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### **Client Disclosure Brochure: Form ADV Part 2A**

This Client disclosure brochure is the most recent update of our Form ADV Part 2A. It provides Clients with information about our company, our advisory services, fees, and key personnel. This disclosure information should be carefully considered before you become a Client of **PFE Advisors, Inc. d/b/a The PFE Group**. If you have any questions, please call us or write to the address below. 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 The PFE Group is also available on our website at [www.pfegroup.com](http://www.pfegroup.com) and the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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**Item 2:**  
**Material Changes**

This section of the ADV Part 2A brochure is meant to describe any material changes relating to PFE Advisors, Inc. that Clients should be aware of.

We do not have any material changes to report at this time.

Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary. Additionally, we will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting our main office at 508-683-1400, ext. 207. Our Brochure is also available on our web site [www.pfegroup.com](http://www.pfegroup.com), free of charge.

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

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**Item 4:****ADVISORY BUSINESS****Description of Business**

PFE Advisors, Inc. ("The PFE Group"), a Delaware corporation, is an investment advisory firm registered with the Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940, as amended, with an effective registration date of 8/30/2007 (The PFE Group's predecessor entities date back to 1996). The PFE Group provides comprehensive retirement plan and investment consulting services to qualified and non-qualified, pension and profit sharing plans of corporations and other entities.

**Principal Owners**

The PFE Group's principal owner, and only individual or entity with over 25% ownership, is United Capital Financial Partners, Inc. ("UCFP"), a Delaware corporation with its principal office located in Newport Beach, California.

**General Description of Advisory Services**

The PFE Group provides its Clients, primarily employer-sponsored retirement plans, including pension, 401(k), and profit sharing plans, with a broad range of comprehensive investment consulting services, including:

- (1) retirement plan design and communications,
- (2) retirement plan service provider search,
- (3) retirement plan investment advisory services, including investment analysis selection, and implementation, and
- (4) financial and retirement education.

In performing its services, The PFE Group does not verify any information it receives from the Client, or from the Client's other professionals (e.g., attorney, accountant, etc.), but expressly informs Clients that (outside its regulatory obligation) it relies on the accuracy of information they provide.

When administering its retirement plan investment advisory services, as dictated in the agreement between The PFE Group and Client, The PFE Group may provide the Client with guidance on investment selection. In those instances, the Client retains the responsibility for implementing any and all changes. Alternatively, The PFE Group may act as a discretionary investment manager for the Client. When The PFE Group provides guidance services, the Client is under no obligation to act upon any of the recommendations made by The PFE Group. The Client retains sole discretion over all investment implementation decisions and is free to accept or reject any recommendations The PFE Group provides. When hired as a discretionary investment manager, The PFE Group is responsible for providing the investment options within the specific plan that it is hired to manage, which includes discretionary authority to change the investment options, as dictated by the Plan's Investment Policy Statement.

The PFE Group primarily offers investment advice on mutual funds, exchange traded funds ("ETF's") and other pooled investment structures such as collective trusts and separate accounts, including those that The PFE Group recommends or specific funds selected by the plan trustees, plan fiduciaries or board for the Client's defined contribution or pension plan. The PFE Group may also provide advice about all other types of investments held in a Client's portfolio or available as an investment option at the beginning of the advisory relationship.

The PFE Group may be engaged to conduct a comprehensive vendor search which generally includes the evaluation and comparison of several third party service providers such as plan record-keepers, actuaries, auditors and registered broker-dealers (to provide brokerage, clearing, custodial, and administrative services to the Client). Upon conclusion of The PFE Group's vendor search, The PFE Group, generally, may

recommend that the Client engage the services of one or more third party service providers, which may include broker-dealers (to handle securities transactions).

In order for The PFE Group to provide Clients with proper advice, it is strongly recommended that Clients arrange for and furnish The PFE Group with all necessary information and authorizations. These financial institutions may include any broker-dealer that The PFE Group recommends, broker-dealers selected by the Client, trust companies, banks, etc. (collectively referred to herein as the "*Financial Institutions(s)*").

The PFE Group's Clients are advised to notify it promptly if there are ever any changes in a Client's financial situation, investment objectives, plan design, IRS qualification, or if they wish to make changes to The PFE Group's investment advisory service agreement already in force.

The PFE Group is also engaged by its Clients to provide non-personalized investment-related plan implementation and educational services. These services generally address issues involving employee participation in an employer-sponsored retirement plan but may include additional topics of broader concern, such as benefits summaries or general education workshops for plan participants. The PFE Group may charge either a fixed fee or an hourly fee for these services. Educational services are provided on an "as needed" basis. Investment analysis is conducted by one or more of The PFE Group's employees.

All institutional Clients are encouraged to discuss their needs, goals, and objectives with The PFE Group and to keep The PFE Group informed of any changes in these areas. The PFE Group contacts Clients that it provides active investment analysis to at least annually to review past services and recommendations.

Similar to the services it provides to its Clients, The PFE Group also provides sub-advisory services to United Capital Financial Advisers, LLC ("United Capital"). When providing these sub-advisory services, The PFE Group conducts a review and analysis, and provides recommendations through the same or a similar process as it does for its Clients. See Item 10 below for additional information.

## **Item 5:**

### **FEES AND COMPENSATION**

Prior to engaging The PFE Group to provide investment consulting services, the Client is generally required to enter into a written *Investment Consulting Service Agreement* ("*Agreement*"). The Agreement sets forth the terms and conditions of the engagement and describes the scope of the services to be provided and the fees required to be paid prior to The PFE Group commencing services. The PFE Group requests a signed agreement for engagement of its services. If a signed agreement is not returned by the Client, the terms and conditions of the Agreement are considered accepted by the Client when The PFE Group receives the initial payment from the Client.

#### **Fees**

The PFE Group will generally charge a fixed fee (flat dollar amount or an amount based on a percentage of plan assets) for these services, and may, in addition to or instead of its fixed fee, charge its Clients on an hourly basis. The PFE Group's hourly fees generally range from \$150 to \$550 an hour. The PFE Group's fees are negotiable and are set forth in the *Agreement* depending upon the level and scope of the services and the professional(s) rendering the consulting services.

#### **Fee Schedule**

The PFE Group bases its fees on plan design, investment structure and investment fund complexity. Certain minimum fee requirements may apply. The PFE Group has no fee schedule, as each quoted fee is specific to each Client's needs.

**Billing**

The PFE Group invoices its Clients either quarterly or semi-annually, as agreed to in each Client's service *Agreement*. Invoices are directed to Clients, who have the sole responsibility for determining how invoices are paid (i.e., employer paid, charged to the plan, combination, other).

The PFE Group receives no compensation from investment managers or other third parties.

Clients or plan participants may incur fees charged by other entities for services rendered to the plan including, but not limited to investment fees, brokerage fees, and transaction costs. The PFE Group has no control over the amount or frequency of these charges.

Fees for investment advisory services are charged in arrears following the close of each period (semi-annual or quarter). Consulting services (non-investment advisory services) are generally charged 50% at the beginning of each project and the balance charged at project completion.

Clients who are dissatisfied with services may qualify for a refund of previously paid services, however, The PFE Group, in its sole discretion, may choose to correct any deficiency and not pay a refund. If services are terminated before the end of a billing period, fees are pro-rated.

**Other Fees & Expenses**

Clients may incur certain charges imposed by the *Financial Institution(s)* and other third parties such as custodial fees, charges imposed directly by investment managers, mutual fund fees which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, Clients may be charged for brokerage commissions and transaction fees, all of which are in addition to The PFE Group's consulting fees. The PFE Group does not share in any portion of the brokerage fees or transaction charges of the broker-dealer or custodian.

**Termination of Consulting Agreements**

Pursuant to its terms, the *Agreement* between The PFE Group and the Client will continue in effect until terminated by either party. The PFE Group's consulting fees are calculated on a pro rata basis through the date of termination and any remaining balance, if applicable, will be charged or refunded to the Client, as appropriate, in a timely manner.

The Client may terminate the *Agreement* by submitting notice to The PFE Group, which is effective upon receipt. Neither The PFE Group nor the Client may assign the *Agreement* without the consent of the other party. Transactions that do not result in a change of actual control or management of The PFE Group shall not be considered an assignment.

**Item 6:****PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

The PFE Group does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a Client).

**Item 7:****TYPES OF CLIENTS**

The PFE Group's Clients generally include employer-sponsored retirement plans, including defined benefit pension, defined contribution (401(k), 403(b), 457(b) or 457(f), profit sharing, etc.), non-qualified plans and other investment advisers.

## **Minimum Account Size**

The PFE Group has no minimum account size.

## **Item 8:**

### **METHODS OF ANALYSIS, INVESTMENT STRATEGY AND RISK OF LOSS**

#### **Methods of Analysis**

Retirement plan advisory services are specific to each Client and are based on the Client's plan objectives (i.e. to attract, retain employees, etc.), plan status (active or frozen), funded level (over or under), risk strategy for the plan, investment committee involvement and participant needs and preferences, as well as other factors. When The PFE Group is employed to provide retirement plan services, in general and at a minimum, our methods of analysis consider the following factors:

- Meeting the Plan's benefit obligations to all Plan participants and beneficiaries.
- Achieving a long term investment return that, when combined with company contributions, is sufficient to meet Plan liabilities and expenses.
- Establishing an asset allocation policy that provides reasonable assurance of achieving the Plan's or participant's investment objectives at an acceptable level of risk.
- Assuring sufficient liquidity to meet benefit payment obligations and pay Plan expenses on a timely basis.
- Complying with ERISA, as amended, and other regulatory and legal requirements.

#### **Investment Strategy**

The PFE Group will consider a variety of fundamental and technical factors when searching for institutional managers to manage Client assets, to support the advice that it offers to Clients. The following provides a general list of the factors that The PFE Group uses to analyze the institutional managers that it recommends. Other factors may be considered and not all of the items on this list are reviewed for every manager.

- Available on record-keeper platform
- 3-Year/5-Year/10-Year Risk Adjusted Return: above category average
- Expense: below category average
- Management Tenure: > 3 Years
- Fund Asset Size (all classes): > \$200 M
- Sharpe Ratio: above category average
- Consistency: metric to measure manager consistency: High
- Short-term redemption fee: Y/N & terms
- Modern Portfolio Theory return/risk analysis (Qtr/YTD/1, 3, 5, 10)
- Cumulative, annualized, rolling 24 & 36 month performance.
- Risk vs. Return (3 & 5-Year w/Information Ratio)
- 5-Year comparison: Up vs. Down market capture ratio
- Rolling 24-month style exposure over last 5 years
- Historical & average style and exposure
- Modern Portfolio Theory comparisons
- Benchmark consistency
- Audited financials by reputable accounting firm
- Separate account/collective trust pricing
- Firm ownership/total staff/retention
- Compliance history
- Firm expertise & assets vs. desired fund
- Fund assets vs. plan assets being placed
- Fund research staff depth & process
- Fund analyst to manager ratio
- Fund specific succession plan
- Fund manager compensation structure & manager retention strategy; other responsibilities
- Make-up of Fund's current asset base (e.g., inst'l, retail, distribution channels used)
- Reasons for out-performance/under-performance
- Current strategy relationship to past performance
- Clarity of/desire to share attribution
- Fund closing strategy (maximum assets)

- Buy discipline/sell discipline
- Did manager show tracking/comparison tools
- Research process/data sourcing
- Process for managing information (e-mail/VM)
- Preferred industries/industries to avoid
- Holdings & turnover philosophy
- Sector weighting philosophy

Note: Additional information about any of the above factors for analyzing the institutional managers is available upon request. Please contact The PFE Group for further information.

### **Risk and Tax Disclosure**

Investing in securities involves risk of loss that Clients should be prepared to bear. Investment performance can never be predicted or guaranteed and the value of a Client account or portfolio holding will fluctuate due to market conditions and other factors. With respect to The PFE Group's recommendations, there is a risk that the investments selected by the Client will underperform comparable indices.

### **Item 9:**

#### **DISCIPLINARY INFORMATION**

Investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a Client's evaluation of The PFE Group or the integrity of The PFE Group's management. The PFE Group has never received a Client complaint or regulatory sanction.

### **Item 10:**

#### **OTHER FINANCIAL INDUSTRY ACTIVITY AND AFFILIATIONS**

##### **The PFE Group Affiliations**

The PFE Group is a wholly owned subsidiary of United Capital Financial Partners, Inc. ("UCFP"), a Delaware corporation with its principal office located in Newport Beach, California. United Capital Financial Advisers, LLC ("United Capital"), an investment adviser located in Newport Beach, CA and registered with the SEC, is a wholly owned subsidiary of UCFP. United Capital provides financial life management services, which includes financial guidance and discretionary investment management services, based on individual Client needs and circumstances.

The PFE Group and United Capital have referral arrangements whereby pension or profit sharing institutional Clients of United Capital may be referred to The PFE Group, and plan participants in pension and consulting plans of The PFE Group may be referred to Investment Advisory Representatives ("IARs") of United Capital for individual wealth management services. No compensation is paid to United Capital or The PFE Group for referrals to one another. Certain IARs of United Capital are also registered representatives of a non-affiliated broker dealer, such as Girard Securities, Inc., and/or as insurance agents (see UCRM below). When a plan participant is referred to a United Capital IAR, who is also a registered representative of a broker dealer, or an insurance agent, the IAR may recommend products that pay the IAR a commission. Thus, there may be a financial incentive for an IAR to recommend securities products to plan participants for which the IAR might receive commissions from a broker-dealer, or insurance agency. Lower fees for comparable securities products may be available from other sources.

Managing Directors of regional offices of United Capital may be engaged by The PFE Group to present educational workshops to employees of its Client employer plans. If any affiliated advisers are engaged by plan participants to provide advice or financial planning services, The PFE Group will not receive any portion of fees charged (referral or otherwise) as a result of these relationships, however, members of The PFE Group management team shall be entitled to receive distributions or dividends relative to their

respective ownership interests in its parent company, United Capital Financial Partners, Inc. ("UCFP") to which it is under common control with its affiliates.

The PFE Group provides sub-advisory services to United Capital through United Capital's service offering marketed under the name United Capital Retirement Advisers ("UCRA"). The PFE Group is paid a flat fee by United Capital for their services. See item 4 above for additional information.

United Capital Risk Management ("UCRM"), an insurance agency registered with various state insurance divisions, is a wholly owned subsidiary of United Capital. Certain investment adviser representatives of United Capital may affiliate with UCRM to offer fixed insurance products to Clients and prospects. The PFE Group will not receive any portion of the revenue generated through UCRM, however, members of The PFE Group management team shall be entitled to receive distributions or dividends relative to their respective ownership interests in its parent company, United Capital Financial Partners, Inc. ("UCFP") to which it is under common control with its affiliates.

**Item 11:**  
**CODE OF ETHICS**

The PFE Group has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at The PFE Group must acknowledge the terms of the Code of Ethics annually, or as amended.

The PFE Group's Clients or prospective Clients may request a copy of the firm's Code of Ethics by calling 508-683-1400, ext. 207 or writing to The PFE Group's main office at 153 Cordaville Road, Suite 230, Southborough, MA 01772.

When investing its own corporate funds The PFE Group, or its parent or affiliates, primarily use fixed-income deposits or money-market funds and do not invest in the same securities as Clients.

Certain employees may be invested in the same securities that are recommended to Clients or held in Client portfolios. Employees may hold securities or trade for their own accounts contrary to advice provided to Clients, based on individual needs and circumstances of the employees.

**Item 12:**  
**BROKERAGE PRACTICES**

**Soft Dollars**

The PFE Group does not accept compensation of any kind from third parties, this prohibition includes soft dollars or any other form of compensation (financial or non-financial), outside of the fee for services paid by Clients and fees for its consulting arrangement with United Capital.

**Execution/Directed Brokerage**

As described in the Advisory Services section above, The PFE Group may be engaged to conduct a comprehensive vendor search which generally includes the evaluation and comparison of several registered broker-dealers to provide brokerage, clearing, custodial, and administrative services to the Client. Upon conclusion of The PFE Group's vendor search, we may generally recommend, but not require, that the Client engage the services of one or more broker-dealers through which securities transactions

may be effected. While The PFE Group believes that its recommendations are the best option for the particular plan's circumstances, based on its analysis, there is a possibility that the Client may pay lower fees and receive better execution through other vendors.

**Item 13:**

**REVIEW OF ACCOUNTS**

For those Clients to whom The PFE Group provides ongoing investment analysis and formal reviews, The PFE Group monitors its Clients' investment options as part of an ongoing process on a frequency described in the *Agreement*, and in most cases on an at least quarterly basis.

**Client Custodial Statements**

Clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the Client accounts. Those Clients to whom The PFE Group provides investment analysis services will also receive a report from The PFE Group that may include such relevant account and/or market-related information such as a description of investment options and relevant performance on a periodic basis as disclosed in the Client's *Agreement*.

**Item 14:**

**CLIENT REFERRALS AND OTHER COMPENSATION**

The PFE Group does not give or receive any economic benefit to or from third parties for Client referrals or other advisory services provided. The only compensation it receives is from the fee paid by its Clients.

**Item 15:**

**CUSTODY**

The PFE Group does not take custody of Client assets.

**Item 16:**

**INVESTMENT DISCRETION**

The PFE Group provides discretionary investment management services, including regular and continuous supervision of Client investment options. When providing discretionary management services, The PFE Group provides its services to the employer sponsored retirement plan ("Client"), based on the expectations described in the plan's Investment Policy Statement.

**Item 17:**

**VOTING CLIENT SECURITIES**

The PFE Group does not vote proxies on behalf of its Clients.

**Item 18:**

**FINANCIAL INFORMATION**

The PFE Group does not require or solicit prepayment of investment advisory services.