

## **Perspective Financial Services, LLC**

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**August 18, 2020**

### **FORM ADV PART 2A BROCHURE**

This brochure provides information about the qualifications and business practices of Perspective Financial Services, LLC. If you have any questions about the contents of this brochure, please contact us at 602-281- 4357. 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 Perspective Financial Services, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Perspective Financial Services, LLC is 127704.

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

## Item 2 Summary of Material Changes

The material changes in this brochure from the last updating amendment of Perspective Financial Services, LLC on August 11, 2020 are described below:

- None

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## Item 4 Advisory Business

### Description of Services and Fees

Perspective Financial Services, LLC is a registered investment adviser based in Phoenix, Arizona. We are organized as a limited liability company under the laws of the State of Arizona. We have been providing investment advisory services since 2003. Michael P. McCann is our Managing Member, Chief Compliance Officer and principal owner.

The following paragraphs describe our services and fees. Please refer to the descriptions listed below for information on how we tailor our portfolio management, planning and consulting services to your individual needs. As used in this brochure, the words “we,” “our” and “us” refer to Perspective Financial Services, LLC and the words “you,” “your” and “client” refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person throughout this brochure. As used in this brochure, Associated Persons are our firm’s officers, employees, and all individuals providing advice on behalf of our firm.

All our services are personalized to each individual client. We provide four broad categories of ongoing services. These are designed to meet the needs of clients and potential clients in distinct phases of life. The services are 1) *Pacesetter*, 2) *Wealth Builder*, 3) *Income Director* and 4) *Legacy Creator*.

All categories provide tiered-fee portfolio management (see Portfolio Management Fees below for detailed breakdown). Additionally, each category offers distinct planning and consulting services as described in the chart below.

***Pacesetter:*** Individuals or families with investable assets less than \$400,000: You understand the positive impact you can have on your future through action and consistency. You know having a documented plan is key to success.

***Services:*** Investment Management with a high quality self-service planning platform; additional optional services include:

- Discretionary Investment Management pursuant to an Investment Policy Statement (IPS) created by us in consultation with you
- Access to secure client portal, which includes electronic investment reports with optional do-it-yourself e-Planning
- Account aggregation tool that provides easy-to-understand consolidated view of all finances
- Electronic quarterly reports
- Initial and annual consultation is offered and included

***Wealth Builder:*** Individuals or families with assets in excess of \$400,000 or net worth greater than \$750,000: You know carefully-considered financial decisions will keep you on track for retirement. You’ve mastered many of the key principles of sound money management. Now you’re operating at full speed and not about to slow.

***Services:*** Investment Management and Personal Financial Planning includes the services offered in the *Pacesetter* plan and the following optional services:

- Advisor-led collaborative creation of a Personal Financial Plan
- Annual monitoring of plan progress

- Offer to create new plan every three years
- No-commission insurance analysis
- Review of employer retirement accounts
- Optional hard-copy quarterly reports

**Income Director:** Retirees or those nearing retirement: You want to make the most of what you've built, so you can focus on the better parts of retirement life. You recognize your near-term goals are changing and require a different approach.

**Services:** Investment Management and Personal Retirement Planning includes the services offered in the *Wealth Builder* plan and the following optional services:

- Creation of an income strategy
- Evaluation of pension options
- Planning for retirement account distribution
- Strategizing social security options
- Review of Medicare choices
- Cost-planning for long-term care
- Estate Planning
- Meeting with power of attorney or successor trustee offered

**Legacy Creator:** People with investable assets in excess of \$1.25 million or net worth greater than \$2 million: You've achieved quite a bit in life and want to preserve what you've built. That requires strategic planning for your estate, taxes, retirement, long-term care and more. It also enables you to consider your impact on the people and issues most important to you.

**Services:** Wealth Management, Personal and Retirement Planning includes the services offered in the *Wealth Builder* plan and the following optional services:

- Unlimited advisor meetings
- Unlimited updates to your plan
- Ongoing coordination with your other professional providers (i.e. CPA, attorney, pension consultant, etc.)
- Family meetings offered
- Waiver of *Pacesetter* Platform Fee for family members

## Portfolio Management Services

### *Directly Managed Accounts*

We provide *discretionary* and *non-discretionary* portfolio management services where the investment advice provided is custom-tailored to meet your specific needs and investment objectives. Subject to any written guidelines, which you may provide, we may be granted discretion and authority to manage your account. In a *discretionary* agreement, we are authorized to perform various investment functions, at your expense, without further approval from you. Such functions may include the determination of securities to be purchased or sold and the amount of securities to be purchased or sold. Once your portfolio is constructed, we will provide continuous supervision and re-balancing of your portfolio as changes in market conditions and your individual circumstances may require. If we enter into a *non-discretionary* arrangement with you, we will obtain your approval prior to the execution of a trade.

## Portfolio Management Fees

Our annual fees for portfolio management services are based on the following tiered-fee schedule:

Asset Management Fees Quoted on Annual Basis*	
<b>Pacesetter</b>	Platform fee of \$40 per month <i>plus</i> 1.10% on assets under management  * Add-On Services are offered and available for an additional charge (i.e. personal financial planning, retirement analysis, insurance review). Each service is billed separately at \$250 per hour or a pre-determined fixed fee, ranging from \$250-\$6,000 depending upon client needs.
<b>Wealth Builder and Income Director</b>	1.10% on first \$500,000 of assets under management <i>plus</i> 0.90% on next \$500,000 <i>plus</i> 0.85% on next \$1M <i>plus</i> 0.75% on next \$1M  * Minimum fee of \$1,000 quarterly * Fees on assets exceeding \$3M are negotiable
<b>Legacy Creator</b>	1.00% on first \$1M <i>plus</i> 0.85% on next \$1M <i>plus</i> 0.75% on next \$1M  * Minimum fee of \$3,000 quarterly * Fees on assets exceeding \$3M are negotiable

Our fees are billed quarterly or monthly, either in advance or in arrears. Advance billing is based on the market value of the assets on the last day of the preceding quarter/month. Billing in arrears is based on the market value of the assets as of the last day of the quarter. Our fees will be assessed pro rata in the event the portfolio management agreement is executed at any time other than the first day of a calendar quarter. We will either invoice you directly for portfolio management services or, per your investment advisory agreement, debit the fees directly from the qualified, independent custodian holding your funds and securities.

Our fees for portfolio management services are negotiable under certain circumstances. Therefore, arrangements with any particular client may differ from those stated above. For example, we may, in our sole discretion, enter into a fixed-fee arrangement with clients who request asset management services. Additionally, we may consider aggregation of accounts for multiple members of the same household to determine the advisory fee; an example would be if the firm services accounts on behalf of children of current clients, individual and joint accounts for a spouse, and other types of related accounts. This consolidation practice is designed to allow you the benefit of an increased asset total and, potentially, a reduced fee based on the asset amounts detailed in our fee schedule above.

## **Termination of the Agreement**

Client may terminate this agreement by written notice within five days after the date of this agreement and receive a full refund of all fees paid to advisor. This agreement may also be terminated by either party, for any reason, with 15 day written notice to the other party. The agreement shall continue in effect unless terminated by either party. Client agrees to pay the advisor the pro rata portion of the monthly/quarterly fee earned by the advisor. Upon termination, any fee refund due to the client will be issued within 90 days.

## **Financial Planning and Consulting Services**

Financial planning services will typically involve providing a variety of services, principally advisory in nature, to clients regarding the management of their financial resources based upon an analysis of their individual needs. An Associated Person of our firm will first conduct a complimentary initial consultation. After the initial consultation, if you decide to engage us for financial planning services, an Associated Person of our firm will conduct a follow up meeting during which pertinent information about your financial circumstances and objectives is collected. Once such information has been reviewed and analyzed, a written financial plan designed to achieve your stated financial goals and objectives will be produced and presented to you. The primary objective of this process is to allow us to assist you in developing a strategy for the successful management of income, assets, and liabilities in meeting your financial goals and objectives.

Some clients may only require advice on a single aspect of the management of their financial resources. For such clients, we offer modular financial planning services that address only those specific areas of concern. These areas may include, but are not limited to, retirement planning, education planning, insurance analysis, advice on existing or potential investment products, account re-balancing, financial decision making/negotiation, and/or asset allocation.

Financial plans are based on your financial situation at the time the plan is presented and are based on financial information disclosed by you to our firm. We are not responsible for verifying the correctness of the information that you supply to us. You are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. We cannot offer any guarantees or promises that your financial goals and objectives will be met. You must notify us promptly, if your financial situation, goals, objectives, or needs change.

We will charge either an hourly fee of \$250 or a fixed fee (which is negotiable and may range from \$250 to \$6,000) for financial planning services. Fees for such services are calculated and payable upon completion of the contracted service(s). The type and amount of the fees charged to you will be based on your financial situation and the services requested. An estimate of the total cost will be determined at the start of the advisory relationship. The final fee shall be directly dependent upon the facts and circumstances of your financial situation and the complexity of the financial planning service(s) requested. *In limited circumstances*, the cost/time could potentially exceed the initial estimate. In such cases, we will notify you and may request that you pay an additional fee. Partial payment may be requested in advance; however, we will not charge in excess of \$1,199 six or more months in advance. In some cases, in our sole discretion, we may offset part or all of the financial planning fee if you implement our investment recommendations through our firm.

You may terminate the financial planning agreement within five days of the date of acceptance without penalty. After the five-day period, either party may terminate the agreement by providing written notice to the other party. However, you will incur a pro rata charge for bona-fide financial planning services rendered prior to such termination; these fees will be due and payable to us. Refunds are not applicable as fees are paid in arrears.

### **Pension Consulting Services**

We provide pension consulting services to clients based on need and the agreed fee schedule. In general, these services may include an existing plan review, asset selection and allocation advice, investment performance monitoring, non-discretionary management of plan assets, risk management education, and/or ongoing consulting.

Additionally, we will offer the client assistance in setting up a relationship with a third-party administrator and processing enrollment forms. Advice to plan participants will be limited to general, impersonal advice. The scope of these services, the fees, and the terms of the agreement for these services will be negotiated on a case-by-case basis with each client. We may be compensated on a basis of assets under management, a fixed fee, an hourly fee, or a combination of fee arrangements based on the complexity of the plan and the agreement with the client.

These accounts are regulated under the Employee Retirement Income Securities Act ("ERISA"). We will provide consulting services to the client as described above; however, the client must make the ultimate decision as to retaining the services of such investment advisers we may recommend. The client is free to seek independent advice about the appropriateness of any recommended services for the plan.

Plan participants who wish to engage us for individualized planning or management services and fees may do so by executing a separate agreement with our firm.

The fees charged are calculated as described above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds, or any portion of the funds of an advisory client (15 U S C §80b-5(a)(1)).

### **Types of Investments**

We primarily recommend mutual funds and exchange traded funds however we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship. You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

### **Assets Under Management**

As of December 31, 2019, we provide continuous management services for \$167,537,874 in client assets on a discretionary basis, and \$3,351,953 in client assets on a non-discretionary basis.



## Item 5 Fees and Compensation

Please refer to the “Advisory Business” section in this brochure for information on our advisory fees, fee deduction arrangements, and refund policy according to each service we offer.

### Additional Fees and Expenses

As part of our investment advisory services to you, we may recommend or invest in mutual funds and exchange traded funds (ETFs). The fees you pay our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or ETFs (described in each fund’s prospectus) to their shareholders. Fund fees generally include a management fee and other fund expenses. You may also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, ETFs, our firm, and others. For information on our brokerage practices, please refer to the “Brokerage Practices” section of this brochure.

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

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

## Item 7 Types of Clients

We primarily serve individuals and families, but also have been engaged by entities, including retirement plans. We may charge a lesser investment advisory fee, charge a flat fee, or waive its fee entirely based upon certain criteria. Such criteria could include anticipated future-earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, complexity of the engagement, grandfathered fee schedules, our employees and family members, courtesy accounts, competition, negotiations with client, and so forth. **Please Note:** As result of the above, similarly-situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees.

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

### Our Methods of Analysis and Investment Strategies

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

- *Fundamental Analysis* – This involves analyzing individual companies and their industry groups, such as a company’s financial statements; details regarding the company’s product line; the experience and expertise of the company’s management; and the outlook for the company’s industry. The resulting data is used to measure the true value of the company’s stock compared to the current market value.
- *Long Term Purchases* – These are securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- *Short Term Purchases* – These are securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities’ short-term price fluctuations.
- *Option Writing* – A securities transaction that involves buying or selling an option includes the right – but not the obligation – to buy or sell a particular security at a specified price before the option expires. When you sell an option, you must deliver to the buyer a specified number of shares. If the buyer “exercises the option,” then the seller pays the buyer a premium (which is the market price of the option at a particular time) in exchange for writing the option.

Our investment strategies and advice may vary depending upon each client’s specific financial situation. We determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the HCFO (High Cost First-Out) accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

## **Risk of Loss**

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

### *Fundamental Analysis*

There is some risk related to fundamental analysis. For example, information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

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

As disclosed under the "Advisory Business" section in this Brochure, we primarily recommend mutual funds and exchange traded funds (ETFs). We may also recommend other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks; it is not possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. Yet, in general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Mutual funds and ETFs are professionally-managed collective-investment systems; they pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. Each fund has a manager who trades the investments in accordance with the fund's investment objective. Mutual funds and ETFs generally provide diversification, which means they are balanced with different types of securities. Risks can be significantly increased if a particular fund: is concentrated in one market sector; invests primarily in small cap or speculative companies; uses leverage (i.e., borrows money) to a significant degree; or concentrates in a particular type of security (i.e., equities).

ETFs differ from mutual funds since they can be bought and sold throughout the day like stock. That means their prices can fluctuate throughout the day. During times of extreme market volatility, ETF pricing may lag compared to the actual underlying asset values. This lag typically resolves itself in a short period of time (usually less than one day). Yet, there is no guarantee this will always occur.

The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. For example, some funds charge fees to buy and sell within the funds, which can reduce returns. (Alternately, "no load" funds do not charge such fees.) Mutual funds can also be "closed end" or "open end." So-called "open end" mutual funds allow in new investors indefinitely, which can dilute other investors' interests over time.

Options are complex securities that involve risks and are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss. It is generally recommended that you only invest in options with risk capital. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a certain date (the "expiration date"). The two types of options are calls and puts:

- A call gives the holder the right to buy an asset at a certain price within a specific period of time. Calls are similar to having a long position on a stock. Buyers of calls hope that the stock will increase substantially before the option expires.
- A put gives the holder the right to sell an asset at a certain price within a specific period of time. Puts are very similar to having a short position on a stock. Buyers of puts hope that the price of the stock will fall before the option expires.

Selling options is more complicated and can be even riskier.

Market Linked CD's ("MLCDs") provide interest tied to the performance of certain equity indices or a basket of common stocks of public companies. While the principal amount of a MLCD is insured by the FDIC subject to FDIC insurance limits and is repaid upon maturity, there is no guarantee of any return that is linked to the performance of underlying assets. Changes to the underlying assets will affect the rate of return of the CD. MLCD's may return interest that is less than a comparable conventional CD, or which may be zero.

## **Item 9 Disciplinary Information**

Perspective Financial Services, LLC has been registered and providing investment advisory services since 2003. Neither our firm nor any of our Management Persons has any reportable disciplinary information.

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

Michael P. McCann, Managing Member, provides tax preparation services to a limited number of legacy clients. Mr. McCann does not accept any compensation for the preparation of these tax documents.

## **Item 11 Code of Ethics**

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

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

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

### **Personal Trading Practices**

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

## **Item 12 Brokerage Practices**

### **Overview of Brokerage Practices**

When a client asks us to recommend a broker-dealer/custodian for execution and/or custodial services, we generally recommend accounts be maintained at Charles Schwab & Co. (Schwab). The client will be required to enter into a formal Investment Advisory Agreement with us, prior to engaging us to provide investment management services. This agreement sets forth the terms and conditions under which we shall advise on the client's assets. A separate custodial/clearing account agreement with each designated broker-dealer/custodian is also required.

Factors that we consider in recommending Schwab (or any other broker-dealer/custodian to clients) include historical relationship with our firm, financial strength, reputation, execution capabilities, pricing, research, and service. The transaction fees paid by our clients shall comply with our duty to obtain best execution. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution. This takes into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, transaction rates, and responsiveness. Accordingly, although we will seek competitive rates, it may not necessarily obtain the lowest possible rates for client account transactions. A client may pay a transaction fee higher than another qualified broker-dealer might charge to effect the same transaction if we determine, in good faith, that the fee is reasonable. The fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, our investment advisory fee.

### **Non-Soft Dollar Research and Benefits**

We can receive from Schwab (or another broker-dealer/custodian, investment manager, platform sponsor, mutual fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products that may assist us to better monitor and service client accounts maintained at such institutions. Examples can include:

- investment-related research, pricing information and market data;
- software and other technology that provide access to client account data;
- compliance and/or practice management-related publications;
- discounted and/or gratis consulting services;
- discounted and/or gratis attendance at conferences, meetings, and other events; and
- marketing support, such as client events and products used by us in furtherance of its investment advisory business operations.

Our clients do not pay more for investment transactions effected and/or assets maintained at Schwab as the result of this arrangement. There is no corresponding commitment made by us to Schwab, or any other any

entity, to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

### **Directed Brokerage**

We do not allow our clients to direct execution of transactions through a specific broker-dealer. We recommend one or more custodians or broker-dealers to effect securities transactions for its clients. The custodians or broker-dealers were chosen based on our fiduciary responsibilities to provide best execution.

### **Brokerage for Client Referrals**

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

### **Block Trades**

We may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our Firm when the firm believes such action may prove advantageous to clients. If and when we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently.

The firm uses the average price allocation method for transaction allocation. Under this procedure the Firm will calculate the average price and transaction charges for each transaction included in a block order and assign the average price and transaction charge to each allocated transaction executed for the client's account.

If and when we determine to aggregate client orders for the purchase or sale of securities, including securities in which the Firm or our associated persons may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, SMC Capital, Inc. Neither we nor our associated persons receive any additional compensation as a result of block trades.

## **Item 13 Review of Accounts**

Your accounts are monitored by your designated Adviser on a regular basis. Mr. McCann, Managing Member and Chief Compliance Officer, is responsible for the overall supervisory review process for our firm's Associated Persons and conducts regular reviews determined on a case-by-case basis. Triggering factors stimulating the review of your account include, but are not limited to, large market fluctuations, the asset allocation levels in your account, and the calendar. Additional reviews may be performed as needed or at your request.

If you have only contracted with us for financial planning, you will be provided with a printed or digital copy of your financial plan. Updates may be made to your plan, upon your request, and may incur an additional fee. You will in turn be provided a copy of your revised financial plan. We do produce account statements on a quarterly basis, which may be delivered in written or electronic format. Additionally, you will receive statements from the custodian holding your funds and securities at least quarterly.

## Item 14 Client Referrals and Other Compensation

As indicated at Item 12 above, we can receive from Schwab (and others) without cost (and/or at a discount), support services and/or products. You do not pay more for investment transactions effected and/or assets maintained at Schwab (or any other institution) as result of this arrangement. There is no corresponding commitment made by us to Schwab, or to any other entity, to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as the result of the above arrangement.

We do not maintain relationships with third parties in exchange for referral fees of any kind.

## Item 15 Custody

We have the ability to deduct our advisory fee from your custodial accounts. Clients will receive written account summary statements from the custodian (i.e. Schwab, etc.) at least quarterly. While we do provide quarterly portfolio summary reports, we urge you to compare statements and reports provided by us to the statements you receive from the account custodian. If you have questions regarding these statements, you are encouraged to contact us for clarification. **Please Note:** You should also be aware the account custodian does not verify the accuracy of our advisory fee calculation.

Certain clients have established asset transfer authorizations, also known as standing letters of authorization (SLOA), that permit the qualified custodian to rely upon instructions from us to transfer client funds or securities to third parties. These accounts subject to custody review are disclosed in Item 9 of the ADV Part 1A. However, in accordance with the guidance provided in the SEC's February 21, 2017 *Investment Adviser Association* No-Action Letter, Perspective follows the safeguards specified by the SEC therefore we are not subject to an annual surprise CPA examination.

## Item 16 Investment Discretion

You must sign our discretionary management agreement, a power of attorney, and/or trading authorization forms before we can buy or sell securities on your behalf.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security.

Please refer to the "Advisory Business" section in this brochure for more information on our discretionary management services. If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.



## Item 17 Voting Client Securities

### Proxy Voting

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. If we receive any written or electronic proxy materials, we will forward them to you by mail (or electronically, if you have authorized us to do so).

## Item 18 Financial Information

We are not required to provide financial information about our firm to our clients because:

- we do not require advance fee payment in excess of \$1,199 or in excess of six months;
- we do not take physical custody of client funds or securities; and
- we do not have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

## Item 19 Requirements for State-Registered Advisers

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

## Item 20 Additional Information

### Your Privacy

Protecting your private information is a top priority of our firm. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any non-public personal information about you to any non-affiliated third parties, except as permitted by law in the course of servicing your account. We may share some information with our service providers (i.e., transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys) to best fulfill our obligations to you.

We allow internal access of your non-public personal information only to employees who need it to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your information and to ensure our integrity and confidentiality. We do not sell information about you or your accounts to anyone. We do not share your information unless it is required by law or to process a transaction at your request.

You will receive a copy of our full privacy policy prior to or at the time you sign an advisory agreement with our firm and on an annual basis thereafter, if required. Please contact our main office at the telephone number



on the cover page of this brochure if you have any questions regarding this policy. You may also access our full privacy policy at <http://moneyaz.com/disclosure/>

## **Trade Errors**

On infrequent occasions, an error may be made in your account. For example, a security may be erroneously purchased for your account instead of sold. In situations such as this, we will endeavor to rectify the error as quickly as possible. This typically can be accomplished with a follow-up trade(s) consistent with the goal for account had no error occurred.

Depending on the circumstances, various corrective steps can be taken. These may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, the profit is not allocated to your account; it remains in the error account of the executing broker/dealer or account custodian.

## **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation. We do not initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

## **ANY QUESTIONS:**

**Perspective's Chief Compliance Officer, Michael P. McCann, remains available to address any questions regarding this Part 2A.**