

# PSI Advisors, LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of PSI Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (813) 444-0337 or by email at: [michele@psiadvisor.com](mailto:michele@psiadvisor.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 PSI Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). PSI Advisors, LLC's CRD number is: 285880.*

13059 W. Linebaugh Ave Ste. 102  
Tampa, FL 33626  
(813) 444-0337  
[michele@psiadvisor.com](mailto:michele@psiadvisor.com)  
[www.psiadvisor.com](http://www.psiadvisor.com)

*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

PSI Advisors, LLC is reporting material changes - updating AUM.

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## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

PSI Advisors, LLC (hereinafter “PSI”) is a Limited Liability Company organized in the State of Florida. The firm was formed in October 2016, and the principal owner is Eric Damien Eaton.

### **B. Types of Advisory Services**

#### ***Pension Consulting Services***

PSI offers consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans). Pension consulting may include, but is not limited to:

- Identifying investment objectives and restrictions
- Providing guidance on various assets classes and investment options
- Recommending money managers to manage plan assets in ways designed to achieve objectives
- Monitoring performance of money managers and investment options and making recommendations for changes
- Recommending other service providers, such as custodians, administrators and broker-dealers
- Creating a written pension consulting plan

These services are based on the goals, objectives, demographics, time horizon, and/or risk tolerance of the plan and its participants.

#### ***Financial Planning***

Financial plans and financial planning may include but are not limited to: investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

#### ***Services Limited to Specific Types of Investments***

PSI generally limits its investment advice to mutual funds, fixed income securities, real estate funds (including REITs), equities, ETFs, treasury inflation protected/inflation linked bonds, non-U.S. securities and private placements. PSI may use other securities as well to help diversify a portfolio when applicable.

### **C. Client Tailored Services and Client Imposed Restrictions**

PSI will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by PSI on behalf of the client. PSI may use model allocations together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent PSI from properly servicing the client account, or if the restrictions would require PSI to deviate from its standard suite of services, PSI reserves the right to end the relationship.

### **D. Wrap Fee Programs**

PSI participates in wrap fee programs, which are investment programs where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. PSI manages the investments in the wrap fee program. Fees paid under the wrap fee program will be given to PSI as a management fee.

### **E. Assets Under Management**

PSI has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$145,133,761	\$32,696,649	December 2017

## **Item 5: Fees and Compensation**

### **A. Fee Schedule**

#### ***Pension Consulting Services Fees***

##### **Fixed Fees**

The rate for creating client pension consulting plans is between \$1,000 and \$10,000. The final fee schedule will be attached as Exhibit II of the pension consulting agreement. This service may be canceled with 15 days' notice.

#### ***Financial Planning Fees***

##### **Hourly Fees**

The negotiated hourly fee for these services cannot exceed \$15,000.

Clients may terminate the agreement without penalty, for full refund of PSI's fees, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

## **B. Payment of Fees**

### *Payment of Pension Consulting Fees*

Fixed fees are paid via check.

### *Payment of Financial Planning Fees*

Financial planning fees are paid via check.

Hourly financial planning fees are paid 50% in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

## **C. Client Responsibility For Third Party Fees**

PSI will wrap third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). PSI will charge clients one fee, and pay all transaction fees using the fee collected from the client.

## **D. Prepayment of Fees**

PSI collects fees in advance. Refunds for fees paid in advance will be returned within fourteen days to the client via check.

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

For hourly fees that are collected in advance, the fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

## **E. Outside Compensation For the Sale of Securities to Clients**

Certain representatives of PSI are also associated with LPL Financial as broker-dealer registered representatives ("Dually Registered Persons"). Eric Damien Eaton is also an insurance agent. In these roles, they accept compensation for the sale of investment products to PSI clients.

Supervised persons may accept compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds to PSI's clients. This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of investment products for which the supervised persons receives compensation, PSI will document the conflict of interest in the client file and inform the client of the conflict of interest.

Clients always have the option to purchase PSI recommended products through other brokers or agents that are not affiliated with PSI.

Commissions are not PSI's primary source of compensation for advisory services.

Advisory fees that are charged to clients are not reduced to offset the commissions or markups on investment products recommended to clients.

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

PSI does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

PSI generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pension Plans (401(k))

There is no account minimum for any of PSI's services.

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

### **A. Methods of Analysis and Investment Strategies**

#### *Methods of Analysis*

PSI's methods of analysis include Charting analysis, Cyclical analysis, Fundamental analysis, Quantitative analysis and Technical analysis.

**Charting analysis** involves the use of patterns in performance charts. PSI uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.



**Cyclical analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Quantitative analysis** deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

**Technical analysis** involves the analysis of past market data; primarily price and volume.

### *Investment Strategies*

PSI uses long term trading, margin transactions and options trading (including covered options, uncovered options, or spreading strategies).

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **B. Material Risks Involved**

### *Methods of Analysis*

**Charting analysis** strategy involves using and comparing various charts to predict long and short-term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Quantitative analysis** Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models,

the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

### *Investment Strategies*

PSI's use of margin transactions and options trading generally holds greater risk, and clients should be aware that there is a material risk of loss using any of those strategies.

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Margin transactions** use leverage that is borrowed from a brokerage firm as collateral. When losses occur, the value of the margin account may fall below the brokerage firm's threshold thereby triggering a margin call. This may force the account holder to either allocate more funds to the account or sell assets on a shorter time frame than desired.

**Options transactions** involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value, as well as the possibility of leveraged loss of trading capital due to the leveraged nature of stock options.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

PSI's use of margin transactions and options trading generally holds greater risk of capital loss. Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best-known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance.

**Real estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Private placements** carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

**Options** are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or

expiration dates, which helps limit the risk of other option trading strategies. Option transactions also involve risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

**Non-U.S.** securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Certain representatives of PSI are registered representatives of LPL Financial and accept compensation for the sale of securities in this capacity. LPL Financial is a broker-dealer that is independently owned and operated and is not affiliated with PSI. Please refer to Item 12 for a discussion of the benefits PSI may receive from LPL Financial and the conflicts of interest associated with receipt of such benefits.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither PSI nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Eric Damien Eaton is a registered representative of LPL Financial and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. PSI always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of PSI in such individual's capacity as a registered representative.

Eric Damien Eaton is an investment adviser representative with PSI Advisors, LLC, and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. PSI always acts in the best interest of the client and clients are in no way required to use the services of any representative of PSI in connection with such individual's activities outside of PSI.

Eric Damien Eaton, acts as a registered municipal adviser and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. PSI always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of PSI in connection with such individual's activities outside of PSI.

Eric Damien Eaton, is a licensed insurance agent with LPL Financial, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. PSI always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of PSI in connection with such individual's activities outside of PSI.

Michele Joi DelSordo is a registered representative of LPL Financial and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. PSI always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of PSI in such individual's capacity as a registered representative.

Michele Joi DelSordo is an investment adviser representative with PSI Advisors, LLC, and from time to time, may offer clients advice or products

from those activities and clients should be aware that these services may involve a conflict of interest. PSI always acts in the best interest of the client and clients are in no way required to use the services of any representative of PSI in connection with such individual's activities outside of PSI.

Brandan Steven Teague is a registered representative of LPL Financial and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. PSI always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of PSI in such individual's capacity as a registered representative.

Brandan Steven Teague is an investment adviser representative with PSI Advisors, LLC, and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. PSI always acts in the best interest of the client and clients are in no way required to use the services of any representative of PSI in connection with such individual's activities outside of PSI.

Brandan Steven Teague, is a licensed insurance agent with LPL Financial, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. PSI always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of PSI in connection with such individual's activities outside of PSI.

Brooks Matthew Wallington is a registered representative of LPL Financial and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. PSI always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of PSI in such individual's capacity as a registered representative.

Brooks Matthew Wallington is an investment adviser representative with PSI Advisors, LLC, and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. PSI always acts in the best interest of the client and clients are in no way required to use the services of any representative of PSI in connection with such individual's activities outside of PSI.

Brooks Matthew Wallington, is a licensed insurance agent with LPL Financial, and from

time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. PSI always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of PSI in connection with such individual's activities outside of PSI.

Joshua Alan Zimmerman is a registered representative of LPL Financial and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. PSI always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of PSI in such individual's capacity as a registered representative.

Joshua Alan Zimmerman is an investment adviser representative with PSI Advisors, LLC, and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. PSI always acts in the best interest of the client and clients are in no way required to use the services of any representative of PSI in connection with such individual's activities outside of PSI.

Joshua Alan Zimmerman, is a licensed insurance agent with LPL Financial, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. PSI always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of PSI in connection with such individual's activities outside of PSI.

#### **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

PSI does not utilize nor select third-party investment advisers. All assets are managed by PSI management.

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

#### **A. Code of Ethics**

PSI has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. PSI's Code of Ethics is available free upon request to any client or prospective client.

#### **B. Recommendations Involving Material Financial Interests**

PSI does not recommend that clients buy or sell any security in which PSI or a related person has a material financial interest.

#### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of PSI may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of PSI to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. PSI will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

#### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of PSI may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of PSI to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, PSI will never engage in trading



that operates to the client's disadvantage if representatives of PSI buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on PSI's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and PSI may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in PSI's research efforts. PSI will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

PSI will generally require that clients establish a brokerage account with LPL Financial to maintain custody of clients' assets and to effect trades for their accounts. LPL Financial provides brokerage and custodial services to independent investment advisory firms, including PSI. For PSI's accounts custodied at LPL Financial, LPL Financial generally is compensated by clients through commissions, trails, or other transaction-based fees for trades that are executed through LPL Financial or that settle into LPL Financial accounts. For IRA accounts, LPL Financial generally charges account maintenance fees. In addition, LPL Financial also charges clients miscellaneous fees and charges, such as account transfer fees. LPL Financial charges PSI an asset-based administration fee for administrative services provided by LPL Financial. Such administration fees are not directly borne by clients but may be considered when PSI negotiates its advisory fee with clients.

While LPL Financial does not participate in, or influence the formulation of, the investment advice PSI provides, certain supervised persons of PSI are Dually Registered Persons. Dually Registered Persons are restricted by certain FINRA rules and policies from maintaining client accounts at another custodian or executing client transactions in such client accounts through any broker-dealer or custodian that is not approved by LPL Financial. As a result, the use of other trading platforms must be approved not only by PSI, but also by LPL Financial.

Clients should also be aware that for accounts where LPL Financial serves as the custodian, PSI is limited to offering services and investment vehicles that are approved by LPL Financial, and may be prohibited from offering services and investment vehicles that may be available through other broker-dealers and custodians, some of which may be more suitable for a client's portfolio than the services and investment vehicles offered through LPL Financial.

Clients should also understand that LPL Financial is responsible under FINRA rules for

supervising certain business activities of PSI and its Dually Registered Persons that are conducted through broker-dealers and custodians other than LPL Financial. LPL Financial charges a fee for its oversight of activities conducted through these other broker-dealers and custodians. This arrangement presents a conflict of interest because PSI has a financial incentive to recommend that you maintain your account with LPL Financial rather than with another broker-dealer or custodian to avoid incurring the oversight fee.

### ***1. Research and Other Soft-Dollar Benefits***

PSI has access to research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). PSI may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and PSI does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. PSI benefits by not having to produce or pay for the research, products or services, and PSI will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that PSI's acceptance of soft dollar benefits may result in higher commissions charged to the client.

Specifically, LPL Financial makes available to PSI various products and services designed to assist PSI in managing and administering client accounts. Many of these products and services may be used to service all or a substantial number of PSI's accounts, including accounts not held with LPL Financial. These include software and other technology that provide access to client account data (such as trade confirmation and account statements); facilitate trade execution (and aggregation and allocation of trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of PSI's fees from its clients' accounts; and assist with back-office functions; recordkeeping and client reporting.

LPL Financial also makes available to PSI other services intended to help PSI manage and further develop its business. Some of these services assist PSI to better monitor and service program accounts maintained at LPL Financial, however, many of these services benefit only PSI, for example, services that assist PSI in growing its business. These support services and/or products may be provided without cost, at a discount, and/or at a negotiated rate and include practice management-related publications; consulting services; attendance at conferences and seminars, meetings, and other educational and/or social events; marketing support; and other products and services used by PSI in furtherance of the operation and development of its investment advisory business.

Where such services are provided by a third-party vendor, LPL Financial will either make a payment to PSI to cover the cost of such services, reimburse PSI for the cost associated with the services, or pay the third-party vendor directly on behalf of PSI.

The products and services described above are provided to PSI as part of its overall relationship with LPL Financial. While as a fiduciary PSI endeavors to act in its clients'

best interests, the receipt of these benefits creates a conflict of interest because PSI's require that clients custody their assets at LPL Financial is based in part on the benefit to PSI of the availability of the foregoing products and services and not solely on the nature, cost or quality of custody or brokerage services provided by LPL Financial. PSI's receipt of some of these benefits may be based on the amount of advisory assets custodied on the LPL Financial platform.

## ***2. Brokerage for Client Referrals***

PSI receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

PSI will require clients to use a specific broker-dealer, LPL Financial, to execute transactions. Clients should understand that not all investment advisers require that clients custody their accounts and trade through specific broker-dealers.

## **B. Aggregating (Block) Trading for Multiple Client Accounts**

If PSI buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, PSI would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. PSI would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

## **Item 13: Review of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for PSI's advisory services provided on an ongoing basis are reviewed at least monthly by LPL Financial, with regard to clients' respective investment policies and risk tolerance levels.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Michele J DelSordo, CCO. Financial planning clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, PSI's services will generally conclude upon delivery of the financial plan.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of PSI's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Each financial planning client will receive the financial plan upon completion.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

PSI and/or its Dually Registered Persons are incentivized to join and remain affiliated with LPL Financial and to recommend that clients establish accounts with LPL Financial through the provision of compensation to PSI and its Dually Registered Persons, including but not limited to, Transition Assistance, bonus payments, repayable and forgivable loans, stock awards and other benefits.

This compensation is used to assist the representative with the costs (including foregone revenues during account transition) associated with transitioning his or her business to the LPL Financial platform (collectively referred to as "Transition Assistance"). The amount of Transition Assistance is often significant in relation to the overall revenue earned or compensation received by Dually Registered Persons at their prior firm. The proceeds of such Transition Assistance payments are intended to be used for a variety of purposes, including but not necessarily limited to, providing working capital to assist in funding the Dually Registered Person's business, satisfying any outstanding debt owed to the Dually Registered Person's prior firm, offsetting account transfer fees (ACATs) payable to LPL Financial as a result of the Dually Registered Person's clients transitioning to LPL Financial's custodial platform, technology set-up fees, marketing and mailing costs, stationary and licensure transfer fees, moving expenses, office space expenses, staffing support and termination fees associated with moving accounts. Such payments are generally based on the size of the Dually Registered Person's business established at the prior firm and/or assets under custody on the LPL Financial. Specifically, LPL Financial provided Eric Damien Eaton and PSI with a 5-year forgivable loan in the amount of \$650,000 to help cover business expenses while transitioning clients. Please also see Item 5 of Mr. Eaton's Form ADV Part 2B for additional details. LPL Financial provided Brooks Matthew Wallington and PSI with a 1-year forgivable loan in the amount of \$63,000 to help cover business expenses while transitioning clients. Please also see Item 5 of Mr. Wallington's ADV Part 2B for additional details. LPL Financial provided Mark David Scheidter and PSI with a 3-year forgivable loan in the amount of \$227,000 to help cover expenses while transitioning clients. Please also see Item 5 of Mr. Scheidter's ADV Part 2B for additional details.

The Transition Assistance payments and other benefits provided to associated persons of PSI (in their capacity as registered representatives of LPL Financial) creates conflicts of interest relating to PSI's advisory business because there is a financial incentive for PSI to recommend that clients maintain their accounts with LPL Financial. In certain instances, the receipt of such benefits is dependent on a Dually Registered Person maintaining its clients' assets with LPL Financial and therefore PSI has an incentive to recommend that clients maintain their account with LPL Financial to generate such benefits.

PSI attempts to mitigate these conflicts of interest by evaluating and recommending that clients use LPL Financial's services based on the benefits that such services provide to PSI clients, rather than the Transition Assistance earned. Specifically, as discussed in above, PSI recommends custodians on a best execution basis and acts in the best interests of its clients, consistent with its fiduciary duty. Clients should be aware of this conflict, take it into consideration in deciding whether to custody their assets in a brokerage account at LPL Financial, and are encouraged to discuss with PSI any conflicts of interest.

## **B. Compensation to Non – Advisory Personnel for Client Referrals**

PSI does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

PSI does not take custody of client accounts at any time. Custody of client's accounts is held primarily at the client's custodian. Clients will receive account statements from the custodian and should carefully review those statements.

## **Item 16: Investment Discretion**

PSI provides discretionary and non-discretionary portfolio management services to clients pursuant to a wrap fee program that is further described in the separate Wrap Fee Program Brochure.

Financial planning and pension consulting services are provided to clients on a non-discretionary basis.

## **Item 17: Voting Client Securities (Proxy Voting)**

PSI will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

PSI neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither PSI nor its management has any financial condition that is likely to reasonably impair PSI's ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

PSI has not been the subject of a bankruptcy proceeding.