



**FIRM BROCHURE**  
**FORM ADV PART 2A**  
**MARCH 2018**

## **FIRM BROCHURE**

This brochure provides information about the qualifications and business practices of The Mather Group, LLC. If you have any questions about the contents of this brochure, please contact us by telephone at (630) 537-1078 or by email at [s.mather@themathergroup.com](mailto:s.mather@themathergroup.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority.

Additional information about The Mather Group, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

Please note, use of the term "registered investment adviser" and description of The Mather Group, LLC and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Firm Brochure and the Brochure Supplement, or contact our firms' associates who advise you for more information on the qualifications of our firm and employees.

### **CONTACT INFORMATION**

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# **MATERIAL CHANGES**

## **ANNUAL UPDATE**

Since the most recent annual update filed on March 31, 2017 there have been no material amendments to this ADV Part 2A, Firm Brochure ("Brochure"). The Mather Group's Chief Compliance Officer, Stewart Mather, CFP® remains available to address any questions that a client or prospective client has about any aspect of this Brochure.

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## ADVISORY BUSINESS

### CORPORATE OVERVIEW

We specialize in the following types of services: financial planning and portfolio management, retirement plan consulting and retirement plan asset management. We are dedicated to providing individuals and other types of clients with a wide array of investment advisory services.

### OWNERSHIP

Our firm is a Limited Liability Corporation (LLC) formed in the State of Delaware and is owned by Mather Group Holdings, Inc. and Mather Holdings, LLC.

### ASSETS UNDER MANAGEMENT

As of March 23, 2018, our assets under management are \$1,479,079,941. Of this total amount, we manage \$1,170,051,189 on a discretionary basis and \$309,028,752 on a non-discretionary basis.

### SERVICES WE OFFER

The Mather Group offers to provide combined financial planning and investment management services on a fee-only, percentage of assets under management basis. The scope of financial planning services to be provided will depend upon the client's individual circumstances and needs. Please see Fee Differentials below.

#### FINANCIAL PLANNING & PORTFOLIO MANAGEMENT



Our Financial Planning and Portfolio Management service encompasses asset management as well as providing financial planning/financial consulting to clients. It's designed to assist clients in meeting their financial goals through the use of financial investments. We conduct at least one, but sometimes more than one meeting (in person if possible, otherwise via telephone conference) with clients in order to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, we propose an investment approach to the client. We may propose an investment portfolio, consisting of exchange traded funds, individual stocks or bonds, or other securities. Upon the

client's agreement to the proposed investment plan, we work with the client to establish or transfer investment accounts so that we can manage the client's portfolio. Once the relevant accounts are under our management, we review such accounts at least daily. We may periodically rebalance or adjust client accounts under our management. If the client experiences any significant changes to his/her financial or personal circumstances, the client must notify us so that we can consider such information in managing the client's investments.

## RETIREMENT PLAN CONSULTING



We provide retirement plan consulting services to employer plan sponsors on an ongoing basis. Generally, such retirement plan consulting services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant- directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure and participant education.

All retirement plan consulting services shall be in compliance with the applicable state law(s) regulating retirement plan consulting services. This applies to client accounts that are retirement plan or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the client accounts are part of a Plan, and we accept appointments to provide our services to such accounts, we acknowledge that we are a fiduciary within the meaning of Section 3(21) of ERISA (but only with respect to the provision of services described in section 1 of the Retirement Plan Consulting Agreement).

In providing Services for retirement plan consulting, The Mather Group generally does not provide any services hereunder with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets; other illiquid investments, or brokerage window programs (collectively, "Excluded Assets") Non-Excluded Assets are "Included Assets".

## RETIREMENT PLAN ASSET MANAGEMENT



We provide retirement plan asset management services on an ongoing basis. Generally, such asset management services consist of selecting, monitoring, removing, and/or replacing the investment options under the Plan, consistent with the objectives, written guidelines and/or investment objectives set forth in the written investment policy statement ("IPS") accepted and adopted by the client. As the needs of the plan sponsor dictate, areas of management could include: plan investment options, asset allocation, plan structure, and participant education.

We emphasize continuous and regular account supervision. Once the appropriate plan investments have been determined, we review the plan investments at least annually and if necessary, replace investments based upon the plan sponsor's objectives, written guidelines and/or investment objectives.

All retirement plan asset management services shall be in compliance with the applicable state law(s) regulating retirement plan consulting services. This applies to client accounts that are retirement plan or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the client accounts are part of the Plan, and we accept appointments to provide our services to such accounts, we acknowledge that we are a fiduciary within the meaning of section 3(38) of ERISA (but only with respect to the provision of services described in section 1 of the Retirement Plan Consulting Agreement).

## CUSTOMIZED INVESTMENT MANAGEMENT SERVICES

- We offer individualized investment advice to clients utilizing the following services offered by our firm: financial planning and portfolio management, retirement plan consulting, retirement plan asset management.
- We usually do not allow clients to impose restrictions on investing in certain securities or types of securities due to the level of difficulty this would entail in managing their account. In the rare instance that we would allow restrictions, it would be limited to the following services: financial planning and portfolio management, retirement plan consulting, retirement plan asset management.
- We do not offer wrap fee programs.

## MISCELLANEOUS DISCLOSURES

## FINANCIAL PLANNING

The Mather Group does not serve as an attorney or insurance agent, and no portion of The Mather Group's services should be construed as same. To the extent requested by a client, we may recommend the services of other professionals for certain non-investment implementation purposes (i.e. accountants, attorneys, insurance agents, etc.) A client is under absolutely no obligation to accept any such recommendation.

## FEE DIFFERENTIALS

As discussed below, The Mather Group shall price its services based upon various objective and subjective factors. As a result, our clients could pay diverse fees based upon the market value of their assets, the complexity of the engagement, and the level and scope of the overall financial planning and/or consulting services to be rendered. The services to be provided by The Mather Group to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly. If you have any questions, The Mather Group's Chief Compliance Officer, Stewart Mather, CFP®, remains available to address any questions that a client or prospective client may have regarding the above fee determination.

## RETIREMENT ROLLOVERS-NO OBLIGATION/CONFLICT OF INTEREST

A client leaving an employer typically has four options (and may engage in a combination of these options): i) leave the money in his former employer's plan, if permitted, ii) roll over the assets to his new employer's plan, if one is available and rollovers are permitted, iii) rollover to an IRA, or iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). We may recommend an investor roll over plan assets to an Individual Retirement Account (IRA) managed by us. As a result, The Mather Group and its representatives may earn an asset-based fee. In contrast, a recommendation that a client or prospective client leave his or her plan assets with his or her old employer or roll the assets to a plan sponsored by a new employer will generally result in no compensation to The Mather Group (unless you engage us to monitor and/or manage the account while maintained at your employer). We have an economic incentive to encourage an investor to roll plan assets into an IRA that we will manage or to engage The Mather Group to monitor and/or manage the account while maintained at your employer. There are various factors that we may consider before recommending a rollover, including but not limited to: i) the investment options available in the plan versus the investment options available in an IRA, ii) fees and expenses in the plan versus the fees and expenses in an IRA, iii) the services and responsiveness of the plan's investment professionals versus The Mather Group's, iv) protection of assets from creditors and legal judgments, v) required minimum distributions and age considerations, and vi) employer stock tax



consequences, if any. No client is under any obligation to rollover plan assets to an IRA managed by us or to engage us to monitor and/or manage the account while maintained at your employer. The Mather Group's Chief Compliance Officer, Stewart Mather, CFP®, remains available to address any questions that a client or prospective client may have regarding the above and the corresponding conflict of interest presented by such engagement.

### CLIENT OBLIGATIONS

In performing its services, The Mather Group shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify us if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

### INVESTMENT RISK OVERVIEW

Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by The Mather Group) will be profitable or equal any specific performance level(s). Additionally, investments that are not guaranteed are subject to other risks such as: Purchasing Power Risk, Reinvestment Rate Risk, Interest Rate Risk, Market Risk Exchange Rate Risk, Business Risk and Liquidity Risk. Those risks are better defined below:

- **Market Risk:** The price of a security, bond, ETF or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances.
- **Interest Rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate.
- **Purchasing Power Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Exchange Rate Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country.
- **Reinvestment Rate Risk:** This is the risk that future proceeds from investments – primarily fixed income securities – may have to be reinvested at a potentially lower rate of return (i.e. interest rate).

- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product.

### **eMONEY PLATFORM**

The Mather Group may provide its clients with access to an online platform hosted by "eMoney Advisor" ("eMoney"). The eMoney platform allows a client to view his/her/its complete asset allocation, including those assets that The Mather Group does not manage (the "Excluded Assets"). The Mather Group does not provide investment management, monitoring, or implementation services for the Excluded Assets. Therefore, The Mather Group shall not be responsible for the investment performance of the Excluded Assets. Rather, the client and/or his/her/its advisor(s) that maintain management authority for the Excluded Assets, and not The Mather Group, shall be exclusively responsible for such investment performance. The eMoney platform also provides access to other types of information, including financial planning concepts, which should not, in any manner whatsoever, be construed as services, advice, or recommendations provided by The Mather Group. The client may engage The Mather Group to manage some or all of the Excluded Assets pursuant to the terms and conditions of a Comprehensive Portfolio Management Agreement between The Mather Group and the client.

## **FEES & COMPENSATION**

### **FINANCIAL PLANNING AND PORTFOLIO MANAGEMENT FEES**

The fee for any asset under management will range from 0.08% to 2.00% per the fee schedule set forth in the Comprehensive Portfolio Management Agreement between the firm and the client. Our firm's fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter. For the first invoice, clients will be pro-rated for the remaining days of the quarter and billed in advanced. Please Note: Fee Differentials. As discussed above, The Mather Group shall price its services based upon various objective and subjective factors. As a result, our clients could pay diverse fees based upon the market value of their assets, the complexity of the engagement, and the level and scope of the overall financial planning and/or consulting services to be rendered. The services to be provided by The Mather Group to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly. The Mather Group's Chief Compliance Officer, Stewart Mather, CFP®, remains available to address any

questions that a client or prospective client may have regarding the above fee determination.

## RETIREMENT PLAN CONSULTING FEES

The total estimated fee, as well as the ultimate fee that we charge you, is based on the scope and complexity of our engagement with you. Our maximum annualized fee for this service is 0.30% of the assets under management. Our firms' fees are billed on a pro-rata annualized basis quarterly in arrears based on the value of your account on the last day of the previous quarter. We may also charge on a fixed fee basis, in which case, our fees will range from \$10,000 to \$200,000.

The fees listed are the maximum fees charged for services. Each client's fees are determined on a case by case basis. Average client fees are typically lower than the maximum fee quoted above. The fee-paying arrangements for pension consulting service will be determined on a case-by- case basis and will be detailed in the signed Retirement Plan Consulting Agreement. The client will be invoiced directly for the fees.

## RETIREMENT PLAN ASSET MANAGEMENT FEES

The total estimated fee, as well as the ultimate fee that we charge you, is based on the scope and complexity of our engagement with you. Our maximum annualized fee for this service is 0.30% of the assets under management. The fees charged for retirement plan asset management services under 3(38) takes into account the fees listed as part of our Retirement Plan Consulting service and additional fees in exchange for other services that may be provided. We may also charge on a fixed fee basis, in which case, our fees will range from \$10,000 to \$200,000.

The fees listed are the maximum fees charged for services. Each client's fees are determined on a case by case basis. Average client fees are typically lower than the maximum fee quoted above. The fee-paying arrangements for retirement plan asset management services will be determined on a case-by-case basis and will be detailed in the signed Retirement Plan Consulting Agreement. The client will be invoiced directly for the fees.

## DIRECT DEBITING OF CLIENT ACCOUNTS

Fees will generally be automatically deducted from your managed account. As part of this process, you understand and acknowledge the following:

Your independent custodian sends statements at least quarterly to you showing all disbursements for your account, including the amount of the advisory fees paid to us;

You provide authorization permitting us to be directly paid by these terms.

## MUTUAL FUND FEES

Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm that the trades are executed through. Also, clients will pay the following separately incurred expenses, which we do not receive any part of charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

## QUARTERLY BILLING

We charge our advisory fees quarterly in advance. In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. You should contact us and let us know that you wish to terminate our services. Upon confirmation of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

## COMMISSIONABLE SECURITIES SALES

We do not sell securities for a commission. In order to sell securities for a commission, we would need to have our associated persons registered with a broker-dealer. We have chosen not to do so.

## PERFORMANCE-BASED FEES & SIDE-BY-SIDE MANAGEMENT

The Mather does not charge any performance-based fees or engage in the practice known as side-by-side management.

## TYPES OF CLIENTS

### PERSONALIZED WEALTH AND INVESTMENT MANAGEMENT

The Mather Group offers personalized wealth management and investment management services to:

- Individuals;
- Trusts, Estates or Charitable Organizations;

- Pension, Profit Sharing Plans, Defined Contribution, Defined Benefit and Non-Qualified Deferred Compensation Plans;
- Corporations, limited liability companies and/or other business types;

We require a minimum account balance of \$1,000,000 for our Financial Planning and Portfolio Management service. Generally, this minimum account balance requirement is negotiable and would be required throughout the course of the client's relationship with our firm.

The Mather Group, in its sole discretion, may waive its aggregate account minimum based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS**

### **METHODS OF ANALYSIS**

When formulating investment advice or managing assets, we use charting, fundamental, technical and cyclical analysis methods. We also employ the following investment strategies:

- Long term purchases (securities held at least a year);
- Short term purchases (securities sold within a year);
- Trading (securities sold within 30 days);
- Option writing, including covered options, uncovered options or spreading strategies.

### **MANAGING RETURN, RISK & COST**

#### **RISK**

Risk is managed through extensive diversification of securities classes, markets, capitalization groups, economic sectors, industries, and individual securities as well as being sensitive to both market and individual security price levels.

#### **RETURN**

Although an investment portfolio's return reflects some factors that are beyond the investor's control, TMG seeks return by understanding the factors that drive



market cycles and participating in the favorable multi-year portions of the cycles by tactically investing in undervalued companies, sectors, and classes.

#### **COST**

Costs have a direct correlation to how advisers serve clients. TMG is a fiduciary adviser and as such, we are transparent on all costs and only make recommendations that are absolutely in the best interest of our clients, minimizing cost whenever possible.

### **CASH BALANCE BEST PRACTICES**

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments.

## **DISCIPLINARY INFORMATION**

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

## **OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS**

We have no other financial industry activities and affiliations to disclose.

## **CODE OF ETHICS**

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

If our firm or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that our firm or a related person recommends to clients, we are required to describe our practice and discuss the conflicts of interest this presents and generally how we address the conflicts that arise in connection with personal trading.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

If our firm or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for our firm's (or the related person's own) account, we are required to describe our practice and discuss the conflicts of interest it presents. We are also required to describe generally how we address conflicts that arise.

Related persons of our firm may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. If related persons' accounts are included in a block trade, our related persons will always trade personal accounts last.

## **BROKERAGE PRACTICES**

### **SOFT-DOLLAR BENEFITS**

If we receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions ("soft dollar benefits"), we are required to disclose our practices and discuss the conflicts of interest they create. Please note that we must disclose all soft dollar benefits we receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

Our firm has a non-soft dollar arrangement with Fidelity Brokerage Services LLC ("Fidelity") which provides our firm with Fidelity's "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support our firm in conducting business and in serving the best interests of our clients but that may benefit our firm.

### **CLIENT BROKERAGE COMMISSIONS (MARKUPS OR MARKDOWNS)**

As part of the arrangement described above, Fidelity also makes certain research and brokerage services available at no additional cost to our firm. These services include certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by Fidelity to our firm may include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by Fidelity to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services are used by our firm to manage accounts for which we have investment discretion. In addition, we may also receive from Fidelity without cost (and/or at a discount) compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Mather in furtherance of its investment advisory business operations. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.



As a result of receiving the services discussed above for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services. Our firm examined this potential conflict of interest when we chose to enter into the relationship with Fidelity and we have determined that the relationship is in the best interest of our firm's clients and satisfies our client obligations, including our duty to seek best execution.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers.

Our clients may pay a commission to Fidelity that is higher than another qualified broker dealer might charge to affect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealers' services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

Although the investment research products and services that may be obtained by our firm will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account.

Our firm does not receive brokerage for client referrals.

## DIRECTED BROKERAGE

If we routinely recommend, request or require that a client directs us to execute transactions through a specified broker-dealer, we are required to describe our practice or policy. Further, we must explain that not all advisers require their clients to direct brokerage. If our firm and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, we are further required to describe the relationship and discuss the conflicts of interest it presents by explaining that through the direction of brokerage we may be unable to achieve

best execution of client transactions, and that this practice may cost our clients more money.

We or any of our firm's related person do not have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected.

If we permit a client to direct brokerage, we are required to describe our practice. If applicable, we must also explain that we may be unable to achieve best execution of your transactions. Directed brokerage may cost clients more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices on transactions.

We do not allow client-directed brokerage.

## AGGREGATION OF ORDERS

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are effected only when we believe that to do so will be in the best interest of the affected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

## SPECIAL CONSIDERATIONS FOR ERISA CLIENTS

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

## **REVIEW OF ACCOUNTS**

### **FINANCIAL PLANNING AND PORTFOLIO MANAGEMENT CLIENTS**

We review accounts on at least a quarterly basis for our clients subscribing to our firm's Financial Planning and Portfolio Management service. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. The reviews also enable us to monitor the client's financial plan and its progress towards stated financial goals. Only our Wealth Advisors will conduct reviews.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

Written reports take place quarterly with performance reports and a market commentary letter. Verbal reports to clients take place on at least an annual basis when we meet with clients who subscribe to the Financial Planning and Portfolio Management service.

## **CLIENT REFERRALS & OTHER COMPENSATION**

Except for the arrangements outlined in the "Brokerage Practices" section of this brochure, we have no additional arrangements to disclose. We do not maintain any solicitor arrangements (i.e. do not compensate any individual or entity for client introduction).

## **CUSTODY**

All of our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. If we decide to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

## **INVESTMENT DISCRETION**

Our Financial Planning and Portfolio Management clients need to sign a discretionary investment advisory agreement with our firm for the management of their account. We do not take or exercise discretion with respect to our other clients.

## **VOTING CLIENT SECURITIES**

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy vote or other solicitation.

Clients maintain exclusive responsibility for:

1. Directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and
2. making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Therefore (except for proxies that may be voted by a third-party money manager), our firm and/or you shall instruct your qualified custodian to forward to you copies of all proxies and shareholder communications relating to your investment assets.

## **FINANCIAL INFORMATION**

The Mather Group does not have any adverse financial conditions to disclose and we have never been the subject of a bankruptcy petition.