



# **The *Relaxing* Retirement Coach, Inc.**

## **Form ADV Part 2, Appendix 1**

### **Investment Advisor Brochure**

80 William St # 260  
Wellesley, MA 02481  
[info@TheRetirementCoach.com](mailto:info@TheRetirementCoach.com)  
781-235-7550

**March 2020**

This brochure provides information about the qualifications and business practices of The *Relaxing* Retirement Coach, Inc. If you have any questions about the contents of this brochure, please contact John (Jack) Phelps, President and Chief Compliance Officer. 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. Registration as an investment advisor does not imply any level of skill or training.

Additional information about The *Relaxing* Retirement Coach, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may search this site using a unique identifying number, known as a CRD number, The *Relaxing* Retirement Coach, Inc.'s CRD Number is 129805.

## **Item 2 - Material Changes**

In this item of The Relaxing Retirement Coach, Inc.'s (RRC or the Firm) Wrap Fee Program Brochure, the Firm is required to discuss any material changes that have been made to Form ADV since the last Annual Amendment dated March 2019.

Since our last ADV Amendment filing, there have been no material changes to report.

### **Full Brochure Available**

We will further provide you with a new Retirement Blueprint Management Program™ Wrap Fee Program Brochure as necessary based on changes or new information, at any time, without charge.

Currently, RRC's Retirement Blueprint Management Program™ Wrap Fee Program Brochure may be requested by contacting John (Jack) Phelps, President and Chief Compliance Officer, at (781) 235-7550 or [info@TheRetirementCoach.com](mailto:info@TheRetirementCoach.com).

**Form ADV Part 2 Appendix I**  
**Wrap Fee Brochure**  
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## **Item 4 – Services and Fees**

The Relaxing Retirement Coach, Inc. (hereinafter referred to as RRC) provides personal retirement coaching and investment advice to individuals and couples (hereinafter referred to as ‘members’, ‘you’ and ‘your’) in order to help members successfully and confidently transition to their retirement years.

RRC sponsors The Retirement Blueprint Management Program™ (Wrap Fee Program). The purpose of this Form ADV Part 2A Appendix I is to describe The Retirement Blueprint Management Program™.

Once a custom designed Retirement Blueprint™ has been created in PHASE ONE: Retirement Blueprint Development, members enter PHASE TWO: Retirement Blueprint Management in order to implement each item in your Action Plan and Retirement Bucket Strategy™, track progress, and adhere to a disciplined strategy.

Participating in PHASE ONE: Retirement Blueprint Development does not obligate you to participate in PHASE TWO: Retirement Blueprint Management. However, members must participate in Retirement Blueprint Development and create a customized Retirement Blueprint™ in order to participate in Retirement Blueprint Management.

The Retirement Blueprint Management Program™ is a wrap fee program sponsored by RRC.

Here are the steps in The Retirement Blueprint Management Program™:

### **Step One: The Retirement Bucket Selector™**

In order to fund each member’s globally diversified Retirement Bucket Strategy™, RRC recommends cost-effective index mutual and exchange traded funds to capture market returns within their respective investment asset class.

### **Step Two: Retirement Bucket Selection Review and Implementation**

RRC meets with you and presents the carefully selected options from Step One - The Retirement Bucket Selector™. At the conclusion of the meeting, RRC coordinates the implementation of the entire program to completion, including all necessary paperwork, phone calls, and communications.

### **Step Three: The Blueprint Implementation Recap Meeting**

Once your Action Plan has been implemented, your Blueprint™ Implementation Recap Meeting summarizes all the steps you’ve taken to ensure that they are in line with your Retirement Blueprint™.

We review the statements you now receive so you are comfortable, and we establish on-line access for you to view your account holdings any time from any location.

Using The Retirement Income Synchronizer™, your supplemental income stream is established. You receive pre-scheduled direct deposits from your Retirement Bucket™ accounts held by your account custodian directly into your home checking account at your bank as often as you wish.

Where applicable, RRC will arrange to have federal and state income taxes withheld so you don't have to make quarterly tax estimate payments.

#### **Step Four: The Annual Retirement Blueprint Reassessment™**

As you have experienced over the course of your life, things have a way of changing: your personal life circumstances, your priorities, inflation, market prices, tax laws, etc.

On the anniversary month in The Relaxing Retirement Coaching Program™, RRC evaluates the effects of any of these changes by repeating the 7-point process used to create your original Retirement Blueprint™ so you can “*know your numbers cold*” and maintain the financial confidence you need and deserve.

#### **Step Five: Retirement Bucket™ Review Meetings and Retirement Bucket Check Ups™**

To help maintain your financial confidence during all economic climates, in addition to your Annual Retirement Blueprint Reassessment™, you will also experience reviews throughout the year in two formats.

Pre-scheduled Retirement Bucket™ Review meetings are conducted one-on-one with you in our office or over the telephone.

Retirement Bucket Check-Up™ packages are sent directly to you periodically depending on your pre-arranged schedule.

In each review format, RRC evaluates your Retirement Bucket™ of investments from three different vantage points:

1. Lifestyle Cashflow Management: to support your desired lifestyle
2. Tax Efficiency Management: for improved cash flow support, tax loss harvesting opportunities, and asset location strategy
3. Retirement Bucket™ Rebalancing: to ensure a consistent level of risk exposure

During these reviews, Mr. Phelps reviews your allocation and progress with you with an “easy to read” consolidated summary of your Retirement Bucket™ holdings.

In addition to receiving recommendations to maintain disciplined diversification in spite of volatile and ever-changing markets, you are always provided with a perspective on market and economic activity and how it impacts your Retirement Bucket Strategy™

### **Fees**

The annualized fee payable for The Retirement Blueprint Management Program™ is a percentage of assets under management, including cash, as follows:

Between \$1,000,000 and \$2,000,000 . . . . .	0.90%
Between \$2,000,001 and \$3,000,000 . . . . .	0.80%
Over \$3,000,000 . . . . .	0.70%

The fee is calculated based upon the fair market value when the account(s) is established, and is prorated to the end of the month. Thereafter, the fee is calculated based upon the fair market value of the account(s) as of the last business day of the previous month.

Program fees are not negotiable, and they are automatically deducted from an account you select each month.

The Retirement Blueprint Management Program™ is a wrap fee program sponsored by RRC. RRC pays all transactional fees incurred for securities transactions, other than the SEC fee on equity transactions

### **General Information on Compensation**

Similar investment management services may (or may not) be available from other investment advisers for a lower fee. Investment management fees, which include investment management and transaction costs, may be more or less costly than paying for the services separately, depending upon the investment advisory fees charged, the number of transactions for the account, the mutual fund share class you purchase and the underlying 12(b)-1 fee, and the level of brokerage and other fees that would be payable if you obtained the services available under the program individually.

All fees paid to RRC are separate and apart from any internal fees and expenses of exchange traded funds (ETFs), mutual funds, or variable annuity contracts and subaccounts which are ultimately borne by their shareholders.

Cost-effective index mutual and exchange traded funds are recommended to fund The Retirement Bucket Strategy™ and capture market returns within their respective investment asset class.

In situations in which they are recommended, the mutual and exchange traded funds utilized in the Program are either no-load, institutional shares, or funds purchased at NAV. A complete explanation of these fees and expenses is contained in each fund's prospectus.

Related accounts are linked for purposes of fee calculation. This means that certain accounts, approved by RRC, may be grouped (or aggregated) for fee calculations and, thus, potentially lower your fee rate.

The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of your funds.

### **Item 5 - Types of Members and Account Requirements**

The Relaxing Retirement Coaching Program™ is for individuals and couples who are experiencing one of two situations in their lives:

- I. You are approaching the point (known as The Employment Dependency Threshold™) where you're looking to determine a) if you have accumulated enough financial resources to support your desired lifestyle without having to work in the very near future (whether or not you choose to stop working), and then b) specifically how to confidently make a seamless transition to retirement and manage your financial affairs. Or,

2. You have already stopped working (or have retired), and you are not financially confident. Your cash flow is not what you want it to be. You are very concerned about your money lasting the rest of your life given market volatility and your investment experience. You are paying more taxes than you believe you should have to pay.

Historically, those who can benefit the most *do not* have large monthly pensions which will support the majority of their spending needs in retirement.

Instead, your income in retirement will have to be generated from what you have accumulated in your Retirement Bucket™ (401(k)s, 403(b)s, IRAs, and personal investments, etc.) Because of this, you now have the task of figuring out:

- a. Do we have enough? *(since there is no large guaranteed monthly pension for you)*
- b. How much can we afford to spend? And,
- c. How do we make the transition? How do we position our Retirement Bucket™ in all market conditions to capture the earnings necessary to generate the lifestyle sustaining income stream we need without running out of money during our lifetime?

To participate in Retirement Blueprint Development, there is no minimum amount of investments necessary. However, given the very nature of the program, those who get the most out of the program have already done a very good job of saving and accumulating over the years.

To participate in The Retirement Blueprint Management Program™, RRC requires new members to have an aggregate household minimum investment value of \$1,000,000. Rare exceptions are made for friends and family of existing members and are determined on a case-by-case basis.

Existing Relaxing Retirement members are not subject to this minimum requirement. In situations where members were accepted prior to the establishment of a minimum aggregate household minimum account value, the Program Fee charged is 1.00% of aggregate household account values below \$1,000,000 until values exceed \$1,000,000.

RRC requires members to establish brokerage accounts at Charles Schwab Institutional where applicable. This allows RRC to efficiently service all member accounts.

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

RRC is the sponsor of The Retirement Blueprint Management Program™ and its sole Portfolio Manager.

## **Item 7 - Member Information Provided to Portfolio Managers**

As RRC is Sponsor and Investment Manager, RRC contacts and/or meets with members directly to obtain updated suitability and other information.

## **Item 8 - Member Contact with Portfolio Managers**

RRC does not place any restrictions on your ability to contact and consult with RRC.

## **Item 9 - Additional Information Disciplinary Information**

Neither RRC nor Jack Phelps has any disciplinary history to report.

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

RRC is not registered as a broker-dealer, and none of its management persons are registered representatives of a broker-dealer.

Neither RRC, nor any of its management persons, is registered as (or associated with) a futures commissions merchant, commodity pool operator, or a commodity trading advisor.

RRC does not recommend or select other investment advisors for RRC's members.

### **Code of Ethics**

RRC is dedicated to providing effective and proper retirement coaching and financial management services to RRC's members. RRC's success depends upon a high level of public and member confidence. That confidence can be maintained only if RRC's team members observe the highest standards of ethical behavior in the performance of their duties.

RRC has the obligation to exercise authority for the benefit of RRC's members, to place the interest of RRC's members first, and to refrain from having outside interests that conflict with the interests of RRC's members. RRC must avoid any circumstances that might adversely affect, or appear to affect, RRC's duty of complete loyalty to RRC's members. RRC does not recommend to members, or buy or sell for member accounts, securities in which RRC has a material financial interest. RRC employees may buy or sell the same securities for their own accounts which are also recommended to clients.

While it is not possible to specifically define and prescribe rules regarding all possible cases in which conflicts might rise, RRC's Code of Ethics sets RRC's policy regarding conduct in those situations in which conflicts are most likely to develop.

RRC's Code of Ethics contains the following key provisions:

- Statement of General Principles
- Policy on and reporting of Personal Securities Transactions
- A prohibition on Insider Trading
- Restrictions on the acceptance of significant gifts
- Procedures to detect and deter misconduct and violations
- Requirement to maintain confidentiality of member information

RRC's employees must follow these fundamental fiduciary principles:

- I. Place interests of *Relaxing Retirement Coach* members first. RRC's personnel must



- scrupulously avoid serving their own interests ahead of those of members when making any decision relating to personal investments;
2. Not take inappropriate advantage of their positions;
  3. Keep information concerning members' investments and personal lives confidential; and
  4. Always provide professional investment management advice based upon unbiased independent judgment.

These principles govern all conduct by employees whether or not such conduct is covered by specific procedures. RRC's employees must acknowledge the terms of the Code of Ethics at least annually. Any individual not in compliance with the Code of Ethics may be subject to termination.

John (Jack) Phelps, President and Chief Compliance Officer, reviews all employee trades each quarter.

Members and prospective members can obtain a copy of RRC's Code of Ethics by contacting John (Jack) Phelps at (781) 235-7550.

## **Review of Accounts and Reporting**

Two types of reviews occur on a regular and ongoing basis:

### **1. Annual Retirement Blueprint Reassessment Program™**

As you have experienced over the course of your life, things have a way of changing: your personal life circumstances, your priorities, inflation, market prices, tax laws, etc.

On the anniversary month in The *Relaxing Retirement Coaching Program™*, you are provided with The Retirement Blueprint Reassessment PRIORITIES UPDATE™ to assist you in updating your information and priorities.

After receiving the requested information from you, and preparing an updated Retirement Blueprint™, a personal meeting is conducted with you to review the effect of any changes on your Retirement Blueprint™, as well as any previously uncompleted Action Steps.

Adjustments are recommended if necessary.

### **2. Retirement Bucket™ Review Meetings and Retirement Bucket Check-Ups™**

To help maintain your financial confidence during all economic climates, in addition to your Annual Retirement Blueprint Reassessment™, you will also experience reviews throughout the year in two formats.

Pre-scheduled Retirement Bucket™ Review meetings are conducted one-on-one with you in our office or over the telephone.

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In each review format, RRC evaluates your Retirement Bucket™ of investments from three different vantage points:

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During these reviews, Mr. Phelps reviews your allocation and progress with you with an “easy to read” consolidated summary of your Retirement Bucket™ holdings.

In addition to receiving recommendations to maintain disciplined diversification in spite of volatile and ever-changing markets, you are always provided with a perspective on market and economic activity and how it impacts your Retirement Bucket Strategy™.

## **Reporting**

Each month, the custodian (Charles Schwab, etc.) provides you with an account statement for each of your accounts which may include individual holdings, cost basis information, deposits and withdrawals, accrued income, dividends, and performance. In addition, the account custodian provides you with trade confirmations for each position bought and sold.

You may also access information regarding your accounts at any time at the Charles Schwab Institutional website.

## **Member Referrals and Other Compensation**

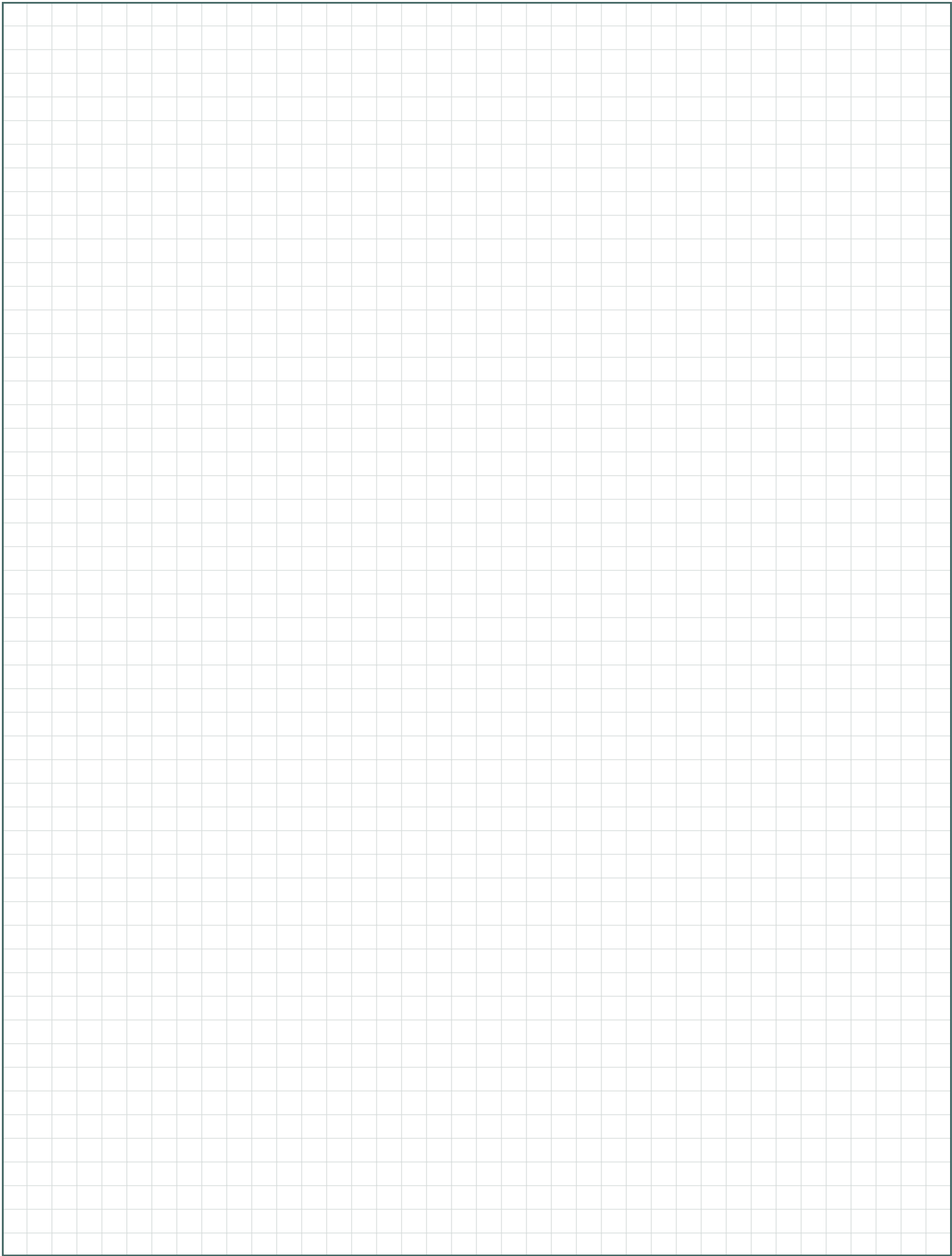
RRC does not receive any economic benefits (other than described in Item 12) from any firm or individual for providing investment advice.

RRC does not make or accept referral fees or any form of remuneration from other professionals when a prospect or member is referred to them.

## **Financial Information**

RRC has no financial commitment that impairs RRC's ability to meet contractual and fiduciary commitments to members, and have not been the subject of a bankruptcy proceeding.

RRC does not require prepayment of fees of more than \$1,200 per member, and six months or more in advance.





Wellesley Office Park  
80 William Street, Suite 260  
Wellesley, MA 02481  
781-235-7550 phone  
781-235-7551 fax  
[info@TheRetirementCoach.com](mailto:info@TheRetirementCoach.com)