governing a time period for back office services, VPA has no such fixed commitment to the selection of BAM Advisor Services, LLC for fixed income management services and may select another investment manager for clients upon reasonable notice to BAM Advisor Services, LLC.

In order to ensure continuity of investment advisory services to clients in the event of the death or prolonged incapacity of VPA's investment representative, VPA has contracted with Buckingham Asset Management, LLC ("Buckingham"), an affiliate of BAM Advisor Services, to act as sub-advisor to clients' portfolios. VPA's agreement with Buckingham provides that Buckingham may determine, for a period of up to one-hundred eighty (180) days following such death or incapacity, to act as sub-advisor and to provide portfolio management and

related services to VPA's clients. In the event of the investment representative's death or incapacity, and prior to activating Buckingham's sub-advisory authority, a written notice will be provided to each client. Clients will have the choice to engage Buckingham for services after its sub-advisor authority has been activated.

## **Item 11 – Code of Ethics**

VPA has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. VPA's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients and sets forth VPA's practice of supervising the personal securities transactions of employees with access to client information. Individuals associated with VPA may buy or sell securities for their personal accounts identical or different than those recommended to clients. It is the expressed policy of VPA that no person employed by the firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on investment decisions of advisory clients.

To supervise compliance with its Code of Ethics, VPA requires that anyone associated with this advisory practice with access to advisory recommendations provide annual securities holding reports and quarterly transaction reports to the firm's principal. VPA also requires such access persons to receive approval from the Chief Compliance Officer prior to investing in any IPO's or private placements (limited offerings).

VPA's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information and protecting the confidentiality of client information. VPA requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

VPA will provide a complete copy of its Code of Ethics to any client or prospective client upon request.

It is VPA's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. VPA will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated private fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any

person controlled by or under common control with the investment advisor, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker dealer or has an affiliated broker dealer.

## **Item 12 – Brokerage Practices**

VPA arranges for the execution of securities transactions with the assistance of BAM Advisor Services. VPA participates in the Fidelity Institutional Wealth Services (FIWS) program, sponsored by Fidelity Brokerage Services, LLC ("Fidelity") offered to independent investment advisers. Fidelity is an unaffiliated SEC-registered broker dealer and FINRA member broker dealer.

The Fidelity brokerage program will generally be recommended to advisory clients for the execution of mutual fund and equity securities transactions. VPA regularly reviews this program to ensure that its recommendation is consistent with its fiduciary duty. This trading platform is essential to VPA's service arrangements and capabilities, and VPA may not accept clients who direct the use of other brokers. As part of this program, VPA receives benefits that it would not receive if it did not offer investment advice (See the disclosures under Item 14 of this Brochure).

As VPA will not request the discretionary authority to determine the broker dealer to be used or the commission rates to be paid for mutual fund and equity securities transactions, clients must direct VPA as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that VPA will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. Not all investment advisers require clients to direct the use of specific brokers.

VPA will not exercise authority to arrange client transactions in fixed income securities. Clients will provide this authority to a fixed income manager engaged by VPA on client's behalf by designating the portfolio manager with trading authority over client's brokerage account. Clients will be provided with the Disclosure Brochure (Form ADV Part 2) of portfolio manager.

FIWS does not generally charge clients a custody fee and is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through the broker or that settle into the clients' accounts at the broker. Trading client accounts through other brokers may result in fees (including mark-ups and

mark-downs) being charged by the custodial broker and an additional broker. While VPA will not arrange transactions through other brokers, the authority of the fixed income portfolio manager includes the ability to trade client fixed income assets through other brokers.

VPA does not block affiliated trades with any client trades. VPA also does not have any arrangements to compensate any broker dealer for client referrals.

VPA does not maintain any client trade error gains. VPA makes client whole with respect to any trade error losses incurred by client caused by VPA.

VPA generally does not aggregate any client transactions in mutual fund or other securities. Client accounts are individually reviewed and managed, and transaction costs are not saved by aggregating orders in almost all circumstances in which VPA arranges transactions. BAM Advisor Services, LLC, in the management of fixed income portfolios, will aggregate certain transactions among client accounts that it manages, in which case a VPA client's orders may be aggregated with an order for another client of BAM Advisor Services, LLC who is not a VPA client. See BAM Advisor Services, LLC Form ADV Part 2.

### **Consulting Services:**

VPA's consulting services, due to the nature of its business and client needs, does not include blocking trades, negotiating commissions with broker dealers or obtaining volume discounts, nor necessarily obtaining the best price. Clients will be required to select their own broker dealers and insurance companies for the implementation of wealth management planning and consulting recommendations. VPA may recommend any one of several brokers. VPA clients must independently evaluate these brokers before opening an account. The factors considered by VPA when making this recommendation are the broker's ability to provide professional services, VPA's experience with the broker, the broker's reputation, and the broker's financial strength, among other factors.

## **Item 13 – Review of Accounts**

### **Reviews:**

#### **Private CFO Services:**



Account assets are supervised continuously and formally reviewed quarterly by Barbara J. Ray, Managing Member of VPA. The review process contains each of the following elements:

- a. assessing client goals and objectives;
- b. evaluating the employed strategy(ies);
- c. monitoring the portfolio(s); and
- d. addressing the need to rebalance.

Additional account reviews may be triggered by any of the following events:

- a. a specific client request;
- b. a change in client goals and objectives;
- c. an imbalance in a portfolio asset allocation; and
- d. market/economic conditions.

For fixed income portfolios, certain account review responsibilities are delegated to a third party investment manager as described above in Item 4.

#### **Private CFO/Consulting Services:**

Private CFO/Consulting accounts will be reviewed as contracted for at the inception of the advisory relationship.

#### **Reports:**

All private CFO services clients will receive quarterly performance reports, prepared by BAM and reviewed by VPA, that summarize the client's account and asset allocation. Clients will also receive monthly statements from their account custodian, which will outline the client's current positions and current market value.

Private CFO/Consulting accounts will receive reports as contracted for at the inception of the advisory relationship.

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

### **Client Referrals**

VPA does not compensate, directly or indirectly, any person, other than its representatives, for client referrals.

### Other Compensation

As indicated under the disclosure for Item 12, FIWS provides VPA with access to services, which are not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge to them.

These services benefit VPA but may not benefit its clients' accounts. Many of the products and services assist VPA in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of VPA's fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of VPA's accounts. The recommended broker also makes available to VPA other services intended to help VPA manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. VPA does not, however, enter into any commitments with the broker for transaction levels in exchange for any services or products from the broker. While as a fiduciary, VPA endeavors to act in its clients' best interests, VPA's requirement that clients maintain their assets in accounts at FIWS may be based in part on the benefit to VPA of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the broker, which may create a potential conflict of interest.

VPA also receives software from DFA, which VPA utilizes in forming asset allocation strategies and producing performance reports. DFA also provides continuing education for VPA personnel. These services are designed to assist VPA plan and design its services for business growth.

## **Item 15 – Custody**

Private CFO Services Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. VPA urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements

may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

VPA requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold. For fixed income securities, this authority will include the discretion to engage a third party money manager for fixed income accounts. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

When selecting securities and determining amounts, VPA observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to VPA in writing.

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

Proxy Voting: As a matter of firm policy and practice, VPA does not accept the authority to and does not vote proxies on behalf of advisory client. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Clients will receive applicable proxies directly from the issuer of securities held in clients' investment portfolios. VPA, however, may provide advice to clients regarding the clients' voting of proxies.

Class Actions, Bankruptcies and Other Legal Proceedings: Clients should note that VPA will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct VPA to transmit copies of class action notices to the client or a third party. Upon such direction, VPA will make commercially reasonable efforts to forward such notices in a timely manner.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about VPA's financial condition. VPA has no financial

commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

## **Item 19 – Requirements for State Registered Advisors**

VPA is owned by Barbara Ray. For more information about Ms. Ray, please review Ms. Ray's Brochure Supplement. As discussed above under Item 10, Ms. Ray is a Certified Public Accountant, who, as such, may be engaged in her individual capacities.

VPA does not charge performance-based fees; has no other relationship or arrangement with any issuer of securities; nor was it ever found to be liable by: arbitration; a civil, self-regulatory organization; or an administrative proceeding.