

**Item 1: Cover Sheet**

**FORM ADV PART 2A**

**INFORMATIONAL BROCHURE**

RENAISSANCE INVESTMENT CONSULTANTS HOLDING COMPANY, LLC

D/B/A

**ROSENZWEIG & ASSOCIATES**

AND

**RZ WEALTH**

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**March 30, 2020**

**This brochure provides information about the qualifications and business practices of RZ Wealth. If you have any questions about the contents of this brochure, please contact us at 610-627-5921 or via email at [sclifton@rzwealth.com](mailto:sclifton@rzwealth.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. Our registration does not imply a certain level of skill or training.**

**Additional information about RZ Wealth is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2:           Statement of Material Changes**

Investment advisers are required to include in this Item 2 any material changes to this Informational Brochure. There are no material changes to report.

**Item 3: Table of Contents**

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## INFORMATIONAL BROCHURE

### RZ WEALTH

#### **Item 4: Advisory Business**

Renaissance Investment Consultants Holding Company, LLC d/b/a Rosenzweig & Associates has been in business since August, 2014. Irvin Rosenzweig is the Firm's sole principal, and has been in the business of rendering investment advice for over 32 years, most recently through Rosenzweig & Associates, now with a d/b/a of "RZ Wealth".

RZ Wealth provides portfolio management and investment management services. Clients advised may include individuals, families, trusts, charitable organizations and foundations, pensions and corporations.

#### Asset Management

RZ Wealth requires each client to place at least \$250,000 with the firm. This minimum may be waived in the discretion of RZ Wealth.

We begin our process by compiling and analyzing data, evaluating investment options, and calculating the pertinent financial projections. Of equal importance is the human element, incorporating what we have discovered while speaking with you about your goals, your tolerance for risk, and your investment attitudes. The result is a customized "blueprint" that reflects your investment focus and attitudes, a targeted pursuit of your goals and our long-term commitment to you as we work closely together toward your objectives.

Typically, we work with clients on a "discretionary" basis. However, in limited circumstances and in RZ Wealth's sole discretion, we may work with clients on a "non-discretionary" basis. When RZ Wealth is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You will receive written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive statements at least quarterly from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and RZ Wealth.

When a client engages us to provide investment management services on a non-discretionary basis, we monitor the accounts in the same way as for discretionary services. The difference is that changes to your account will not be made until we have confirmed with you (either verbally or in writing) that our proposed change is acceptable to you. Given this, you understand the importance of informing RZ

Wealth of any changes to your contact information. You also agree that once RZ Wealth has attempted to reach you for approval of any recommendations, you will respond to RZ Wealth as soon as is reasonably practicable. Otherwise, RZ Wealth will not be able to implement the recommendation and the performance of your account may be adversely affected. Clients engaging us on a non-discretionary basis will be asked to execute an Investment Management Agreement that outlines the responsibilities of both the client and RZ Wealth.

For some clients who are engaging RZ Wealth to provide asset management or other services, the preparation of a financial plan may be required to properly service a client. If a financial plan is required, in the discretion of RZ Wealth, financial planning services may be included with the costs of the other services, and clients may not be charged any additional fees. However, in certain circumstances there may be an additional charge for financial planning, based on the complexity and sophistication of the services.

#### *Use of Third Party Managers*

While not a separate service, RZ Wealth may select certain Third Party Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages a Third Party Manager may be set forth in a separate written agreement with the designated Third Party Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Third Party Managers engaged to manage their assets. RZ Wealth evaluates a variety of information about Third Party Managers, which may include the Third Party Managers' public disclosure documents, materials supplied by the Third Party Managers themselves and other third-party analyses it believes are reputable. To the extent possible, RZ Wealth seeks to assess the Third Party Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. RZ Wealth also takes into consideration each Third Party Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors. RZ Wealth continues to provide services relative to the discretionary selection of the Third Party Managers. On an ongoing basis, RZ Wealth monitors the performance of those accounts being managed by Third Party Managers. RZ Wealth seeks to ensure the Third Party Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests. Management fees charged by such managers are not included in any wrap program sponsored by RZ Wealth.

Clients who have Third Party Managers manage a portion of their assets must grant the Third Party Manager limited discretionary investment authority over the assets which RZ Wealth assigns to the Third Party Manager. The limited discretionary authority includes the authority to exercise discretion to determine the types of securities bought and sold, along with the percentage allocation; apply its discretion as to when to buy and sell; apply its discretion as to the timing of transactions; select the broker-dealer for execution of securities transactions, if appropriate, and; take other portfolio management actions RZ Wealth delegates or deems appropriate. Any authority granted to Third Party Managers only applies to the specific assets, within the client's custodial account, for which the Third Party Manager has been appointed as the discretionary manager.

### **Sub-Manager Limited Discretion**

For certain client assets, RZ Wealth outsources a portion of the investment management to Goldman Sachs Personal Financial Management formerly known as United Capital Financial Advisers, LLC (“GSPFA”), an investment adviser not affiliated with RZ Wealth, who serves as sub-adviser. GSPFA is granted limited discretionary investment authority over assets that RZ Wealth assigns to GSPFA. For the assets directed to RZ Wealth for services, its responsibility includes the authority to:

- exercise discretion to determine the types of securities bought and sold, along with the percentage allocation;
- apply its discretion as to when to buy and sell;
- apply its discretion as to the timing of transactions;
- select the broker-dealer for execution of securities transactions, if appropriate;
- take other portfolio management actions RZ Wealth delegates or deems appropriate; and
- deduct sub-adviser fees directly from the custodian account, for which the sub-adviser is managing assets.

Any authority of GSPFA only applies to the specific assets, within the client’s custodial account, for which GSPFA has been appointed as the discretionary manager. GSPFA shall not provide investment advice, or have any advisory responsibility to the client, beyond the assets for which it is appointed as a sub-adviser. The terms of services provided by GSPFA are directed in accordance with a separate written agreement entered into between RZ Wealth and GSPFA. GSPFA also provides separate services to RZ Wealth under its division FinLife Partners, as described below in the FinLife Partners Service Offering section.

RZ Wealth has a financial incentive to refer clients to GSPFA rather than manage the assets on its own or refer them to another adviser, creating a conflict of interest. When RZ Wealth refers clients to GSPFA, it receives various incentives, including:

- Certain technology support fees incurred by RZ Wealth in connection with RZ Wealth’s use of FinLife Partners’ technology solutions will be reduced if a predetermined number of RZ Wealth’s clients subscribe to RZ Wealth’s guidance services that utilize such technology solutions and GSPFA’s sub-advisory services.
- If RZ Wealth does not utilize predetermined threshold volume of services or technology solutions offered by GSPFA or FinLife Partners, as applicable, then the relationship with FinLife Partners may be terminated due to insufficient revenue generation.

To address this conflict, if the client does not want to invest their assets with GSPFA as the sub-adviser or receive RZ Wealth’s financial guidance services that require access to the FinLife platform, the client may discuss alternative options with RZ Wealth.

### **Outsourcing of Certain Investment Operations**

RZ Wealth works with various third party service providers, including, among others, Envestnet, Inc. and Orion Advisor Technology to help support the operational needs of managing and servicing Client accounts. Authority provided to the outsourced service providers may include, but is not limited to,

placing transactions with broker-dealers at the direction of RZ Wealth, opening accounts with Client's account custodian, and facilitating operational requests on the Client's behalf based on instructions provided by associated persons of RZ Wealth. When providing these services, the third party service provider is acting as an agent of RZ Wealth.

### **FinLife Partners Service Offering**

In an effort to enhance the quality and breadth of services that RZ Wealth provides to its clients, RZ Wealth utilizes a suite of digitally powered technology solutions offered by FinLife Partners, a division of GSPFA ("FinLife Partners"). FinLife Partners provide access to its technology platform to RZ Wealth that includes the use of certain technology platform, training relating to use of such technology platform, and if elected by RZ Wealth certain clerical document and data compilation services. FinLife Partners is not in any way involved in, or responsible for, the individual investment management or guidance provided to clients. RZ Wealth pays FinLife Partners a flat fee for its technology implementation services and fees calculated per percentage-basis formula in accordance with the volume of client for whom RZ Wealth utilizes such services and/or products. As such, for certain services offered, clients indirectly contribute to the payment of cost of services paid to FinLife Partners. Relating to the cost for services, RZ Wealth is financially incentivized to refer clients to GSPFA, creating a conflict of interest. Financial incentives are described in the Sub-Manager Limited Discretion section described above.

### **Wrap Fee Program**

RZ Wealth recommends that investment accounts be held in custody by TD Ameritrade Institutional, a division of TD Ameritrade, member FINRA/SIPC, an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers enhanced services to independent investment advisors. These services include custody of securities, trade execution platforms, and access to research not available to the general public. TD Ameritrade is wholly independent from RZ Wealth. It is expected that most, if not all, transactions in a given client account will be cleared through the custodian of that account in its capacity as a broker-dealer.

Depending on the specific financial advisor and intended strategy for the client, clients may participate in the wrap fee program. This means that for those participating clients, RZ Wealth may include certain transactional costs in the client's management fee. Fees included in the wrap fee include transaction fees for the purchase or sale of securities, including transaction fees for trades placed by other portfolio managers engaged by RZ Wealth under this wrap program. Depending on the portfolio manager engaged to manage a portion of your assets, these transaction fees may be in the form of transaction-based pricing or asset-based pricing. Asset-based pricing is when you are charged a percentage of the dollar amount of assets in the account for all trades placed during a given period, as opposed to transaction-based pricing where you are charged commissions or other fees for each trade. Clients will also receive the written disclosure documents of any portfolio managers engaged to manage their assets, which will provide further information on those managers and their associated fees.

Our wrap fees do not include expenses related to the use of margin, wire transfer fees, the fees charged to shareholders of mutual funds or ETFs and closed-end fund mark-ups and mark-downs, spreads, odd-

lot differentials, and fees charged by regulatory agencies. Management fees of third party managers are also not included in the Wrap Program, and to the extent utilized, you will be responsible for such fees. RZ Wealth manages the assets of wrap fee program clients the same way as other non-wrap fee program clients, and may use external portfolio managers within the wrap program or for non-wrap program clients. Therefore, there is no difference between how RZ Wealth manages wrap fee accounts and how RZ Wealth manages other accounts.

Because of the nature of a wrap fee program, the wrap fee program client may pay more or less than if the client had compensated RZ Wealth outside of the wrap fee program. For example, if a client's account is rarely traded, the transaction fees the client would have paid would be minimal, thus limiting the benefits of "wrapping" management fees and transaction fees.

RZ Wealth may engage other portfolio managers to manage assets within the wrap fee program. To the extent a third party manager is utilized, the fees payable to such managers will not be included in the wrap program. RZ Wealth is the sponsor of the wrap program, which means that RZ Wealth receives a portion of the wrap fee for our services. Transaction fees are paid to various broker-dealers, mutual funds and ETFs and closed-end funds. The remainder of the wrap fee is the management fee payable to RZ Wealth. The amount payable to RZ Wealth varies depending upon the amount of trading in a client's account. The more transactions in the account, the greater the amount of transaction fees, and therefore the less compensation to RZ Wealth. Accordingly, RZ Wealth has a financial incentive to avoid trading the account. This creates a conflict of interest between the firm and its wrap clients. RZ Wealth attempts to mitigate this conflict by requiring that the firm's employees acknowledge their fiduciary duty to place client interests ahead of their own and by periodically comparing wrap program client performance against any clients who are not in the wrap program.

RZ Wealth will receive no additional compensation for offering the wrap fee program. Clients should refer to the accompanying Wrap Brochure.

#### Financial Institution Consulting Services

RZ Wealth may contract directly with and receive payments from broker/dealers, insurance companies, investment companies, and other registered investment advisers to provide investment advisory consulting services to the clients of those contracted financial institutions. Such contractual engagements do not include assuming discretionary authority over brokerage accounts or the monitoring of securities positions. Services offered to financial institution clients may include a general review of client investments holdings, which may or may not result in a RZ Wealth's investment adviser representatives making specific securities recommendations or offering general investment advice.

#### Assets under Management

As of March 26, 2020, RZ Wealth had approximately \$146,640,686 in assets under management, of which \$146,231,602 is managed on a discretionary basis.



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

### **A. Fees Charged**

#### Asset Management

All investment management clients will be required to execute an Investment Management Agreement that will describe the type of management services to be provided and the fees, among other items. Clients are advised that they may pay fees that are higher or lower than fees they may pay another advisor for the same services, and may in fact pay lower fees for comparable services from other sources. For some clients, ongoing financial planning will be included in this fee.

Generally, fees vary from 1.00% to 2.50% per annum of the market value of a client's assets managed by RZ Wealth. The fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the account. Factors affecting fee percentages include the size of the account, complexity of asset structures, and other factors.

*Included with Other Services:* For some clients who are also engaging RZ Wealth to provide asset management or other services, the preparation of a financial plan may be required to properly service a client. If a financial plan is required, in RZ Wealth's discretion, financial planning services may be included with the costs of the other services, and clients may not be charged any additional fees. However, in certain circumstances there may be an additional charge for financial planning, based on the complexity and sophistication of the services.

### **B. Fee Payment**

#### Asset Management

For clients whose assets are managed directly by the firm, investment advisory fees will be debited directly from each client's account. The advisory fee is paid monthly, in advance. To clarify, the fee is not debited from each client's account until the middle of the current billing period. The value used for the fee calculation is the average daily balance of the portfolio for the previous month. The average daily balance is the sum of your balance on each day of the previous month divided by the number of days during that month. This means that if your annual fee is 1.50%, we will take the previous month's average daily balance, multiply the value by 1.50%, and then divide by the number of days in that calendar year and multiply that number by days in the previous month to calculate our fee. In calculating the market value of a client's assets, assets allocated to cash or a cash proxy, such as a money market account, will be included in the calculation of assets under management. Once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to RZ Wealth. While almost all of our clients choose to have their fee debited from their account, we will invoice clients upon request.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian recommended by RZ Wealth. The client will also receive a statement from their account custodian showing all transactions in their account, including the asset

management fee.

### *Third Party Managers*

For clients whose assets are managed through third party managers (please see Item 8 for more information regarding the use of third party managers), the terms of fee payment may vary dependent upon the manager or managers selected. For example, while RZ Wealth generally debits fees monthly, in advance, some managers calculate fees quarterly in advance or in arrears. The third party manager may also require that clients provide written authorization allowing the third party manager to directly debit their fees from the client's account. For details on the exact methodology of calculating fees by each of the managers in a client's portfolio, clients should refer to the Form ADV for such managers.

### C. Other Fees

There are a number of other fees that can be associated with holding and investing in securities. For clients participating in RZ Wealth's Wrap Program, some fees may be paid by RZ Wealth on your behalf, such as transaction fees for the purchase or sale of securities, as discussed above. Clients who do not participate in RZ Wealth's Wrap Program will be responsible for transaction fees for the purchase or sale of securities. All other fees will be deducted from your account. Expenses of a closed-end fund, mutual fund or ETF will not be included in management fees, as they are deducted from the value of the shares by the fund manager. When selecting mutual funds that have multiple share classes for recommendation to clients, RZ Wealth will take into account the internal fees and expenses associated with each share class, and it is RZ Wealth's policy to choose the lowest-cost share class available, absent circumstances that dictate otherwise. For complete discussion of expenses related to each closed-end fund, mutual fund or ETF, you should read a copy of the prospectus issued by that fund. RZ Wealth can provide or direct you to a copy of the prospectus for any fund that we recommend to you.

Please make sure to read Item 12 of this informational brochure, where we discuss broker-dealer and custodial issues.

### D. *Pro-rata* Fees

If you become a client during a month, you will pay a management fee for the number of days left in that month. If you terminate our relationship during a month, you will be entitled to a refund of any management fees for the remainder of the month. Once your notice of termination is received, we will assess pro-rated fees for the number of days between the end of the prior billing period and the date of termination to be paid in whatever way you direct (check, wire).

### E. Compensation for the Sale of Securities.

This is not applicable.

**Item 6: Performance-Based Fees**

RZ Wealth will not charge performance based fees.

**Item 7: Types of Clients**

Clients advised may include individuals, families, trusts, charitable organizations and foundations, pensions and corporations. RZ Wealth requires each client to place at least \$250,000 with the firm. This minimum may be waived in the discretion of RZ Wealth.

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

It is important for you to know and remember that all investments carry risks. **Investing in securities involves risk of loss that clients should be prepared to bear.**

Each client's portfolio will be invested according to that client's investment objectives. We determine these objectives by interviewing the client and/or asking the client to put these objectives in writing. Once we ascertain your objectives for each account, we will develop a set of asset allocation guidelines. An asset allocation strategy is a percentage-based allocation to different investment types. For example, a client may have an asset allocation strategy that calls for 40-60% of the portfolio to be invested in equity securities, with 20% of that allocated to international equities and the remaining balance in fixed income. Another client may have an asset allocation of 50-60% in fixed income securities and the remainder equities. The percentages in each type that we recommend are based on your financial goals, risk tolerance, the timeline to get you to those goals, your current financial situation, the typical behavior of that security type, individual securities we follow, and current market conditions. Because we develop an investment strategy based on your personal situation and financial goals, your asset allocation guidelines may be similar to or different from another client's. Once we agree on allocation guidelines, risk tolerance, time horizon, and how to achieve these results, they will be used to guide all parties involved in the execution of these goals, including but not limited to, RZ Wealth, the client, the custodian, and the investment managers.

Upon creation of the asset allocation guidelines, we will periodically recommend securities transactions in your portfolio to meet the guidelines of the asset allocation strategy. It is important to remember that because market conditions can vary greatly, your asset allocation guidelines are not necessarily strict rules. Rather, we review accounts individually, and may deviate from the guidelines as we believe necessary.

If we are managing the account directly, the specific securities we recommend for your account will depend on market conditions and our research at the time. Generally, we recommend a mix of stocks, ETFs, bonds, mutual funds, closed-end funds, index funds, REITS, CDs, options, preferred stocks, MLP's, and structured products. With regard to ETFs, mutual funds and closed-end funds, specific funds are chosen based on where its investment objective fits into the asset allocation recommended by RZ Wealth, its risk parameters, past performance, peer rankings, fees, expenses, and any other aspects

of the fund RZ Wealth deems relevant to that particular fund.

Most mutual funds offer different share classes with various fee structures, including share classes with sales load, sales charges, or 12b-1 fees. 12b-1 fees are deducted from the mutual funds' assets on an ongoing basis, and are paid to broker-dealers and registered representatives whose clients own those shares to cover fund distribution and shareholder services. This receipt of fees presents a potential conflict of interest, as RZ Wealth has an incentive to recommend more expensive share classes to clients based on the compensation received, rather than based upon the client's needs. However, it is RZ Wealth's policy that when specific funds offer more than one share class, RZ Wealth will select the lowest-cost share class available to the client, absent circumstances that dictate otherwise.

We base our conclusions on predominantly publicly available research, such as regulatory filings, press releases, competitor analyses, and in some cases research we receive from our custodian or other market analyses. We will also utilize technical analyses, which means that we will review the past behaviors of the security and the markets in which it trades for signals as to what might happen in the future.

Additionally, as assets are transitioned from a client's prior advisors to RZ Wealth, clients may hold legacy securities and may place restrictions on individual security types. Legacy securities are those that a client owned prior to or separate from its RZ Wealth portfolio. If a client transitions mutual fund shares to RZ Wealth that are not the lowest-cost share class, and RZ Wealth is not recommending disposing of the security altogether, RZ Wealth will attempt to convert such mutual fund share classes into the lowest-cost share classes the client is eligible for, taking into account any adverse tax consequences associated with such conversion.

### Third Party Managers

For some accounts, RZ Wealth can utilize other managers to assist in the management of client assets. These managers are selected by RZ Wealth after a process whereby RZ Wealth evaluates each manager's investment performance, operations, and offerings to determine if the manager would be a fit for RZ Wealth clients. This process continues on an ongoing basis, throughout the time the client works with the third party manager. It is important to note that these managers may charge a separate, and additional fee, for their services. These fees are not included in any wrap program offered by RZ Wealth. RZ Wealth will consider these fees in its decision to recommend the use of a third party manager.

### Risk of Loss

There are always risks to investing. Clients should be aware that all investments carry various types of risk including the potential loss of principal that clients should be prepared to bear. It is impossible to name all possible types of risks. Among the risks are the following:

- **Political Risks.** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **General Market Risks.** Markets can, as a whole, go up or down on various news releases or for no

understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason, and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.

- **Currency Risk.** When investing in another country using another currency, the changes in the value of the currency can change the value of your security value in your portfolio.
- **Regulatory Risk.** Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
- **Tax Risks Related to Short Term Trading:** Clients should note that RZ Wealth may engage in short-term trading transactions. These transactions may result in short term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long term strategies. RZ Wealth endeavors to invest client assets in a tax efficient manner, but all clients are advised to consult with their tax professionals regarding the transactions in client accounts.
- **Purchasing Power Risk.** Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.
- **Business Risk.** This can be thought of as certainty or uncertainty of income. Management comes under business risk. Cyclical companies (like automobile companies) have more business risk because of the less steady income stream. On the other hand, consumer staples tend to have steadier income streams and therefore, less business risk.
- **Financial Risk.** The amount of debt or leverage determines the financial risk of a company.
- **Default Risk.** This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.
- **Margin Risk.** "Margin" is a tool used to maximize returns on a given investment by using securities in a client account as collateral for a loan from the custodian to the client. The proceeds of that loan are then used to buy more securities. In a positive result, the additional securities provide additional return on the same initial investment. In a negative result, the additional securities provide additional losses. Margin therefore carries a higher degree of risk than investing without margin. Any client account that will use margin will do so in accordance with Regulation T. RZ Wealth may utilize margin on a limited basis for clients with higher risk tolerances. In most cases, RZ Wealth uses margin for clients when clients are drawing cash against securities in lieu of liquidation.
- **Short Sales.** "Short sales" are a way to implement a trade in a security RZ Wealth feels is overvalued. In a "long" trade, the investor is hoping the security increases in price. Thus in a long trade, the amount of the investor's loss (without margin) is the amount paid for the security. In a short sale, the investor is hoping the security decreases in price. However, unlike a long trade where the price of the security can only go from the purchase price to zero, in a short sale, the price of the security can go infinitely upwards. Thus in a short sale, the potential for loss is unlimited and unknown, where the potential for loss in a long trade is limited and knowable. RZ Wealth utilizes short sales only when the client's risk tolerances permit.
- **Options:** The use of options transactions as an investment strategy involves a high level of inherent risk. Although the intent of many of the options-related transactions implemented by RZ Wealth is to hedge against principal risk, certain of the options-related strategies (i.e., straddles, short positions, etc.),

may in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, client may direct RZ Wealth, in writing, not to employ any or all such strategies for his/her/their/its accounts.

- **Risks specific to private placements, sub-advisors and other managers.** If we invest some of your assets with another advisor, including a private placement, there are additional risks. These include risks that the other manager is not as qualified as we believe them to be, that the investments they use are not as liquid as we would normally use in your portfolio, or that their risk management guidelines are more liberal than we would normally employ. Clients should *carefully* review the risks associate with each manager as such risks are disclosed in that firm's Form ADV and/or offering documents for the private placement, both of which are available from RZ Wealth.

- **Information Risk.** All investment professionals rely on research in order to make conclusions about investment options. This research is always a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Even an adviser who says they rely solely on proprietary research must still collect data from third parties. This data, or outside research is chosen for its perceived reliability, but there is no guarantee that the data or research will be completely accurate. Failure in data accuracy or research will translate to a compromised ability by the adviser to reach satisfactory investment conclusions.

- **Small Companies.** Some investment opportunities in the marketplace involve smaller issuers. These companies may be starting up, or are historically small. While these companies sometimes have potential for outsized returns, they also have the potential for losses because the reasons the company is small are also risks to the company's future. For example, a company's management may lack experience, or the company's capital for growth may be restricted. These small companies also tend to trade less frequently than larger companies, which can add to the risks associated with their securities because the ability to sell them at an appropriate price may be limited as compared to the markets as a whole. Not only do these companies have investment risk, if a client is invested in such small companies and requests immediate or short term liquidity, these securities may require a significant discount to value in order to be sold in a shorter time frame.

- **Concentration Risk.** While RZ Wealth selects individual securities, including mutual funds, for client portfolios based on an individualized assessment of each security, this evaluation comes without an overlay of general economic or sector specific issue analysis. This means that a client's equity portfolio may be concentrated in a specific sector, geography, or sub-sector (among other types of potential concentrations), so that if an unexpected event occurs that affects that specific sector or geography, for example, the client's equity portfolio may be affected negatively, including significant losses.

- **Transition risk.** As assets are transitioned from a client's prior advisers to RZ Wealth there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold in order to reposition the portfolio into the asset allocation strategy selected by RZ Wealth. However, this transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of reasons that may include unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. The inability to transition a client's holdings into recommendations of RZ Wealth may adversely affect the client's account values, as RZ Wealth's recommendations may not be

able to be fully implemented.

- **Restriction Risk.** Clients may at all times place reasonable restrictions on the management of their accounts. However, placing these restrictions may make managing the accounts more difficult, thus lowering the potential for returns.
- **Risks Related to Investment Term & Liquidity.** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have had the investment had the opportunity to regain its value. Further, some investments are made with the intention of the investment appreciating over an extended period of time. Liquidating these investments prior to their intended time horizon may result in losses.
- **REIT's:** RZ Wealth may recommend that portions of client portfolios be allocated to real estate investment trusts, otherwise known as "REITs". A REIT is an entity, typically a trust or corporation, that accepts investments from a number of investors, pools the money, and then uses that money to invest in real estate through either actual property purchases or mortgage loans. While there are some benefits to owning REITs, which include potential tax benefits, income and the relatively low barrier to invest in real estate as compared to directly investing in real estate, REITs also have some increased risks as compared to more traditional investments such as stocks, bonds, and mutual funds. First, real estate investing can be highly volatile. Second, the specific REIT chosen may have a focus such as commercial real estate or real estate in a given location. Such investment focus can be beneficial if the properties are successful, but lose significant principal if the properties are not successful. REITs may also employ significant leverage for the purpose of purchasing more investments with fewer investment dollars, which can enhance returns but also enhances the risk of loss. The success of a REIT is highly dependent upon the manager of the REIT. Clients should ensure they understand the role of the REIT in their portfolio.
- **MLP's:** RZ Wealth may recommend that portions of client portfolios be allocated to master limited partnerships, otherwise known as "MLPs". An MLP is a publicly traded entity that is designed to provide tax benefits for the investor. In order to preserve these benefits, the MLP must derive most, if not all, of its income from real estate, natural resources and commodities. While MLPs may add diversification and tax favored treatment to a client's portfolio, they also carry significant risks beyond more traditional investments such as stocks, bonds and mutual funds. One such risk is management risk-the success of the MLP is dependent upon the manager's experience and judgment in selecting investments for the MLP. Another risk is the governance structure, which means the rules under which the entity is run. The investors are the limited partners of the MLP, with an affiliate of the manager typically the general partner. This means the manager has all of the control in running the entity, as opposed to an equity investment where shareholders vote on such matters as board composition. There is also a significant amount of risk with the underlying real estate, resources or commodities investments. Clients should ask RZ Wealth any questions regarding the role of MLPs in their portfolio.
- **International Investing:** Investing outside of the United States, especially in emerging markets, can have special or enhanced risks. The most obvious are political risk (changes in local politics can have a vast impact on the markets in that country as well as regulations affecting given issuers) and currency risk (changes in exchange rates between the dollar and the local denominations can materially affect the value of the security even if the underlying fundamentals and market price are stagnant). There are other risks, including enhanced liquidity risk, meaning that while domestic equities and mutual funds are generally easily liquidated (though there may be a risk of loss due to the timing of the

sale), equities in other jurisdictions may be subject to the circumstances of lower overall market volume and fewer companies on an emerging exchange. In addition, there may be less information and less transparency in a foreign market or from a foreign company. Foreign markets impose different rules than domestic markets, which may not be to an investor's advantage. Also, companies in foreign jurisdictions are generally able to avail themselves of local laws and venues, meaning that legal remedies for U.S. investors may not be as easily obtained as in the U.S.

**Item 9:       Disciplinary Information**

There are no disciplinary items to report.

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

A. Broker-dealer

Neither the principal of RZ Wealth, nor any related persons are registered, or have an application pending to register, as a broker dealer or as an associated person of the foregoing entities.

B. Futures Commission Merchant/Commodity Trading Advisor

Neither the principal of RZ Wealth, nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. Relationship with Related Persons

*Insurance*

Midlantic Financial Strategies Group, LLC ("Midlantic") is affiliated with RZ Wealth through common control. Irv Rosenzweig, principal owner of RZ Wealth, is also the principal owner of Midlantic. Midlantic is a full service general insurance agency licensed in the Commonwealth of Pennsylvania that is able to broker insurance products such as health, life, and long-term care, disability, and fixed annuities. Therefore, certain professionals of RZ Wealth are separately licensed as insurance agents. As such, these professionals may conduct insurance product transactions for RZ Wealth clients, in their capacity as licensed insurance agents, and will receive customary commissions for these transactions in addition to any compensation received in their capacity as employees of RZ Wealth. Commissions from the sale of insurance products will not be used to offset or as a credit against advisory fees. In the event that a client account managed by RZ Wealth contains any annuity investments for which a related person of RZ Wealth has received a commission related to its sale, RZ Wealth will not include the value of these assets in its calculation of the management fees. These professionals therefore have incentive to recommend insurance products based on the compensation to be received, rather than on a client's needs. The receipt of additional fees for insurance commissions is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to engage RZ Wealth or utilize these professionals to implement any insurance recommendations. RZ Wealth attempts to mitigate this



conflict of interest by disclosing the conflict to clients, and informing the clients that they are always free to purchase insurance products through other agents that are not affiliated with RZ Wealth, or to determine not to purchase the insurance product at all. RZ Wealth also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of RZ Wealth, which requires that employees put the interests of clients ahead of their own.

**D. Recommendations of other Advisers**

As discussed in Item 8, RZ Wealth may recommend to clients one or more third party managers who charge a separate, and additional fee, for their services. Typically, both RZ Wealth and the managers will each debit their fees separately. Accordingly, while each manager charges their own separate fee, RZ Wealth does not receive any compensation, directly or indirectly, from the unrelated third party investment managers or professionals for the referral of clients.

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

A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.

B. Not applicable. RZ Wealth does not recommend to clients that they invest in any security in which RZ Wealth or any principal thereof has any financial interest.

C. On occasion, an employee of RZ Wealth may purchase for his or her own account securities which are also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades are reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

D. On occasion, an employee of RZ Wealth may purchase for his or her own account securities which are also recommended for clients at the same time the clients purchase the securities. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee are reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

## **Item 12: Brokerage Practices**

### **A. Recommendation of Broker-Dealer**

RZ Wealth recommends that investment accounts be held in custody by TD Ameritrade Institutional, a division of TD Ameritrade, member FINRA/SIPC, an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers enhanced services to independent investment advisors. These services include custody of securities, trade execution platforms, clearance and settlement of transactions, and access to research not available to the general public. Additionally, RZ Wealth may also offer clients certain trading services with Tradeweb Direct LLC, which gives RZ Wealth the ability to execute certain trades of client assets held in custody at TD Ameritrade. In limited circumstances, RZ Wealth may recommend 280 Securities for the utilization of block accounts. In these instances, bonds will be allocated across the block accounts on a pro rata basis. 280 Securities, Tradeweb Direct LLC, and TD Ameritrade are each wholly independent from RZ Wealth. It is expected that most, if not all, transactions in a given client account will be cleared through the custodian of that account in its capacity as a broker-dealer.

RZ Wealth may also open “omnibus” accounts at other broker-dealers when RZ Wealth believes such firms can better facilitate certain transactions for the clients. The brokerage firms opening such accounts do not name the client on the account but instead use the account to facilitate purchase and sale transactions for RZ Wealth and then send transaction information to the client’s custodian. RZ Wealth team members review the confirmations after such transactions occur to be sure proper execution and delivery of securities are made to client accounts.

RZ Wealth recommends TD Ameritrade and Tradeweb Direct LLC to its clients based on a variety of factors. These include, but are not limited to, commission costs. TD Ameritrade has what can be considered discounted commission rates. However, in choosing a broker-dealer or custodian to recommend, we are most concerned with the value the client receives for the cost paid, not just the cost. TD Ameritrade and Tradeweb Direct LLC add value beyond commission cost. Other factors that may be considered in determining overall value include speed and accuracy of execution, financial strength, knowledge and experience of staff, research and service. TD Ameritrade also has arrangements with many mutual funds and exchange traded funds that enable us to purchase these funds for client accounts at reduced transaction charges (as opposed to other broker-dealers). RZ Wealth re-evaluates the use of TD Ameritrade and Tradeweb Direct LLC at least annually to determine if they are still the best value for our clients.

RZ Wealth participates in the institutional advisor program (the “Program”) offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC (“TD Ameritrade”), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. RZ Wealth receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, RZ Wealth participates in TD Ameritrade’s institutional customer program and RZ Wealth may recommend TD Ameritrade to Clients for custody and brokerage services. There is no

direct link between RZ Wealth's participation in the program and the investment advice it gives to its Clients, although RZ Wealth receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving RZ Wealth participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to RZ Wealth by third party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by RZ Wealth's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit RZ Wealth but may not benefit its client accounts. These products or services may assist RZ Wealth in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help RZ Wealth manage and further develop its business enterprise. The benefits received by RZ Wealth or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, RZ Wealth endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by RZ Wealth or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the RZ Wealth's choice of TD Ameritrade for custody and brokerage services.

We do not consider whether TD Ameritrade, Tradeweb Direct LLC, or any other broker-dealer/custodian, refers clients to RZ Wealth as part of our evaluation of these broker-dealers.

#### B. Aggregating/Bulk Trades

Commission costs per client may be lower on a particular trade if all clients in whose accounts the trade is to be made are executed at the same time. This is called aggregating trades. Instead of placing a number of trades for the same security for each account, we will, when appropriate, execute one trade for all accounts and then allocate the trades to each account after execution. If an aggregate trade is not fully executed, the securities will be allocated to client accounts on a *pro rata* basis, except where doing so would create an unintended adverse consequence (For example, if a *pro rata* division would result in a client receiving a fraction of a share, or a position in the account of less than 1%.)

#### Directed Brokerage

RZ Wealth allows clients to direct brokerage. RZ Wealth may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients' money because without the ability to direct brokerage RZ Wealth may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices. Not all investment advisers allow their clients to direct brokerage.

**Item 13: Review of Accounts**

All accounts will be reviewed by a senior professional of the firm on at least an annual basis. However, it is expected that market conditions, changes in a particular client's account, or changes to a client's circumstances will trigger a review of accounts.

The annual report in writing provided by RZ Wealth is intended to review asset allocation. All clients will receive statements and confirmations of trades directly from TD Ameritrade. Please refer to Item 15 regarding Custody.

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

A. Economic Benefit Provided by Third Parties for Advice Rendered to Client.

*Please refer to Item 12, where we discuss recommendation of Broker-Dealers.*

B. Compensation to Non-Advisory Personnel for Client Referrals.

RZ Wealth participates in the SmartAdvisor by Smart Asset referral platform. When accessing this platform, users enter information including their location, name, phone number current savings and email address for the purpose of being "matched" with a participating adviser such as RZ Wealth. RZ Wealth in turn compensates SmartAdvisor for each "match." The amount of compensation for the "match" is dependent upon the size of assets the "match" reports. No other compensation is provided to SmartAdvisor during the term of the relationship between the "match" and RZ Wealth.

**Item 15: Custody**

RZ Wealth deducts fees from client accounts, but would not have custody of client funds otherwise. Clients will receive statements directly from TD Ameritrade, and copies of all trade confirmations directly from TD Ameritrade.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian recommended by RZ Wealth. The client will also receive a statement from their account custodian showing all transactions in their account, including the asset management fee.

We encourage clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information prepared by RZ Wealth against the information in the statements provided directly from TD Ameritrade. Please alert us of any discrepancies.

**Item 16: Investment Discretion**

When RZ Wealth is engaged to provide asset management services on a discretionary basis, we will

monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You may receive at your request written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive monthly statements from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and RZ Wealth.

When a client engages RZ Wealth to provide investment management services on a non-discretionary basis, the accounts are monitored by RZ Wealth. The difference is that changes to your account will not be made until RZ Wealth has confirmed with you (either verbally or in writing) that the proposed change is acceptable to you. Given this, you understand the importance of informing RZ Wealth of any changes to your contact information. You also agree that once RZ Wealth has attempted to reach you for approval of any recommendations, you will respond to RZ Wealth as soon as is reasonably practicable. Otherwise, RZ Wealth will not be able to implement the recommendation and the performance of your account may be adversely affected.

#### **Item 17:      Voting Client Securities**

Copies of our Proxy Voting Policies are available upon request.

From time to time, shareholders of stocks, mutual funds, exchange traded funds, closed-end funds, or other securities may be permitted to vote on various types of corporate actions. Examples of these actions include mergers, tender offers, or board elections. Clients are required to vote proxies related to their investments, or to choose not to vote their proxies. RZ Wealth will not accept authority to vote client securities. Clients will receive their proxies directly from the custodian for the client account. RZ Wealth will not give clients advice on how to vote proxies. However, Third Party Managers engaged to manage client assets may vote proxies related to the investments they manage. Clients will receive the written disclosure documents of the respective Third Party Managers engaged to manage their assets, which describe the Third Party Manager's proxy voting policies.

#### **Item 18:      Financial Information**

RZ Wealth does not require the prepayment of fees more than six (6) months or more in advance and therefore has not provided a balance sheet with this brochure. There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our clients.

**Item 1: Cover Sheet**

**FORM ADV PART 2A APPENDIX 1**

**WRAP FEE PROGRAM**

RENAISSANCE INVESTMENT CONSULTANTS HOLDING COMPANY, LLC

D/B/A

ROSENZWEIG & ASSOCIATES

AND

**RZ WEALTH**

480 E. Swedesford Road, Suite 120  
Wayne, PA 19087

Irvin Rosenzweig  
610-627-5921

**March 30, 2020**

This wrap fee program brochure provides information about the qualifications and business practices of RZ Wealth. If you have any questions about the contents of this brochure, please contact us at 610-627-5921 or via email at [sclifton@rzwealth.com](mailto:sclifton@rzwealth.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. Our registration does not imply a certain level of skill or training.

Additional information about RZ Wealth is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Material Changes**

Investment advisers are required to include in this Item 2 any material changes to this Wrap Fee Program Brochure. There are no material changes to report.

### **Item 3: Table of Contents**

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## WRAP FEE PROGRAM

### RZ WEALTH

#### **Item 4: Services, Fees, and Compensation**

The Rosenzweig & Associates Wealth Wrap Program (the “Program”) is a wrap fee program sponsored by Renaissance Investment Consultants Holding Company, LLC d/b/a Rosenzweig & Associates (“RZ Wealth”) which has been in business since August, 2014. Irvin Rosenzweig is the Firm’s sole principal, and has been in the business of rendering investment advice for over 32 years, most recently through RZ Wealth.

RZ Wealth provides portfolio management and investment management services. Clients advised may include individuals, families, trusts, charitable organizations and foundations, pensions and corporations.

##### **A. Description of the Program**

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###### Asset Management

RZ Wealth requires each client to place at least \$250,000 with the firm. This minimum may be waived in the discretion of RZ Wealth.

We begin our process by compiling and analyzing data, evaluating investment options, and calculating the pertinent financial projections. Of equal importance is the human element, incorporating what we have discovered while speaking with you about your goals, your tolerance for risk, and your investment attitudes. The result is a customized "blueprint" that reflects your investment focus and attitudes, a targeted pursuit of your goals and our long-term commitment to you as we work closely together toward your objectives.

Typically, we work with clients on a “discretionary” basis. However, in limited circumstances and in RZ Wealth’s sole discretion, we may work with clients on a “non-discretionary” basis. When RZ Wealth is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You will receive written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive statements at least monthly from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and RZ Wealth.

When a client engages us to provide investment management services on a non-discretionary basis, we monitor the accounts in the same way as for discretionary services. The difference is that changes to your account will not be made until we have confirmed with you (either verbally or in writing) that our proposed change is acceptable to you. Given this, you understand the importance of informing RZ Wealth of any changes to your contact information. You also agree that once RZ Wealth has attempted to reach you for approval of any recommendations, you will respond to RZ Wealth as soon as is reasonably practicable. Otherwise, RZ Wealth will not be able to implement the recommendation and the performance of your account may be adversely affected. Clients engaging us on a non-discretionary basis will be asked to execute an Investment Management Agreement that outlines the responsibilities of both the client and RZ Wealth.

Depending on the specific financial advisor and intended strategy for the client, clients may participate in the wrap fee program. For participating clients, RZ Wealth may include certain transactional costs in the client's management fee. Fees included in the wrap fee include transaction fees for the purchase or sale of securities, including transaction fees for trades placed by other portfolio managers engaged by RZ Wealth under this wrap program. Depending on the portfolio manager engaged to manage a portion of your assets, these transaction fees may be in the form of transaction-based pricing or asset-based pricing. Asset-based pricing is when you are charged a percentage of the dollar amount of assets in the account for all trades placed during a given period, as opposed to transaction-based pricing where you are charged commissions or other fees for each trade.

Clients will also receive the written disclosure documents of any portfolio managers engaged to manage their assets, which will provide further information on those managers and their associated fees. Additionally, clients must grant the external portfolio manager limited discretionary investment authority over the assets which RZ Wealth assigns to the external portfolio manager. The limited discretionary authority includes the authority to exercise discretion to determine the types of securities bought and sold, along with the percentage allocation; apply its discretion as to when to buy and sell; apply its discretion as to the timing of transactions; select the broker-dealer for execution of securities transactions, if appropriate, and; take other portfolio management actions RZ Wealth delegates or deems appropriate. Any authority granted to external portfolio managers only applies to the specific assets, within the client's custodial account, for which the external portfolio manager has been appointed as the discretionary manager.

Our wrap fees do not include expenses related to the use of margin, wire transfer fees, the fees charged to shareholders of mutual funds or ETFs and closed-end fund mark-ups and mark-downs, spreads, odd-lot differentials, and fees charged by regulatory agencies. Management fees of external portfolio managers are also not included in the Wrap Program, and to the extent utilized, you will be responsible for such fees. RZ Wealth manages the assets of wrap fee program clients the same way as other non-wrap fee program clients, and may use external portfolio managers within the wrap program or for non-wrap program clients. Therefore, there is no difference between how RZ Wealth manages wrap fee accounts and how RZ Wealth manages other accounts.

Because of the nature of a wrap fee program, the wrap fee program client may pay more or less than if the client had compensated RZ Wealth outside of the wrap fee program. For example, if a client's account is rarely traded, the transaction fees the client would have paid would be minimal, thus limiting the benefits of "wrapping" management fees and transaction fees.

RZ Wealth may engage other portfolio managers to manage assets within the wrap fee program. To the extent an external portfolio manager is utilized, the fees payable to such managers will not be included in the wrap program. RZ Wealth is the sponsor of the wrap program, which means that RZ Wealth receives a portion of the wrap fee for our services. Transaction fees are paid to various broker-dealers, mutual funds and ETFs and closed-end fund. The remainder of the wrap fee is the management fee payable to RZ Wealth. The amount payable to RZ Wealth varies depending upon the amount of trading in a client's account. The more transactions in the account, the greater the amount of transaction fees, and therefore the less compensation to RZ Wealth. Accordingly, RZ Wealth has a financial incentive to avoid trading the account. This creates a conflict of interest between the firm and its wrap clients. RZ Wealth attempts to mitigate this conflict by requiring that the firm's employees acknowledge their fiduciary duty to place client interests ahead of their own and by periodically comparing wrap program client performance against any clients who are not in the wrap program.

RZ Wealth will receive no additional compensation for offering the wrap fee program.

For some clients who are engaging RZ Wealth to provide asset management or other services, the preparation of a financial plan may be required to properly service a client. If a financial plan is required, in the discretion of RZ Wealth, financial planning services may be included with the costs of the other services, and clients may not be charged any additional fees. However, in certain circumstances there may be an additional charge for financial planning, based on the complexity and sophistication of the services.

#### Assets under Management

As of March 26, 2020, RZ Wealth had approximately \$146,640,686 in assets under management, of which \$146,231,602 is managed on a discretionary basis.

#### **Fees and Compensation**

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##### Fees Charged

All clients will be required to execute a written agreement that will describe the type of management services to be provided and the fees, among other items.

##### Our Wrap Fees

Generally, fees vary from 1.00% to 2.50% per annum of the market value of a client's assets managed by RZ Wealth. The fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the account. Factors affecting fee percentages include

the size of the account, complexity of asset structures, and other factors.

For clients whose assets are managed directly by the firm, investment advisory fees will be debited directly from each client's account. The advisory fee is paid monthly, in advance. To clarify, the fee is not debited from each client's account until the middle of the current billing period. The value used for the fee calculation is the average daily balance of the portfolio for the previous month. The average daily balance is the sum of your balance on each day of the previous month divided by the number of days during that month. This means that if your annual fee is 1.50%, we will take the previous month's average daily balance, multiply the value by 1.50%, and then divide by the number of days in that calendar year and multiply that number by days in the previous month to calculate our fee. In calculating the market value of a client's assets, assets allocated to cash or a cash proxy, such as a money market account, will be included in the calculation of assets under management. Once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to RZ Wealth. While almost all of our clients choose to have their fee debited from their account, we will invoice clients upon request.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian recommended by RZ Wealth. The client will also receive a statement from their account custodian showing all transactions in their account, including the asset management fee.

There are a number of other fees that can be associated with holding and investing in securities. These include some fees that will be paid by RZ Wealth on your behalf, such as transaction fees for the purchase or sale of securities, as discussed above. All other fees will be deducted from your account. Expenses of a mutual fund or ETF and closed-end fund will not be included in management fees, as they are deducted from the value of the shares by the manager. When selecting mutual funds that have multiple share classes for recommendation to clients, RZ Wealth will take into account the internal fees and expenses associated with each share class, and it is RZ Wealth's policy to choose the lowest-cost share class available, absent circumstances that dictate otherwise. For complete discussion of expenses related to each mutual fund or ETF and closed-end fund, you should read a copy of the prospectus issued by that fund. RZ Wealth can provide or direct you to a copy of the prospectus for any fund that we recommend to you.

Please make sure to read Item 12 of the informational brochure, where we discuss broker-dealer and custodial issues.

#### *External Portfolio Managers*

For clients whose assets are allocated and managed by external portfolio managers (please see Item 6 of this wrap fee brochure for more information regarding the use of external portfolio managers), the terms of fee payment may vary dependent upon the manager or managers selected. For example, while RZ Wealth generally debits fees monthly, in advance, some managers calculate fees quarterly in advance or in arrears. The external portfolio manager may also require that clients provide written authorization allowing the external portfolio manager to directly debit their fees from the client's

account. For details on the exact methodology of calculating fees by each of the managers in a client's portfolio, clients should refer to the Form ADV for such managers.

#### Pro-rata Fees

If you become a client during a month, you will pay a management fee for the number of days left in that month. If you terminate our relationship during a month, you will be entitled to a refund of any management fees for the remainder of the month. Once your notice of termination is received, we will assess pro-rated fees for the number of days between the end of the prior billing period and the date of termination to be paid in whatever way you direct (check, wire).

### **Item 5: Account Requirement and Type of Clients**

Clients participating in the program may include individuals, families, trusts, charitable organizations and foundations, pensions and corporations. RZ Wealth requires each client to place at least \$250,000 with the firm. This minimum may be waived in the discretion of RZ Wealth.

### **Item 6: Portfolio Manager Selection and Evaluation**

The wrap fee program offered by RZ Wealth is sponsored by the firm, however RZ Wealth may engage other portfolio managers to manage assets within the wrap program. Clients will also receive the written disclosure documents of any portfolio managers engaged to manage their assets. The only fees covered under the wrap fee program are transaction fees associated with the purchase and sale of securities in an account managed by RZ Wealth or another portfolio manager within the wrap program. All client accounts managed by RZ Wealth, including wrap fee program clients, are managed with similar processes, although account recommendations may differ.

#### Client Restrictions

Clients may at any time place restrictions on the types of investments RZ Wealth or other portfolio managers may use on your behalf, or on the allocations to each security type.

#### Performance-Based Fees

RZ Wealth will not charge performance-based fees.

#### Voting Client Securities

Copies of our Proxy Voting Policies are available upon request.

From time to time, shareholders of stocks, mutual funds, exchange traded funds, closed-end funds, or other securities may be permitted to vote on various types of corporate actions. Examples of these actions include mergers, tender offers, or board elections. Clients are required to vote proxies related to their investments, or to choose not to vote their proxies. RZ Wealth will not accept authority to

vote client securities. Clients will receive their proxies directly from the custodian for the client account. RZ Wealth will not give clients advice on how to vote proxies. However, external portfolio manager engaged to manage client assets may vote proxies related to the investments they manage. Clients will receive the written disclosure documents of the respective external portfolio managers engaged to manage their assets, which describe the external portfolio manager's proxy voting policies.

#### Methods of Analysis, Investment Strategies and Risk of Loss

*Please refer to Item 8 of the accompanying Informational Brochure, where RZ Wealth's Methods of Analysis, Investment Strategies and Risk of Loss are discussed.*

#### Portfolio Manager Selection

When RZ Wealth recommends that certain portions of a client's portfolio be managed by external portfolio managers, those managers typically demonstrate knowledge and expertise in a particular investment strategy.

We examine the experience, expertise, investment philosophies and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. RZ Wealth makes reasonable inquiries into each manager's performance calculations, policies and procedures, code of ethics policies and other operational and compliance matters to account for performance and risk management. We monitor the manager's underlying holdings, strategies, concentration and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

Based on a client's individual circumstances and needs, we will determine which selected money manager's portfolio management style is appropriate for that client. Factors considered in making this determination include account size, risk tolerance and the investment philosophy of the selected money manager. We encourage clients to review each external portfolio manager's disclosure document regarding the particular characteristics of any program and managers selected by us.

We will regularly and continuously monitor the performance of the selected money managers. If we determine that a particular selected money manager is not providing sufficient management services to the client, or are not managing the client's portfolio in a manner consistent with the client's investment objectives, we will remove the client's assets from that selected money manager and place the client's assets with another money manager at our discretion and without prior consent from the client.

It is important to note that these managers may charge a separate, and additional fee, for their services. RZ Wealth will consider these fees in its decision to recommend the use of an external portfolio manager.

## **Item 7: Client Information provided to Portfolio Managers**

As discussed above, RZ Wealth may utilize other managers to assist in the management of client assets. In those instances, RZ Wealth provides those other managers with your investment objectives, financial circumstances, risk tolerance, any restrictions you wish to impose on investment activities, and any other information RZ Wealth deems necessary for the management of your accounts.

## **Item 8: Client Contact with Portfolio Managers**

Generally, your contact for information and consultation regarding your accounts is RZ Wealth. However, clients may contact RZ Wealth or any other portfolio manager utilized by RZ Wealth, at any time.

## **Item 9: Additional Information**

### **Disciplinary Information**

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Neither the firm nor any of its employees or principals has any disciplinary information to report.

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

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#### **Broker-dealer**

Neither the principal of RZ Wealth, nor any related persons are registered, or have an application pending to register, as a broker dealer or as an associated person of the foregoing entities.

#### **Futures Commission Merchant/Commodity Trading Advisor**

Neither members of management, nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

#### **Relationship with Related Persons**

##### ***Insurance***

Midlantic Financial Strategies Group, LLC ("Midlantic") is affiliated with RZ Wealth through common control. Irv Rosenzweig, principal owner of RZ Wealth, is also the principal owner of Midlantic. Midlantic is a full service general insurance agency licensed in the Commonwealth of Pennsylvania that is able to broker insurance products such as health, life, and long-term care, disability, and fixed annuities. Therefore, certain professionals of RZ Wealth are separately licensed as insurance agents. As such, these professionals may conduct insurance product transactions for RZ

Wealth clients, in their capacity as licensed insurance agents, and will receive customary commissions for these transactions in addition to any compensation received in their capacity as employees of RZ Wealth. Commissions from the sale of insurance products will not be used to offset or as a credit against advisory fees. In the event that a client account managed by RZ Wealth contains any annuity investments for which a related person of RZ Wealth has received a commission related to its sale, RZ Wealth will not include the value of these assets in its calculation of the management fees. These professionals therefore have incentive to recommend insurance products based on the compensation to be received, rather than on a client's needs. The receipt of additional fees for insurance commissions is therefore a conflict of interest, and clients should be aware of this conflict when considering whether to engage RZ Wealth or utilize these professionals to implement any insurance recommendations. RZ Wealth attempts to mitigate this conflict of interest by disclosing the conflict to clients, and informing the clients that they are always free to purchase insurance products through other agents that are not affiliated with RZ Wealth, or to determine not to purchase the insurance product at all. RZ Wealth also attempts to mitigate the conflict of interest by requiring employees to acknowledge in the firm's Code of Ethics, their individual fiduciary duty to the clients of RZ Wealth, which requires that employees put the interests of clients ahead of their own.

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

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- A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.
- B. Not applicable. RZ Wealth does not recommend to clients that they invest in any security in which RZ Wealth or any principal thereof has any financial interest.
- C. On occasion, an employee of RZ Wealth may purchase for his or her own account securities which are also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades are reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.
- D. On occasion, an employee of RZ Wealth may purchase for his or her own account securities which are also recommended for clients at the same time the clients purchase the securities. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades are reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.



## **Review of Accounts**

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All accounts will be reviewed by a senior professional of the firm on at least an annual basis. However, it is expected that market conditions, changes in a particular client's account, or changes to a client's circumstances will trigger a review of accounts.

The annual report in writing provided by RZ Wealth is intended to review asset allocation. All clients will receive statements and confirmations of trades directly from TD Ameritrade. Please refer to Item 15 of the Informational Brochure regarding Custody.

## **Client Referrals and Other Compensation**

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### **A. Economic Benefit Provided by Third Parties for Advice Rendered to Client.**

RZ Wealth participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. RZ Wealth receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, RZ Wealth participates in TD Ameritrade's institutional customer program and RZ Wealth may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between RZ Wealth's participation in the program and the investment advice it gives to its Clients, although RZ Wealth receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving RZ Wealth participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to RZ Wealth by third party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by RZ Wealth's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit RZ Wealth but may not benefit its Client accounts. These products or services may assist RZ Wealth in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help RZ Wealth manage and further develop its business enterprise. The benefits received by RZ Wealth or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, RZ Wealth endeavors at all times to put the interests of its clients first. Clients should be aware,

however, that the receipt of economic benefits by RZ Wealth or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the RZ Wealth's choice of TD Ameritrade for custody and brokerage services.

**B. Compensation to Non-Advisory Personnel for Client Referrals.**

RZ Wealth participates in the SmartAdvisor by Smart Asset referral platform. When accessing this platform, users enter information including their location, name, phone number current savings and email address for the purpose of being "matched" with a participating adviser such as RZ Wealth. RZ Wealth in turn compensates SmartAdvisor for each "match." The amount of compensation for the "match" is dependent upon the size of assets the "match" reports. No other compensation is provided to SmartAdvisor during the term of the relationship between the "match" and RZ Wealth.

**Financial Information**

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RZ Wealth does not require the prepayment of fees more than six (6) months or more in advance and therefore has not provided a balance sheet with this brochure.

There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our clients.