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**Part 2A of Form ADV: Firm Brochure**  
**Item 1: Cover Page**  
**May 2016**

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This brochure provides information about the qualifications and business practices of Skyline Advisors, Inc. If you have any questions about the contents of this brochure, please contact us by telephone or email at [info@myskylineadvisor.com](mailto:info@myskylineadvisor.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 Skyline Advisors, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

Please note that the use of the term "registered investment adviser" and description of Skyline Advisors, Inc. and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

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## Item 2: Material Changes

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Skyline Advisors, Inc. is required to advise you of any material changes to the Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must clearly state that we are discussing only material changes since our last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure

Since the initial filing of this Brochure on 04/13/2015 the following material changes have been made:

- 1) Effective September 2015, both Bay City Financial Services, Inc. ("Bay City") and Fairhaven Financial Advisors, Inc. ("Fairhaven") were dissolved and all client accounts were assigned to Skyline Advisors. Therefore, we have updated Item 10 - Other Financial Industry Activities & Affiliations to remove any information relating to Mark Wallace and Gerald Wallace's ownership and affiliation with Bay City and Mark Logan as well as William Unrein's ownership and affiliation with Fairhaven.
- 2) Updated proxy policy, see Item 17 for additional information
- 3) Our firm has modified our Employer-Sponsored ERISA Plan Consulting to reflect our annual fee rate will not exceed 1.00% of the assets within the Plan

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## **Item 4: Advisory Business**

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Skyline Advisors, Inc. provides investment advisory services to Individuals, Businesses and Not-for-Profits. Our firm's ownership is equally distributed between Gerald Wallace, Mark Logan, Mark Wallace and William Unrein whose combined experience in the financial services industry spans over one century. Our firm is a corporation formed in the State of Washington and has been in business as an independent registered investment Advisor since May 2015.

### **Description of the Types of Advisory Services We Offer**

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#### **Wrap Wealth Management:**

Our Wrap Wealth Management Services are provided through our Wrap Fee Program. Please see enclosed Appendix 1 or contact us for a copy.

#### **Financial Consulting:**

We provide a variety of financial consultation services to individuals, families and other clients regarding the management of their financial resources based upon an analysis of the Client's current situation, goals, and objectives. Generally, such financial services will involve rendering one or more financial consultations for clients based on the client's financial goals and objectives. This consulting may encompass one or more of the following areas: investment planning, retirement planning, estate planning, charitable planning, education planning, real estate analysis, mortgage/debt analysis, insurance analysis, lines of credit evaluation, business and personal financial planning.

Our financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, recommendations may be made that the clients begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. It should also be noted that we refer clients to an accountant, attorney or other specialist, as necessary for non-advisory related services. For financial consulting engagements, we usually do not provide our clients with a written summary of our observations and recommendations. Consultations are typically completed within six (6) months of the client signing a contract with us, assuming that all the information and documents we request from the client are provided to us promptly. Implementation of the recommendations will be at the discretion of the client.

#### **Employer-Sponsored ERISA Plan Consulting:**

We serve as a 3(38) fiduciary in providing Retirement Plan Services to employer plan sponsors. Depending on the needs of the Plan and terms of the agreement, such consulting services generally 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: developing investment policy statements, investment options and services, Qualified Default Investment Alternatives (QDIA), plan structure, reporting, bonding, and participant education and plan participant financial advice.

All pension consulting services shall be in compliance with the applicable state law(s) regulating pension consulting services. This applies to client accounts that are pension or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

## **Tailoring of Advisory Services**

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We offer individualized investment advice to all of our clients. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account. Restrictions would be limited to the services through which we manage assets.

## **Participation in Wrap Fee Programs**

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We offer a wrap fee program as further described in Part 2A, Appendix 1 (the “Wrap Fee Program Brochure”) of our Brochure. Our wrap fee accounts are managed on an individualized basis according to the client’s investment objectives, financial goals, risk tolerance, etc.

## **Regulatory Assets Under Management**

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Our firm manages \$125,244,324 on a discretionary basis and \$1,500,000 on a non-discretionary basis.

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## **Item 5: Fees & Compensation**

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### **How We Are Compensated for Our Advisory Services**

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#### **Wrap Wealth Management:**

Wrap fee clients will receive our Form ADV, Part 2A, Appendix 1 (the “Wrap Fee Program Brochure”). Wrap fee clients will not incur transaction costs for trades. More information about this is disclosed in our separate Wrap Fee Program Brochure.

#### **Financial Consulting:**

We charge on an hourly or flat fee basis for financial consulting services. 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 hourly fees are \$250 for financial advisors. Flat fees generally range from \$1,000 to \$10,000.

We require a retainer of fifty-percent (50%) of the ultimate financial consulting fee with the remainder of the fee directly billed to you and due to us within thirty (30) days of your financial plan being delivered or consultation rendered to you. In all cases, we will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 (six) months.

#### **Employer-Sponsored ERISA Plan Consulting:**

We charge a fee percentage on the assets managed in the Plan. 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 annual fee rate will not exceed 1.00% of the assets within the Plan.

The fee-paying arrangements for the consulting service will be determined on a case-by-case basis and will be detailed in the signed Employer-Sponsored ERISA Plan Consulting Agreement.

The ERISA Plan Consulting Fee shall be due and payable quarterly in advance or arrears per Agreement and based upon the value of the Plan's Account(s) on the last day of the quarter. Should the Plan have more than one Account, the Fee shall be payable in proportion to the respective Account value(s). The Advisor's fees will be debited directly from the Plan's Account(s) and Client authorizes the custodian for the Plan assets, which may be upon instruction from the Plan's administrator, to deduct Advisor's fees directly from the Plan's Account(s). Client shall have the responsibility to verify the accuracy of the fee calculation, and Client acknowledges that the custodian shall have no responsibility to determine whether the fee is properly calculated. Advisor shall not be compensated on the basis of a share of capital gains or capital appreciation of the Plan's Account(s).

### **Other Types of Fees & Expenses**

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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).

Wrap fee clients will receive our Form ADV, Part 2A, Appendix 1 (the "Wrap Fee Program Brochure"). Wrap fee clients will not incur transaction costs for trades. More information about this is disclosed in our separate Wrap Fee Program Brochure.

### **Termination & Refunds**

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We charge our Wrap Wealth Management 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 need to contact us in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

### **Commissionable Securities Sales**

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In limited circumstances, we may sell securities for a commission. Commission based arrangements are not our primary scope of work. In order to sell securities for a commission, our supervised persons are registered representatives of Purshe Kaplan Sterling Investments ("PKS"), member FINRA/SIPC. Our supervised persons may accept compensation for the sale of securities or other investment products, including distribution or service ("trail") fees from the sale of mutual funds. You should be aware that the practice of accepting commissions for the sale of securities:

- 1) Presents a conflict of interest and gives our firm and/or our supervised persons an incentive to recommend investment products based on the compensation received, rather than on your needs. We generally address commissionable sales conflicts that arise:
  - a) when explaining to clients that commissionable securities sales creates an incentive to recommend products based on the compensation we and/or our supervised persons may earn and may not necessarily be in the best interests of the client;
  - b) when recommending commissionable mutual funds, explaining that "no-load" funds are available through our firm if the client wishes to become an investment advisory client.
- 2) In no way prohibits you from purchasing investment products recommended by us through other brokers or agents which are not affiliated with us.

- 3) Does not exceed more than 10% of our revenue.
- 4) Does not reduce your advisory fees to offset the commissions our supervised persons receive.

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### **Item 6: Performance-Based Fees & Side-By-Side Management**

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We do not accept performance-based fees.

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### **Item 7: Types of Clients & Account Requirements**

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We have the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension and Profit Sharing Plans;
- Corporations, Limited Liability Companies and/or Other Business Types.

Our requirements for opening and maintaining accounts or otherwise engaging us:

- We require a minimum account balance of \$100,000 for our Wrap Wealth Management service. While this minimum account balance would be required throughout the course of the client's relationship with our firm, the minimum account balance requirement is negotiable.

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

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#### **Methods of Analysis**

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We use the following methods of analysis in formulating our investment advice and/or managing client assets:

- **Technical Analysis:** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company or market.
- **Charting Analysis:** In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market or security is moving up or down and to predict when that trend might reverse.
- **Cyclical Analysis:** In this type of technical analysis, we measure the movements of a particular market or security against other markets or securities in an attempt to predict the price movement of the security.
- **Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements.

All of the aforementioned methods of analysis present potential risks, and the investments selected may not perform as expected. Be aware that investing in the financial markets and securities involves a certain amount of risk. Although efforts are taken to minimize such risk, there are no guarantees

that the selected investments will meet their expected returns, or that these investments will not lose money.

Other factors that play a role in security selection include diversification, overall cost associated with the investment, correlation to other investments owned, tax efficiency, and, in the case of mutual funds, manager tenure.

## Investment Strategies We Use

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We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

- **Long-Term Purchases** (Securities Held At Least a Year): When utilizing this strategy, we may purchase securities with the expectation of holding them for a relatively long time (typically held for at least a year). A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Typically we employ this sub-strategy when we believe the securities to be well valued; and/or we want exposure to a particular asset class over time, regardless of the current projection for this class.
- **Short-Term Purchases:** When utilizing this strategy, we may purchase securities with the expectation of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. The risk in this strategy is that the funds invested may decline sharply in value before we make a decision to sell.
- **Trading:** While not our standard practice, we may purchase securities with the expectation of selling them very quickly (within 30 days or less). We would do this in an attempt to take advantage of our predictions of brief price swings. The risk associated with this strategy is that a high volume of trading activity may lead to increased transaction fees, returns are not guaranteed on any transaction and that the market can be volatile.
- **Margin Transactions:** We may purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings. The risk in utilizing borrowed money is that clients may be subject to a margin call, where the addition of cash will be required to liquidate the position.
- **Option Writing:** We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts. A call gives us the right to buy an asset at a certain price within a specific period of time. We may buy a call if we have determined that the stock will increase substantially before the option expires. A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We may buy a put if we have determined that



the price of the stock will fall before the option expires. We may use options to "hedge" a purchase of the underlying security; in other words, we may use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio. We may use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We may use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors. Inherent risks associated with this strategy include time sensitivity and that options are less tangible than other investments. An options contract is for a short period - generally a few months. The buyer of an option could lose his or her entire investment even with a correct prediction about the direction and magnitude of a particular price change if the price change does not occur before the option expires. Options are book entry only investments and do not come with paper certificates of ownership.

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**Risk of Loss**

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Investing in securities involves risk of loss that clients should be prepared to bear. While the financial markets and value of the securities your portfolio is invested in may increase and your account(s) could enjoy a gain, it is also possible that the financial markets and the value of the securities your portfolio is invested in may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the financial markets, that the risks are appropriately diversified in your investments, and that you ask us any questions you may have.

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**Description of Material, Significant or Unusual Risks**

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We generally invest clients' cash balances in FDIC insured bank deposit programs or money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Some cash will be maintained so that our firm may debit advisory fees for our services related to Wrap Wealth Management as applicable. Ultimately, we try to achieve the highest return on our clients' cash balances through relatively low-risk conservative investments.

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**Item 9: Disciplinary Information**

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There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

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**Item 10: Other Financial Industry Activities & Affiliations**

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**Financial Industry Activities**

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Although not our primary scope of work, related persons of our firm are also registered representatives with Purshe Kaplan Sterling Investments, a member FINRA/SIPC. Our firm is not affiliated with Purshe Kaplan Sterling Investments, Inc. Our related persons may offer securities and receive normal and customary commissions as a result of securities transactions. A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products

based on the compensation our related persons may earn and may not necessarily be in the best interests of the client.

As licensed insurance agents, our advisory representatives may recommend to advisory clients a variety of insurance products, and may offer commissionable insurance products to our firm's clients for which they may receive compensation. This may create a conflict of interest to the extent that advisory representatives may earn additional compensation for recommendations of insurance products purchased through them. Advisory clients are never under any obligation to purchase insurance products. Collectively, our advisory representatives spend 3 hours per month on this outside business.

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

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An investment Advisor is considered a fiduciary and our firm has a fiduciary duty to all of our clients. As a fiduciary, it is an investment Advisor'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. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes policies and procedures to avoid Insider Trading, as well as Personal Securities Transactions Policies and Procedures. 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. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided upon request.

Neither our firm nor a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest. Related persons of our firm may buy or sell securities and other investments that are also owned by our clients. In order to minimize this potential conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day. If related persons' accounts are included in a block trade, our related persons' accounts will be traded in the same manner every time.

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### **Item 12: Brokerage Practices**

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#### **Selecting a Brokerage Firm**

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We do not maintain custody of your assets on which we advise (although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15 below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you. Even though your

account is maintained at Schwab, we can still use other brokers to execute trades for your account, as described in the next paragraph.

We seek to recommend a custodian/broker who will hold your assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. It is noted that clients may pay higher or lower commissions than another qualified broker dealer might charge to effect similar transactions 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-dealer's 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. We consider a wide range of factors, including, among others, these:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for your account)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds (ETFs), etc.)
- availability of investment research and tools that assist us in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength and stability of the provider
- their prior service to us and our other clients
- availability of other products and services that benefit us, as discussed below in Item 12A1(b)

For our clients' accounts it maintains, Schwab may charge you separately for custody services but will not charge you commissions or other fees on trades that it executes or that settle into your Schwab account. In addition to commissions, Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.

## **Soft Dollars**

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Our firm does not accept products or services that do not qualify for Safe Harbor outlined in Section 28(e) of the Securities Exchange Act of 1934, such as those services that do not aid in investment decision-making or trade execution.

## **Procedures to Direct Client Transactions in Return for Soft Dollars**

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We do not direct client transactions to a particular broker-dealer in return for soft dollar benefits.

## **Brokerage for Client Referrals**

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Our firm does not receive brokerage for client referrals.

## **Other Economic Benefits**

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Schwab 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 Schwab directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by Schwab 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 Schwab 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. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

## **Directed Brokerage**

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In certain instances, clients may seek to limit or restrict our 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. Clients may seek to limit our authority in this area by directing that transactions (or some specified percentage of transactions) be executed through specified brokers in return for portfolio evaluation or other services deemed by the client to be of value. Any such client direction must be in writing (often through our advisory agreement), and may contain a representation from the client that the arrangement is permissible under its governing laws and documents, if this is relevant.

We provide appropriate disclosure in writing to clients who direct trades to particular brokers, that with respect to their directed trades, they will be treated as if they have retained the investment discretion that we otherwise would have in selecting brokers to effect transactions and in negotiating commissions and that such direction may adversely affect our ability to obtain best price and execution. In addition, we will inform you in writing that your trade orders may not be aggregated with other clients' orders and that direction of brokerage may hinder best execution.

## **Permissibility of Client-Directed Brokerage**

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We allow clients to direct brokerage outside our recommendation. We may be unable to achieve the most favorable execution of client transactions. Client 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.

## **Special Considerations for ERISA Clients**

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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.

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### **Aggregation of Purchase or Sale**

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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 affected only when we believe that to do so will be in the best interest of the effected 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.

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### **Item 13: Review of Accounts or Financial Plans**

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We review accounts on at least a quarterly basis for our clients subscribing to our Wrap Wealth 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. Only our Financial Advisors or Portfolio Managers will conduct reviews. Skyline Advisors does provide quarterly reports which include account balance, performance and management fee information.

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.

Employer Sponsored ERISA Plan Consulting clients receive reviews of their plans for the duration of the consulting service. We also provide ongoing services to Plan Consulting clients where we meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc.

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### **Item 14: Client Referrals & Other Compensation**

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#### **Client Referrals:**

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We do not pay referral fees to independent solicitors (non-registered representatives), nor to anybody else, for the referral of their clients to our firm in accordance with relevant state statutes and rules.

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**Other Compensation:**

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We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (*see Item 12 – Brokerage Practices*).

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**Item 15: Custody**

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We do not have custody of client funds or securities. 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.

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**Item 16: Investment Discretion**

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Clients provide our firm with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, we are authorized to execute securities transactions, which securities are bought and sold, and the total amount to be bought and sold. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with our firm's written acknowledgement.

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**Item 17: Voting Client Securities**

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We generally do not accept 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 votes or other solicitations.

Exceptions will be made on a case by case basis upon firm approval whereby our firm will vote proxies on behalf of clients in accordance with our written policies and procedures, a copy of which can be requested from our Chief Compliance Officer.

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**Item 18: Financial Information**

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We are not required to provide financial information in this Brochure because:

- We do not require the prepayment of more than \$1,200 in fees and six or more months in advance.
- We do not take custody of client funds or securities.
- We do not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.
- We have never been the subject of a bankruptcy proceeding.