

# **Fiduciary First, LLC**

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**March 22, 2013**

**FORM ADV PART 2A**

**BROCHURE**

**This brochure provides information about the qualifications and business practices of Fiduciary First, LLC. If you have any questions about the contents of this brochure, please contact us at 407-740-1611. 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 Fiduciary First, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Fiduciary First, LLC is 150330.**

**Fiduciary First, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.**

## Item 2 Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Generally, Fiduciary First, LLC will notify clients of material changes on an annual basis. However, where we determine that an interim notification is either meaningful or required, we will notify our clients promptly. In either case, we will notify our clients in a separate document.

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## Item 4 Advisory Business

### Description of Services and Fees

Fiduciary First, LLC is a registered investment adviser based in Central Florida. We are organized as a limited liability company under the laws of the State of Florida and we provide investment advisory services and Retirement Plan Fiduciary Process services referred to as "Prudent Fiduciary Process". Don M. Faller, CFP and Jamie Hayes, QPFC are our principal partners. We are a fee-only independent investment adviser that provides Retirement Plan consulting services to qualified and non-qualified retirement plans (collectively "Plans"). We have been providing services since 2011.

The following paragraphs describe our services and fees. As used in this brochure, the words "we", "our" and "us" refer to Fiduciary First, LLC and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person or Investment Adviser Representative throughout this Brochure. As used in this Brochure, our Associated Persons are our firm's officers and employees, and Investment Adviser Representatives are all individuals providing investment advice on behalf of our firm.

Our Retirement Plan consulting services are tailored to meet the needs and objectives of the Plan and the Plan sponsor, investment committees, and other fiduciaries responsible for managing the Plan (individually, a "Plan Fiduciary" and collectively, the "Plan Fiduciaries"). Retirement Plan consulting services we provide may include, but are not limited to, one or more of the following:

- **Managing the organizational, Plan goals and success objectives of the Plan** - interview the Plan Committee and benchmark successful fulfillment of plan objectives.
- **Managing a robust and consistent Fiduciary Process on behalf of the Plan** -set up a quarterly calendar of fiduciary behaviors and document the process.
- **Maintain a server based encrypted "Client Lockbox "** - hold all relevant documentation regarding plan fiduciary process and maintain a living record of fiduciary process.
- **Developing and implementing a written Investment and Education Policy Statement** -submit draft for Plan Committee approval and monitor the Plan's adherence to the Statement.
- **Evaluating and monitoring Plan investments and investment options** - use of highly advanced analytical tools to confirm compliance with the policy statement and ERISA, GFOA and other governance bodies.
- **Monitoring and managing the Plan's pursuit of Safe Harbor Status and other Risk Management Strategies** - assist with processes in place to accomplish various safe harbors including Regulation 404(c).
- **Third party investment manager/mutual fund searches and recommendations** - via proprietary benchmarking and ranking technology.
- **Asset allocation advice** - for plan portfolios that are not participant directed; Efficient Frontier yield and risk weighted asset allocation guidance.
- **Legal and Compliance Research** - assist with use of internal and outsourced legal and technical resources.
- **Plan Design** - in coordination with the plan's designated recordkeeping vendor and in conjunction with Plan Committee goals; develop strategies to implement client objectives.
- **Establishment of Benchmarks** - assist with comparison and contrast dozens of plan profile characteristics and information with plan peer group.
- **Bonding and Insurance** - request and verify current coverage and hold copies in Client Lockbox.

- **Vendor relationship management/coordination** - assist with routine vendor interaction and coordination of Plan Committee decisions.
- **Analysis of investment segmentation** - opine on investment styles, overlap and style drift.
- **Fiduciary Review and Provider Benchmarking** - assist with routine review of internal fiduciary processes and benchmark against peer group.
- **Firm, operational and Investment fiduciary advice** - serve in the capacity as an ERISA 3(21) investment advisor or ERISA 3(38) manager as defined by the service agreement for these services.
- **Monitoring and management of plan committee activities** -assist with quarterly schedule of plan committee due diligence.
- **Executive benefits** - if requested; assist with advisory on non-qualified deferred compensation plans.
- **ERISA trust merger and acquisition** - assist with due diligence and fiduciary process on acquisitions and divestitures of entities sponsoring retirement plans.
- **Fiduciary process outsourcing** - provide robust and comprehensive process as coordinated with the client.
- **Education & Regulation 404(c) Compliance** - review existing internal fiduciary process and recommend adjustments to comply with regulation 404(C) or other risk management strategies.
- **QDIA Compliance** ; - review existing internal fiduciary process and recommend adjustments to comply with regulation 404(C)5.
- **Fee and cost oversight** ; - assist with development of an ERISA or retirement plan budget and monitor routinely.
- **Electronic document storage** - provide client with access to the "Client Lockbox" to store all documentation pertinent to fiduciary process.
- **ERISA 3(38) discretionary investment management** - when specifically engaged to provide investment manager services per the service agreement.

We will provide Retirement Plan consulting services to Plans and Plan Fiduciaries as described above. The particular services provided will be detailed in the consulting agreement. The appropriate Plan Fiduciary designated in the Plan documents (e.g., the Plan sponsor or named fiduciary) will (i) make the decision to retain our firm; (ii) agree to the scope of the services that we will provide; and (iii) make the ultimate decision as to accepting any of the recommendations that we may provide. The Plan Fiduciaries are free to seek independent advice about the appropriateness of any recommended services for the Plan.

Retirement Plan consulting services are offered individually or as part of a comprehensive suite of services which can be used with any Plan provider, record keeper, or Plan administrator.

Our annual fee for Retirement Plan consulting services is billed quarterly in advance based on the market value of the Plan's assets on the last day of the preceding quarter and based on the following negotiable fee schedule:

Value of Plan Assets**	Annualized Fee Range
First \$5,000,000	0.50% to 1.00%
\$5,000,001 - \$10,000,000	0.40% to 0.50%
\$10,000,001 - \$40,000,000	0.20% to 0.40%
\$40,000,001 - \$100,000,000	.08% to 0.20%
Above \$100,000,000	Negotiable

**\*\*Assets managed by third party advisers or plan assets outside primary custodial care are included in the value of Plan assets for purposes of calculating our advisory fee.**

If the consulting agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is rounded to the whole quarter.

We may also provide Retirement Plan consulting services on a project or a-la-carte basis. For such services, we may charge you a negotiable hourly fee ranging from \$125.00 per hour to \$400.00 per hour. In the alternative we may charge a negotiable fixed fee ranging between \$10,000.00 to above \$200,000.00. This may occur in special circumstances and only as authorized by the client. Examples may include Department of Labor or Internal Revenue Service inquiries, retroactive form or operational defect repair or other special circumstances or projects requested by the client.

We may require an upfront retainer from you which will be credited against the asset based fee, hourly fee or fixed fee, as applicable. Hourly fees and/or fixed fees are generally due and payable on a monthly basis, in arrears, or upon completion of the services rendered. Other fee paying arrangements may be made on a case-by case basis. Under no circumstance will we require prepayment of a fee more than five months in advance and in excess of \$1,000. Clients may also be responsible for paying any of our travel costs incurred in connection with providing services.

Retirement Plan consulting fees may be payable directly to our firm or the qualified custodian holding your funds and securities will deduct our fees directly from your account, provided you supply written authorization to do so. We will not have access to Plan funds for payment of fees without your written consent. Further, the qualified custodian agrees to deliver an account statement, at least quarterly, directly to the client, showing all disbursements from the account. We encourage you to review all account statements for accuracy.

You may terminate the consulting agreement upon 90 days' written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the agreement, which means you will incur advisory fees only in proportion to the next full quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

### **Types of Investments**

We primarily offer advice on mutual funds. We also recommend third party investment managers and provide advice on annuity contracts or any publicly traded securities.

### **Assets Under Management**

The Fiduciary First consulting platform has historically been offered through third party intermediaries since 1985. As of December 31, 2012, we provided consulting services to clients with assets valued in the aggregate of approximately \$680 million.

## **Item 5 Fees and Compensation**

Please refer to the "Advisory Business" section in this brochure for information on our advisory fees, fee deduction arrangements, and refund policy.

### **Additional Fees and Expenses**

Advice offered by our firm may involve investments in mutual funds and exchange traded funds. Clients are hereby advised that all fees paid to our firm for advisory services are separate and distinct from the fees and expenses charged by funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. Further, there may be transaction charges involved with purchasing or selling of securities. These charges and

fees are typically imposed by the broker-dealer or custodian through whom account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian holding client funds or securities. Our policy is to disclose all fees and to assist our clients in understanding them. However, the client should review all fees charged by mutual funds, our firm, and others to fully understand the total amount of fees to be paid by the client.

### **Compensation for the Sale of Securities or Other Investment Products**

In rare circumstances the Plan may utilize a product or service wherein the advisor may capture "soft" compensation in order to benefit the Plan. Only if specifically requested by the Plan, Adviser may be named on any product purchased by or on behalf of the Plan, and Adviser may receive soft compensation on the sale of the product to the Plan. In that event, all such compensation shall inure to the benefit of the Plan and shall be applied as a credit to reduce the fees otherwise owed to Adviser. Any compensation received by Adviser in excess of Adviser's fees shall be returned to the Plan and applied pursuant to the terms of the Plan. Soft compensation could be defined as product specific commissions, 12b-1's, finders fees, sub TA's and other product related compensation not routinely available to the client.

In order to facilitate the payment of soft compensation to the Adviser to the benefit of the Plan (as directed solely by the Plan), persons providing investment advice on behalf of our firm will act as registered representatives with LPL Financial Corporation ("LPL"), a registered broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. Fiduciary First is not affiliated with LPL and is not registered as a broker dealer. At the direction of the Plan and in their capacity as registered representatives, these persons may receive commission-based or soft compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by these persons in their capacities as registered representatives is separate and netted against our advisory fees. This practice does not present a conflict of interest because persons providing investment advice on behalf of our firm who are registered representatives do not have an incentive to effect securities transactions for the purpose of generating commissions; they act solely based on the Plan's needs. Clients are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm. This arrangement is in place strictly to benefit the Plan.

In addition, some Associated Persons of our firm may be licensed as independent insurance agents with various insurance agencies and may transact insurance products and collect soft compensation for the same reasons outlined above and only at the direction of the Plan and only for the benefit of the Plan. Insurance compensation earned is separate and net of our advisory fees. This practice does not present a conflict of interest because persons providing investment advice on behalf of our firm who are insurance representatives do not have an incentive to recommend insurance products for the purpose of generating commissions rather than solely based on the Plan's needs. However, clients are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm. This arrangement is in place strictly to benefit the Plan.

In the event any Associated Persons receive commissions from the sales of insurance products or securities, including 12b-1 fees, such commissions will be credited against advisory fees charged by our Firm.

Associated persons of our firm are also investment adviser representatives of LPL Financial Corporation may also receive fees for providing advisory services, in their capacity as investment adviser representatives of LPL. Such fees are separate and apart from the Retirement Plan Services fees charged by the firm

Any material conflicts of interest between you and our firm, or our employees are disclosed in this Disclosure Brochure. If at any time, additional material conflicts of interest develop, we will provide you with written notification of the material conflicts of interest or an updated Disclosure Brochure.

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

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## **Item 7 Types of Clients**

We offer advisory services to retirement plans, governments, non-profit organizations, corporations and other business entities.

In general, we do not require a minimum Plan size to establish a client relationship

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

### **Our Methods of Analysis and Investment Strategies**

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- **Charting and Technical Analysis** - Charting involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends. Technical Analysis involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks. The risk of market timing based on technical analysis is that charts may not accurately predict future price movements. Current prices of securities may reflect all information known about the security and day to day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.
- **Fundamental Analysis** - Fundamental analysis involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.
- **Cyclical Analysis** - Cyclical analysis is a type of technical analysis that involves evaluating recurring price patterns and trends. The risk of cyclical analysis is that Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.



- Long Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- Short Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

We also utilize the following methodologies:

- Peer Group Ranking - We rank from 1 (best) to 100 (worst) within an investment category (peer group).
- Risk Reward within Universe - We measure relative volatility of a fund against index and other funds within the Plan.
- Fees Relative to Performance - We perform a cost analysis of funds within peer group ranked against net performance within peer group.
- Stock Intersection (Overlap) - We cross reference fund equity and debt positions for redundancy and adverse concentration.
- Style Drift - We factor historical trend of funds within asset class.
- Stewardship Grades - We account for manager tenure, government investigations, fees, etc.

Our advice may vary depending upon each client's specific circumstances. As such, we determine advice based upon Plan constraints, predefined objectives and various other suitability factors. Plan restrictions and guidelines may affect the composition of portfolios.

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the advisory services we provide.

### **Risk of Loss**

Investing in securities involves risk of loss. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that financial goals and objectives will be met. Past performance is in no way an indication of future performance.

### **Recommendation of Particular Types of Securities**

As disclosed under the "Advisory Business" section in this Brochure, we primarily recommend mutual funds for Plan accounts. Mutual funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. The returns on mutual funds can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely which can dilute other investors' interests.

## Item 9 Disciplinary Information

Our key management has been providing retirement plan advisory services since as early as 1985, Fiduciary First, LLC has been registered and providing investment advisory services since 2011. Neither our firm nor any of our Management Persons has any reportable disciplinary information.

## Item 10 Other Financial Industry Activities and Affiliations

### Registrations with Broker-Dealer

Persons providing investment advice on behalf of our firm are registered representatives and investment adviser representatives with LPL Financial Corporation, a registered broker-dealer and investment adviser, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by registered representatives/investment adviser representatives who are affiliated with our firm.

### Insurance Arrangements

Persons providing investment advice on behalf of our firm may be licensed as insurance agents. These persons may earn commission-based compensation for selling insurance products. Insurance commissions earned by these persons will only be earned at the direction of the Plan and in order to enure benefit to the Plan and are netted from our advisory fees. Please see the "Fees and Compensation" section in this brochure for more information on the compensation received by insurance agents who are affiliated with our firm.

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

### Description of Our Code of Ethics and Professional Responsibility

FiduciaryFirst, LLC adopted a *Code of Ethics* to establish the highest principles and standards. These Principles are general statements expressing the ethical and professional ideals FiduciaryFirst's professionals are expected to display in their professional activities. As such, the Principles are aspirational in character and provide a source of guidance for FiduciaryFirst.

**Principle 1 - Integrity:** Provide professional services with integrity.

*Integrity demands honesty and candor which must not be subordinated to personal gain and advantage. FiduciaryFirst is placed in positions of trust by clients, and the ultimate source of that trust is FiduciaryFirst's integrity.*

**Principle 2 - Objectivity:** Provide professional services objectively.

*Objectivity requires intellectual honesty and impartiality. Regardless of the particular service rendered or the capacity in which a FiduciaryFirst functions, we protect the integrity of our work, maintain objectivity and avoid subordination of judgment.*

**Principle 3 - Competence:** Maintain the knowledge and skill necessary to provide professional services competently.

*Competence means attaining and maintaining an adequate level of knowledge and skill, and application of that knowledge and skill in providing services to clients. Competence also includes the wisdom to recognize the limitations of that knowledge and when consultation with other professionals is appropriate or referral to other professionals necessary. FiduciaryFirst makes a continuing commitment to learning and professional improvement.*

**Principle 4 - Fairness:** Be fair and reasonable in all professional relationships. Disclose conflicts of interest.

*Fairness requires impartiality, intellectual honesty and disclosure of material conflicts of interest. It involves a subordination of FiduciaryFirst's own feelings, prejudices and desires so as to achieve a proper balance of conflicting interests. Fairness is treating others in the same fashion that you would want to be treated.*

**Principle 5 - Confidentiality:** Protect the confidentiality of all client information.

*Confidentiality means ensuring that information is accessible only to those authorized to have access. A relationship of trust and confidence with the client can only be built upon the understanding that the client's information will remain confidential.*

**Principle 6 - Professionalism:** Act in a manner that demonstrates exemplary professional conduct.

*Professionalism requires behaving with dignity and courtesy to clients, fellow professionals, and others in business-related activities .*

**Principle 7 - Diligence :** Provide professional services diligently.

Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

A full copy of our Code of Ethics is available to clients and prospective clients upon request by contacting us at the telephone number on the cover page of this brochure.

#### **Participation or Interest in Client Transactions**

Neither our firm nor any of our Associated Persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

#### **Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities.

### **Item 12 Brokerage Practices**

We may recommend the brokerage and custodial services of LPL Financial Corporation (LPL), a registered broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation but only at the specific request of the Plan; and only to the benefit of the Plan.

Associated persons of our firm, who are registered representatives of LPL are subject to FINRA Conduct Rule 3040, which may restrict such registered individuals from conducting securities transactions away from LPL, unless LPL provides the representative with written authorization. Therefore, you are advised that such persons may be limited to conducting securities transactions through LPL or through custodians approved by LPL.

We receive, at no cost, additional products and services from LPL, including, but not limited to, research, software, brokerage, custodial, administrative support, record keeping and related services.

We believe that LPL provides quality execution services at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by LPL, including the value of research provided, the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of research services and additional brokerage products and services LPL provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

### **Block Trades**

We do not combine multiple orders for shares of the same securities purchased for different clients (the practice of combining multiple orders for shares of the same securities is commonly referred to as "block trading"). Accordingly, different clients may pay different prices for the same securities transactions. Furthermore, we may not be able to buy and sell the same quantities of securities for clients and clients may pay higher commissions, fees, and/or transaction costs than if transactions were block traded.

## **Item 13 Review of Accounts**

Donald Faller, Managing Member and Chief Compliance Officer, Jamie Hayes, Managing Member, Darlene Malaney and Kent Colwell, Client Relationship Officers, will review plan accounts on a quarterly basis.

We will provide you with fiduciary oversight reports on a quarterly basis which will address performance versus benchmarks and other subjects depending upon the scope of the Retirement Plan consulting services provided to you.

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

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

Please refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with LPL.

## Item 15 Custody

We may directly debit our advisory fees from some Plan accounts. This ability to deduct our advisory fees causes our firm to exercise limited custody over Plan funds or securities. We do not have physical custody of any funds and/or securities. Plan funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. Plans will receive account statements from the independent, qualified custodian(s) holding funds and securities at least quarterly. The account statements from the Plan's custodian(s) will indicate the amount of our advisory fees deducted each billing period. You should carefully review account statements for accuracy.

You should compare any reports you receive from us with the statements from the Plan's account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding the Plan's account statement or if you did not receive a statement from the custodian, please contact Donald Faller at 407- 740-6111.

## Item 16 Investment Discretion

Clients generally engage us in a co-fiduciary status or as described under ERISA Section 3(21). However, clients may optionally grant us the limited power and authority under ERISA 3(38) to act on behalf of the Plan to select, based on the criteria established by the Plan and communicated in writing to us, the specific investment options under the Plan and made available to Plan participants. ERISA 3(38) is only available under certain plan design scenarios and only upon advisor approval. Discretionary authority is typically granted by the advisory agreement clients sign with our firm. Clients may impose guidelines and/or impose certain conditions or investment restrictions for investment options.

## Item 17 Voting Client Securities

### Proxy Voting

We will not vote proxies on behalf of Plan accounts. If Plans own shares of applicable securities, the Plan fiduciaries are responsible for exercising rights to vote. Clients should receive proxy materials directly from the account custodian. However, in the unlikely event we were to receive any written or electronic proxy materials, we would forward them directly to clients by mail, unless we are authorized to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

## Item 18 Financial Information

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1200 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to clients

## Item 20 Additional Information

### Your Privacy

We view protecting our customers' private information as a top priority and, pursuant to the requirements of the Gramm-Leach-Bliley Act, we have instituted policies and procedures to ensure that customer information is kept private and secure.

We do not disclose any nonpublic personal information about our customers or former customers to any non-affiliated third parties, except as permitted by law. In the course of servicing a client's account, we may share some information with service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers.

We restrict internal access to nonpublic personal information about clients to those employees who need to know that information in order to provide products or services to the client. As emphasized above, it has always been and will always be our Firm's policy never to sell information about current or former customers or their accounts to anyone. It is also our policy not to share information unless required to process a transaction, at the request of a customer, or as required by law.

**Class Action Lawsuits**

We do not determine if securities held by clients are the subject of a class action lawsuit, nor do we initiate or participate in litigation to recover damages on a client's behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by clients.