

**Brochure – Part 2A of Form ADV**

**Presidium Retirement Advisers, Inc.**

13024 Ballantyne Corporate Place, Suite 225

Charlotte, NC 28277

866-371-2399

Fax 704.544.2883

[www.presidiumadvisers.com](http://www.presidiumadvisers.com)

March 16, 2016

**This brochure provides information about the qualifications and business practices of Presidium Retirement Advisers, Inc. If you have any questions about the contents of this brochure, please contact us at 704-544-2399. 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 Presidium Retirement Advisers, Inc. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)**

Presidium Retirement Advisers, Inc. is registered with the SEC. Note however that such registration does not imply a certain level of skill or training.

## **Item 2. Material Changes**

The last annual amendment of the Form ADV Part 2A was dated March 25, 2015. Since the last annual amendment, there have been no material changes to this Brochure. We have however made updates and revisions throughout this Brochure. Presidium encourages each client and prospective client to read this Brochure in its entirety.

If you would like another copy of this Brochure, please download it from the SEC's website as indicated above, or you may contact us at 704-544-2399.

## **Item 3. Table of Contents**

Item 2. Material Changes .....	2
Item 3. Table of Contents .....	2
Item 4. Advisory Business.....	3
Item 5. Fees and Compensation.....	4
Item 6. Performance-Based Fees .....	5
Item 7. Types of Clients .....	5
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss .....	5
Item 9. Disciplinary Information .....	6
Item 10. Other Financial Industry Activities and Affiliations .....	6
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	6
Item 12. Brokerage Practices.....	7
Item 13. Review of Accounts .....	7
Item 14. Client Referrals and Other Compensation.....	8
Item 15. Custody .....	8
Item 16. Investment Discretion .....	8
Item 17. Voting Client Securities .....	8
Item 18. Financial Information.....	8

#### **Item 4. Advisory Business**

Presidium Retirement Advisers, Inc. (“Presidium”) has been in business since February 2006. On January 29, 2015, Presidium was acquired by Breen Financial Corp. (“Breen”), which is a wholly owned subsidiary of Horizon Investments, LLC (“Horizon”).

Anne N. Comer, AIFA<sup>®1</sup>, CPA<sup>2</sup>, is one of the founders of Presidium and currently serves as Director of Institutional Consulting. She graduated from University of North Carolina in 1971 with a Bachelor of Arts degree in Chemistry. She received her Master of Business Administration degree from Queens College, Charlotte, NC. She is a Certified Public Accountant in and has the AICPA designation of Personal Financial Specialist.

Presidium offers various investment advisory services to clients depending on each client’s needs. The advisory services are more fully explained below.

As of December 31, 2015, Presidium had a total of \$989,708,216 in assets under management in 13 accounts. The assets under management are broken down as follows:

- 5 discretionary accounts with \$884,347,579 in assets under management; and
- 8 non-discretionary accounts with \$105,360,637 in assets under management.

Presidium provides tailored and customized consulting and advisory services to retirement plans, including defined benefit plans, defined contribution plans and profit sharing plans.

These services include one or more of the following:

##### **A. Retirement Plan Provider Search and Selection:**

Presidium conducts formal Request for Proposal (“RFP”) services to assist plan sponsors needing a record-keeper and plan provider. Presidium facilitates all aspects of the RFP review process, comparison of fees, plan investments and overall services, interview process and final selection. The final decision to select a provider rests with the plan sponsor.

##### **B. Retirement Plan Benchmarking:**

Presidium provides benchmarking services designed to review the current plan provider compared to industry standards and other similar providers.

##### **C. Fee Analysis:**

Presidium provides a plan fee analysis that looks in-depth at all plan expenses and fees charged to the plan and its participants. This includes an analysis of revenue sharing, reconciliation of plan expense accounts (if used) and other contractual relationships.

---

<sup>1</sup> **Accredited Investment Fiduciary Analyst (AIFA®)** The AIFA® designation certifies that the recipient has specialized knowledge of fiduciary standards of care and their application to the investment management process. To receive the AIFA® designation, individuals must complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the AIFA® Code of Ethics. In order to maintain the AIFA® designation, the individual must annually renew their affirmation of the AIFA® Code of Ethics and complete ten hours of continuing education credits. The certification is administered by the Center for Fiduciary Studies, LLC (a Fiduciary360 (fi360) company).

<sup>2</sup> **Certified Public Accountant (CPA)** CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two year period or 120 hours over a three year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a *Code of Professional Conduct* which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. The vast majority of state boards of accountancy has adopted the AICPA’s *Code of Professional Conduct* within their state accountancy laws or has created their own.

**D. Additional Services for Employee Benefit Plans:**

Presidium can provide additional consulting services for retirement plans including participant education services, historical plan reviews, custom retirement plan analysis and due diligence services.

**E. Investment Policy Statement:**

Presidium can assist a client in preparing an Investment Policy Statement (“Statement”) reflecting the client’s investment objectives, policies and constraints and risk tolerance. No assurance has been or can be given to the client that the client will achieve the investment objectives reflected in the Statement.

**F. Manager Due Diligence:**

Presidium can monitor investment managers to ensure policy compliance within established guidelines; analysis of portfolio style characteristics, performance, and investment process and philosophy may additionally be offered. Presidium will not be held liable for misinformation provided to Presidium.

**G. Mutual Fund Search and Selection:**

Presidium can provide a Mutual Fund Search Report designed to provide the client with a list of Mutual Funds whose investment philosophies and policies are compatible with the client’s investment objectives, policies and constraints and risk tolerance, as specified by the Statement.

**H. Performance Monitoring Reports:**

Presidium will periodically provide Performance Monitoring Reports evaluating the historical performance of the client’s portfolio over various time periods as well as comparing various aspects of such performance to mutually agreed-upon benchmarks. Account data will be derived from custodian statements for each period, and Presidium will not be responsible for verification of the information supplied by the custodian.

**Item 5. Fees and Compensation**

Presidium provides consulting and advisory services to retirement plans; including defined benefit plans, defined contribution plans and profit sharing plans. The fees charged by Presidium are negotiable and based on either the amount of service required or the level of assets under management. These fees are payable either in advance or in arrears.

Presidium focuses on providing asset allocation and mutual fund selection to retirement plan sponsors as well as foundations and endowments.

Presidium provides fee studies and fee benchmarking to retirement plan sponsors. Generally, this work consists of evaluating the fees charged by the various investments and service providers in the retirement plan and comparing them to other available options. Presidium may recommend possible changes to reduce the plans fees and expenses. Presidium also provides fiduciary reviews, fiduciary training and oversight for Investment Committees and vendor searches. These services are provided on either a flat fee or hourly rate.

Clients also bear certain charges imposed by third parties in connection with investments made through client accounts, including but not limited to mutual fund servicing fees, sub-accounting fees, management fees, administration fees and transaction fees. Custodians also charge various fees based on account maintenance (custodial) including transaction costs, transfers, withdrawals, and termination. These fees are generally disclosed in the custodian contracts and related documents. Each custodian may also collect additional revenue from the mutual fund families in which client accounts are invested, such as sub transfer agent fees. The client should understand that fees paid to fund managers by mutual funds or ETFs are deducted from each fund’s net asset value and as such shall be an indirect expense of the client’s account. Presidium does not receive or share in any of these fees. The only fees that Presidium receives are the fees paid from the client to Presidium.

All clients are billed directly or alternatively they can authorize the deduction of fees from their account(s) held at a third party custodian. Presidium provides clients and the custodian with a fee statement. Fees owed are calculated and billed quarterly either in advance or in arrears depending on the client's preference, except for fees collected for providing fee studies and consulting services, as discussed above.

Presidium's fees vary based on the assets under management and the services provided. For pension and/or profit sharing plans, fees are determined either on a "fixed fee" basis, which is a flat dollar amount, or as a percent of assets under management. The minimum fee is \$10,000 per year. In general Presidium's asset-based fees range from .08% to .50% per year. Fees are negotiable at the sole discretion of Presidium, based on factors such as account size and the scope of services provided.

Fees for consulting services are either charged as a flat fee for a specific engagement or charged at an hourly rate which varies based on the services provided and other factors. Flat fee consulting engagements are based on the estimated number of hours required to complete the engagement. The consulting fees for Presidium professional staff are based on a rate of \$295 per hour, which may be negotiated.

Clients may terminate investment advisory services obtained from Presidium, without penalty, upon written notice within thirty (30) business days after entering into the advisory agreement with Presidium. Clients will be responsible for any fees and charges incurred by client from third parties as a result of maintaining the account, such as transaction fees for any securities transactions executed and account maintenance or custodial fees. Thereafter, clients may terminate investment advisory services upon Presidium's receipt of clients' written notice to terminate.

Certain mutual fund shares may be required to be held for a minimum time period, generally 90-days to six months. In the event that such shares are redeemed prior to the end of the minimum holding period, they may be subject to a redemption fee. The fee may be assessed by the broker/dealer through whom the transactions are executed or directly by the mutual fund sponsors as described in their prospectuses. Such fees are not shared with Presidium. Clients are encouraged to read each mutual fund prospectus prior to investing.

Presidium acts as an ERISA-defined 3(38) Discretionary Investment Manager for retirement plans accepting fiduciary responsibility or as an Investment Adviser under ERISA 3(21)(A)(ii)

#### **Item 6. Performance-Based Fees**

Presidium does not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance-based fees). Our advisory fee compensation is charged only as disclosed above.

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

Presidium focuses on providing investment advisory services to:

- Retirement and profit sharing plans for non-profit corporations
- Corporate retirement and profit sharing plans,
- Retirement consultants, and
- Foundations and endowments

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

A description of services Presidium provides is described above under Item 4. Presidium provides these services on an ongoing basis based on the individual needs of the client. Presidium offers clients flexibility among payment structures, custodians, and management styles. Management will be primarily on a passive

basis and occasionally on an active basis. Presidium will actively monitor the assets in the account and make changes deemed appropriate in light of the circumstances, based upon the expertise of Presidium.

As stated above, Presidium's investment advice for certain clients will involve the recommendation and selection of mutual funds for retirement plan clients. Presidium uses data compiled by Morningstar, Zephyr Style Advisor, Zephyr Allocation Advisor, and FI360 to research, evaluate and analyze mutual fund performance and asset allocation.

### **Risk of Loss**

Securities markets fluctuate substantially over time. All investments in securities include a risk of loss of money invested (principal) and any unrealized profits (*i.e.*, profits in the account that have not been liquidated, sometimes called "paper profits"). In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets Presidium manages that will be out of Presidium's control. Presidium cannot guarantee any level of performance or that clients will not experience a loss of account assets.

Presidium does not represent, warrant or imply that the services or methods of analysis used by Presidium can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to major market corrections or crashes. No guarantees can be offered that clients' goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by Presidium will provide a better return than other investment strategies.

### **Item 9. Disciplinary Information**

Presidium is obligated to disclose any disciplinary event that would be material to clients, or potentials clients, when evaluating Presidium to initiate a client / adviser relationship, or to continue a client /adviser relationship with us. We do not have any legal or other disciplinary item to report.

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

Presidium is wholly owned by Breen Financial Corp., which is wholly owned by Horizon Investments, LLC. Horizon is an investment adviser registered with the SEC. Presidium does not recommend services provided by either Breen or Horizon (or securities managed by Horizon) to its clients.

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

#### **Code of Ethics**

Presidium has a fiduciary duty to clients to act in the best interest of the client and always place the client's interests first and foremost. Presidium takes seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as Presidium's policies and procedures. The firm strives to handle clients' non-public information in such a way to protect information from falling into hands that have no business reason to know such information. We provide clients with Presidium's Privacy Notice.

To provide an understanding of Presidium's standards for meeting its fiduciary responsibility to clients, Presidium has a Code of Ethics that must be adhered to by all of its employees. Employees and access persons have a duty at all times, to place the interests of clients first. Employees and access persons must conduct their securities transactions in a manner that avoids any potential for conflict of interest or any abuse of their position of trust and responsibility. Employees and access persons may not use knowledge about pending or currently considered transactions for clients to profit personally and information concerning the identity of securities holdings and financial circumstances of clients is confidential.

The Code of Ethics includes standards of business conduct designed to reflect the fiduciary obligations of the firm. The code further contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre- approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about client transactions.

The Code requires employees and access persons to comply with applicable Federal securities laws, provisions designed to detect and prevent improper personal trading, provisions prohibiting improper insider trading, provisions requiring employees and access persons to make periodic reports of personal securities transactions and holdings and requiring Presidium's Chief Compliance Officer to review such reports.

Presidium's Code of Ethics is distributed to each employee at the time of hiring and as the Code is modified. In addition, Presidium requires an annual written certification by all employees regarding their understanding and compliance with the Code of Ethics. Presidium also supplements the Code with annual training and on-going monitoring of employee activity.

A copy of the Company's Code of Ethics is available to clients and potential clients upon request.

### **Participation or Interest in Client Transactions and Personal Trading**

Under the Code of Ethics, personnel with access to investment recommendations and client information are generally required to submit information about their personal trading activities to Presidium's Chief Compliance Officer or his or her designee for review and advance approval. Violations of the Code may result in disciplinary action up to and including dismissal.

Presidium also tracks employees' holdings by obtaining annual holdings reports and quarterly certifications for its employees. In accordance with applicable law, Presidium also maintains and enforces written policies and procedures reasonably designed to prevent the misuse of non-public information by Presidium or any person associated with Presidium. Further, employees are prohibited from trading on non-public information or sharing such information.

## **Item 12. Brokerage Practices**

### **Research and Other Soft Dollar Benefits**

Presidium does not receive any compensation, other benefits or participate in any soft dollar arrangements.

### **Brokerage for Client Referrals**

Presidium does not receive any compensation or incentive for recommending any broker-dealer for execution of client transactions.

### **Directed Brokerage**

Presidium does not engage in directed brokerage transactions for clients. Presidium researches and analyzes costs and fees in connection with various brokerage firms and may pass along this information to clients. However, Presidium does not recommend, request or require that a client direct brokerage transactions to a specified broker dealer.

## **Item 13. Review of Accounts**

Presidium regularly reviews client investment recommendations. Clients receive a monthly and/or quarterly statement from their respective custodian summarizing all trades made during the month or quarter, client's balance, cash balances, and the amount of fees paid from the clients' accounts.

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

Presidium may compensate solicitors on a negotiated basis for soliciting business for Presidium. Compensation to solicitors will be an agreed-upon amount equal to a percentage of Presidium's advisory fee.

**Item 15. Custody**

Accounts are custodied at the various firms that hold client accounts. Presidium will not maintain custody of clients' funds or securities, with the exception of deduction of Presidium's fees from clients' accounts that are authorized in the advisory agreement between clients and Presidium. Clients will receive account statements directly from these custodians and should carefully read the statements for accuracy.

**Item 16. Investment Discretion**

Pursuant to clients' written agreements, clients may grant Presidium full discretion with respect to the purchase and sale of securities in the clients' accounts, and the amounts of such purchases or sales. When discretionary authorization is granted Presidium has the ability to determine the securities to be purchased and sold and when such securities are purchased and sold.

Granting Presidium discretion does not give Presidium the ability to select a brokerage firm to be used in effecting trades in a client's account. Clients are provided with information regarding cost and service analysis of potential brokerage service providers a client may select to effect transactions.

**Item 17. Voting Client Securities**

Clients are advised that Presidium does not vote proxies on clients' behalf or take responsibility in any way to ensure client's securities are voted. Clients retain the responsibility for voting their own proxies.

**Item 18. Financial Information**

Presidium does not require or solicit prepayment of fees six months or more in advance, and Presidium currently does not have any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.