

## Item 1: Cover Page



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This brochure provides information about the qualifications and business practices of Preisz Financial. Preisz Financial is an assumed business name for Preisz Associates, Inc. If you have any questions about the contents of this brochure, please contact us at (503) 224-1600. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Preisz Financial is 144469.

Registration with the SEC and other state securities authorities as a Registered Investment Advisor does not imply a certain level of skill or training.

**Note:** Throughout this document, Preisz Financial and any of its associated Investment Advisor Representatives may be termed "the firm," "we," "us," or "our." The client or prospective client may be referred to as "client," "you," "your," etc.

**Item 2: Summary of Material Changes**

This brochure is an amended version of the firm's previous filing. We are required to tell you about any material changes in this updated brochure. Future brochures will contain similar summaries. There have been no material changes made to this brochure since the last annual update in 2019:

In the past, we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. You may also receive updates at other times based on changes or new information. You may request a new brochure at any time and at no charge by contacting your Investment Advisor Representative or by calling (503) 224-1600.

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**Item 4. Advisory Business**

Preis Financial is a fee-based investment advisor registered with the states of Oregon and Washington with our principal place of business located in Portland, Oregon. We have filed Notice with the state of Texas and will register when we reach the filing requirements for Texas. Preis Associates was founded in 1991 by Michael Preis, was incorporated in 2000 to become Preis Associates, Inc., and in 2015 began operating under the assumed business name of Preis Financial. Michael Preis (CRD # 1722796), Thomas Davenport (CRD # 5075210) and William Preis (CRD # 6855850) are the managing members and shareholders.

**Firm Assets Under Management (AUM)**

The firm provides non-discretionary advice on approximately 300 accounts at \$237,715,297 and discretionary advice on approximately 44 accounts at \$180,966,741 as of December 31, 2019.

Preis offers the following advisory services, personalized according to the individual needs of each client:

- I. Investment Advisor Services
- II. Financial Planning/Consulting Services
- III. Qualified Retirement Plan Advisory Services

**I. INVESTMENT ADVISOR SERVICES**

Investment advisor services include a review of the client's current asset positions, investment objectives, risk preferences, and overall financial plan. Advice is provided to clients regarding, but not limited to: mutual fund shares, fixed and variable annuities, certificates of deposit, United States government securities, corporate debt securities, and exchange-listed securities. Advice services may include financial fundamentals, accumulation goals, basic insurance analysis, and asset allocation management.

Advice is given on the appropriateness of investments and securities within the framework of a client's asset allocation model. Advice is not provided on the value of a specific security. There are no differences in the way accounts are managed.

**Account Descriptions:**

LPL Financial Sponsored Advisory Programs

We provide advisory services through certain programs sponsored by LPL Financial Corporation (hereinafter, "LPL"), a registered investment advisor and broker-dealer. Below is a brief description of each LPL advisory program available to the client:

- **Strategic Wealth Management Program (SWM) I & II**

Under the SWM Program, we may purchase and sell on a discretionary or non-discretionary basis no load and load waived mutual funds and ETFs pursuant to investment objectives chosen by the client, liquidate previously purchased load mutual funds, and purchase and sell separate accounts within variable annuities. Other securities approved for investment in program accounts, including equities, fixed income securities, options, hedge funds, structured products and managed futures, may be purchased and sold at client's direction. In some cases, the client may grant us discretionary authorization for equities, fixed income securities, and options. Client may also elect for us to provide non-discretionary portfolio management services.

There is no minimum account value required for SWM.

*A portion of 12b-1 fees received by LPL with respect to mutual funds held in program accounts may be allowed to lower the LPL administrative charges assessed by LPL to Preis.*

- **Personal Wealth Portfolios Program (PWP)**

PWP offers clients an asset management account using asset allocation model portfolios designed by LPL. We will be authorized by client to select the asset allocation model portfolio based on client's investment objective. We will also be authorized by client to select third party money managers (PWP Advisors) or mutual funds within each asset class of the model portfolio. LPL will act as the overlay portfolio manager to manage the portfolio allocation, the different investment products and the whole system so it all works

together smoothly. The client will authorize LPL to act on a discretionary basis to purchase and sell mutual funds and equity and fixed income securities.

A minimum account value of \$250,000 is required for PWP.

- **Model Wealth Portfolios Program (MWP)**

MWP offers clients a professionally managed mutual fund asset allocation program. We will obtain the necessary financial data from the client, assist the client in determining the suitability of the MWP program, and assist the client in setting an appropriate investment objective. We will initiate the steps necessary to open an MWP account and will be authorized by client to select a model portfolio designed by LPL's Research Department consistent with the client's stated investment objective. LPL's Research Department is responsible for selecting the mutual funds within a model portfolio and for making changes to the mutual funds selected. The client will authorize LPL to act on a discretionary basis to purchase and sell mutual funds (including in certain circumstances exchange traded funds) and to liquidate previously purchased securities. LPL will also have authority to rebalance the account.

The MWP program may offer model portfolios designed by strategists other than LPL's Research Department. If such models are made available, we will be authorized by client to choose among the available models designed by LPL and outside strategists.

A minimum account value of \$25,000 is required for MWP.

- **Optimum Market Portfolios Program (OMP)**

OMP offers clients the ability to participate in a professionally managed asset allocation program using Optimum Funds Class I shares. Under OMP, the client will authorize LPL on a discretionary basis to purchase and sell Optimum Funds pursuant to investment objectives chosen by the client. We will assist the client in determining the suitability of OMP for the client and assist the client in setting an appropriate investment objective. We will be authorized by client to select a mutual fund asset allocation portfolio designed by LPL consistent with the client's stated investment objective. LPL will have discretion to purchase and sell Optimum Funds pursuant to the portfolio selected for the client. LPL will also have authority to rebalance the account.

A minimum account value of \$15,000 is required for OMP.

- **Guided Wealth Portfolios (GWP)**

GWP offers clients the ability to participate in a centrally managed, algorithm-based investment program, which is made available to users and clients through a web-based, interactive account management portal ("Investor Portal"). Investment recommendations to buy and sell exchange-traded funds and open-end mutual funds are generated through proprietary, automated, computer algorithms (collectively, the "Algorithm") of FutureAdvisor, Inc. ("FutureAdvisor"), based upon model portfolios constructed by LPL and selected for the account as described below (such model portfolio selected for the account, the "Model Portfolio"). Communications concerning GWP are intended to occur primarily through electronic means (including but not limited to, through email communications or through the Investor Portal), although Preisz will be available to discuss investment strategies, objectives or the account in general in person or via telephone.

A preview of the Program (the "Educational Tool") is provided for a period of up to forty-five (45) days to help users determine whether they would like to become advisory clients and receive ongoing financial advice from LPL, FutureAdvisor and Preisz by enrolling in the advisory service (the "Managed Service"). The Educational Tool and Managed Service are described in more detail in the GWP Program Brochure. Users of the Educational Tool are not considered to be advisory clients of LPL, FutureAdvisor or Preisz, do not enter into an advisory agreement with LPL, FutureAdvisor or Preisz, do not receive ongoing investment advice or supervisions of their assets, and do not receive any trading services.

A minimum account value of \$5,000 is required to enroll in the Managed Service.

## II. FINANCIAL PLANNING/CONSULTING SERVICES

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern:

- Personal: Budgeting, personal liability, estate information, and financial goals.
- Tax & Cash Flow: Income tax and spending analysis and planning for past, current and future years. We will illustrate the impact of various investments on a client's current income tax and future tax liability.
- Death & Disability: Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.
- Retirement: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.
- Education Funding: Projecting the amount that will be needed to achieve college or other post-secondary education funding goals, advice on ways to save the desired amount, and analysis of the various college savings vehicles available.
- Investments: Analysis of investment alternatives and their effect on a client's portfolio.

We gather required information through in-depth personal interviews. Information gathered includes a client's current financial status, tax status, future goals, returns, objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should a client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

Typically, the financial plan will be presented to the client within 90 days of the contract date, provided that all information needed to prepare the financial plan has been promptly provided by the client.

Clients can also receive investment advice on a more limited basis. This may include advice on asset allocation to participants in self-directed retirement plans or on isolated area(s) of concern such as investment strategy consultations, estate planning, retirement planning, or any other specific topic. We also offer advice on non-securities matters such as estate planning, insurance and/or annuity advice.

### Seminars

Our firm may conduct educational seminars on various investment topics including technical portfolio analysis, allocation strategies, estate and retirement planning. The information provided during seminars is general in nature and is not intended to meet the investment objectives of a specific client. Seminar participants will be offered some basic individualized financial planning and/or consulting services at the end of the presentation for no additional fee. For more comprehensive advice, clients can select our financial planning and/or consulting services for separate fees, as outlined in this brochure.

Services in General

We tailor all of our financial planning and consulting recommendations to the individual needs of each client. All financial plans and consulting recommendations are based on information gathered through client questionnaires, telephone, email and in-person discussions.

Our financial planning and consulting recommendations are typically limited to investment products offered through LPL, a registered broker-dealer, member FINRA/SIPC and SEC-registered investment advisor or authorized by LPL and will primarily include advice regarding “no-load” or “load-waived” mutual funds, exchange-listed and over-the-counter securities, foreign issuer securities, corporate debt securities, exchange traded funds, United States governmental securities, variable life insurance, and variable annuities. Insurance products we recommend are not limited to any specific broker dealer or insurance company. Please review Item 5 and Item 10 of this brochure for important disclosures about our relationship with LPL and accompanying conflicts of interest.

**III. QUALIFIED RETIREMENT PLAN ADVISORY SERVICES**

The firm provides Qualified Retirement Plan Advisory Services to pension, profit sharing and 401(k) plans. The services provided to a retirement plan will vary depending upon the depth of services desired and are comprised of Plan Sponsor and Plan Participant Services. Clients may choose any or all of the following services:

***PLAN SPONSOR SERVICES***One Time Platform/Vendor Search Service

The firm will initiate and manage a Request for Proposal (RFP) process to obtain proposals from several national record-keeping platforms. We will prepare a summary and comparison of up to four record-keeper responses. The summary will assist Plan Sponsors in identifying the cost of record-keeping services, plan administration services, investment management services and advisory services.

One Time Platform/Vendor Transfer Service

If a decision is made to change platforms, the firm can be engaged to manage and implement the transfer. Transfer services include assisting with selecting a transfer methodology, distributing required employee notices, hosting employee education meetings and fielding participant/employee inquiries.

The firm does not provide plan administration services. Plan Sponsors should retain the services of an experienced plan administrator before initiating a transfer of plan assets.

Investment Policy Statement Preparation and/or Review

We will assist in the design and preparation of an Investment Policy Statement (IPS) based upon consultation with the client reflecting the investment objectives, policies, and risk tolerance for the Plan. The IPS is then used to monitor the plan investments on an ongoing basis. We can also assist in the review, and modification as needed, of an existing IPS.

Investment Selection and Ongoing Monitoring and Replacement Services

We screen the Plan’s investment options using qualitative and quantitative criteria outlined in the clients IPS. We will make recommendations for the initial selection of investments offered by the plan based on the screening. In addition, we will provide ongoing investment monitoring services using the methodology outlined in the IPS.

Education Services to Plan Trustees/Committee

We will provide education and/or training for the trustees and/or Plan Committee members with regard to understanding and meeting their fiduciary duties and responsibilities. Plan Sponsor Education Services are educational in nature. This service does not constitute legal advice.

Plan Design Consulting

The advisor will review the current plan design. Recommendations for modifications/amendments will be provided based on the needs of the plan. Plan Sponsors should consult legal counsel before making any changes to their Plan Document.

Fiduciary Services

Fiduciary relief services are available according to the scope of authority delegated to the firm. Under The Employee Retirement Income Security Act of 1974 (ERISA) §3(21)(a), co-fiduciary services are provided on a non-discretionary basis. Therefore, while the firm will be primarily liable for investment-related decisions, Preisz and the plan sponsor are co-fiduciaries and will jointly share in the responsibility to prudently select and monitor investment options. Plan Sponsors must adopt an Investment Policy Statement prior to engaging the firm as a §3(21)(a) co-fiduciary.

Under ERISA §3(38), fiduciary services are offered on a discretionary basis. As such, full discretion over plan investments is delegated to the firm and the plan sponsor will only be liable for demonstrating that it prudently selected and periodically monitors the firm.

Fiduciary Assessment and Certification

We can be engaged to perform a fiduciary assessment or Centre for Fiduciary Excellence (CEFEX) certification of the Plan. An assessment will assist plan sponsors in evaluating their compliance with global fiduciary standards of excellence and discuss specific opportunities for fiduciary process improvement. This service does not constitute legal advice.

Plan Sponsor Service Reporting

As Plan Sponsor services are provided, the Retirement Plan Service Department tracks each contact with the client and employees. A service report containing a summary of contacts will be provided annually.

Development of Asset Allocation Models

We will provide advice related to the construction and/or monitoring of risk-based asset allocation models using Modern Portfolio Theory. We will provide employees with educational materials related to the use of asset allocation models.

**PLAN PARTICIPANT SERVICES**Participant Enrollment and Education Group Meetings

We will assist the client in educating and enrolling employees into the Plan. An agreed upon number of enrollment meetings and/or investment education seminars for employees and participants will be presented with an education focus on participant income.

Individual Participant 401(k) Check-ups and Retirement Readiness Projections

This service provides employees with an opportunity to meet one-on-one with our licensed retirement plan service specialists, in a confidential setting, such as the Plan Sponsor's place of business. Service specialist will assist participants with reviewing their account balance, current investment selection and a personalized risk assessment. In addition, a retirement income gap analysis will be completed.

Ongoing Employee Phone and Email Support

Our team of Retirement Plan Service Specialists is available to provide guidance and support to plan sponsors and employees. Retirement Plan Service Department team members can help with questions related to distributions, loans, investment allocation and general account inquiries and are available by email or phone.



**Item 5: Fees and Compensation****I. INVESTMENT ADVISOR SERVICES**Third Party Money Managers

Account fees charged to the client include our fee and the fee for the third party money manager. Our fee is negotiable, based on assets under management and subject to a maximum fee of 2.0%. The fee with Symmetry is non-negotiable, based on assets under management and subject to a maximum fee of 0.74%. Fees are assessed quarterly and deducted from the account.

Fees for LPL Advisory Programs:

The account fee charged to the client for each LPL advisory program (SWM, SWM II, \*GWP, PWP, MWP, and OMP) is negotiable, subject to a maximum account fee with LPL of 3.0%; however, Preisz Financial's maximum fee is 2.0%.

In addition to an investment advisory/management service fee, accounts may incur transaction costs, retirement plan administration fees, deferred sales charges on mutual funds initially deposited in the account, mutual fund marketing fees, and other mutual fund annual expenses as described in the fund's prospectus. No additional fees are paid to mutual fund portfolio managers other than what is stated in the mutual fund prospectus.

\* GWP Managed Service clients are charged an account fee consisting of an LPL program fee of 0.35% and an advisor fee of up to 1.00%. In the future, a strategist fee may apply. However, LPL Research currently serves as the sole portfolio strategist and does not charge a fee for its services. FutureAdvisor is compensated directly by LPL for its services, including the Algorithm and related software, through an annual sub-advisory fee (tiered based on assets under management by FutureAdvisor, at a rate ranging from 0.10% to 0.17%). As each asset tier is reached, LPL's share of the compensation shall increase and clients will not benefit from such asset tiers.

GWP Educational Tool provides access to sample recommendations at no charge to users. However, if users decide to implement sample recommendations by executing trades, they will be charged fees, commissions, or expenses by the applicable broker or adviser, as well as underlying investment fees and expenses. Account fees are payable quarterly in advance, except that the SMS fee is paid in arrears on the frequency agreed to between client and Advisor.

Excluding GWP, LPL serves as program sponsor, investment advisor and broker-dealer for the LPL advisory programs. In the Managed Service of GWP, LPL is appointed by each client as custodian of account assets and broker-dealer with respect to processing securities transactions for the accounts. In general, FutureAdvisor, in its capacity as investment advisor, will submit transactions through LPL; however, FutureAdvisor may choose to execute transactions through a broker-dealer other than LPL, subject to its duty to seek to achieve best execution. When securities transactions are effected through LPL, there are no brokerage commissions charged to the account. If FutureAdvisor chooses to execute a transaction through a broker-dealer other than LPL, the execution price may include a commission or fee imposed by the executing broker-dealer. In evaluating whether to execute a trade through a broker-dealer other than LPL, Future Advisor will consider the fact that the account will not be charged a commission if the transaction is effected through LPL.

Preisz and LPL may share in the account fee and other fees associated with program accounts. Associated persons of Preisz may also be registered representatives of LPL. Under SMS, LPL serves as investment advisor but not the broker-dealer. Advisor and LPL may share in the advisory portion of the SMS fee.

Fees are subject to change upon the Advisor giving the client thirty days notice in the manner prescribed in this Agreement. The client has the option of accepting the new fee schedule or terminating this Agreement pursuant to the termination provisions of the Agreement.

Potential Conflicts of Interest

Preisz receives compensation as a result of a client's participation in an LPL program. Depending on, among other things, the type and size of the account, type of securities held in the account, changes in its value over time, the ability to negotiate fees or commissions, the historical or expected size or number of transactions, and the number

and range of supplementary advisory and client-related services provided to the client, the amount of this compensation may be more or less than what Preisz would receive if the client participated in other programs, whether through LPL or another sponsor, or paid separately for investment advice, brokerage and other services.

The account fee may be higher than the fees charged by other investment advisors for similar services. For instance, FutureAdvisor offers direct-to-consumer services similar to GWP. Therefore, clients could generally pay a lower advisory fee for algorithm-driven, automated ("robo") investment advisory services through FutureAdvisor or other robo providers. However, clients using such direct robo services will forgo opportunities to utilize LPL-constructed model portfolios or to work directly with a financial advisor.

Clients should consider the level and complexity of the advisory services to be provided when negotiating the account fee (or the advisor fee portion of the account fee, as applicable) with Preisz. With regard to accounts utilizing third-party portfolio managers under aggregate, all-in-one account fee structures (including MAS, PWP and the legacy MWP fee structure), because the portion of the account fee retained by Preisz varies depending on the portfolio strategist fee associated with a portfolio, Preisz has a financial incentive to select one portfolio instead of another portfolio.

#### Mutual Fund and Exchange-Traded Fund (ETF) Fees and Expenses

All fees paid to our firm and/or any selected portfolio manager for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund or ETF directly, without the services of our firm or a third-party manager. In that case, the client would not receive the services provided by a third-party manager or us, which are designed, among other things, to assist the client in determining which mutual fund, funds, or ETFs are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and ETFs and the fees charged by us and/or third-party manager(s) to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

#### Advisory Account, Brokerage Account and Custodian Fees

In addition to advisory fees paid to our firm, clients may also be responsible for all transaction, brokerage, and custodian fees incurred as part of their account management with their selected portfolio management firm. Please see Item 12 of this Brochure for important disclosures regarding our brokerage practices.

Management fees are paid quarterly in advance and are negotiable. Fees are due on a predetermined schedule of the calendar quarter, and are deducted from the advisory account. Fees are based on the account's asset value as of the last business day of the prior calendar quarter and are prorated for accounts opened during the quarter.

#### Account Termination/Refund of Fees

Clients will have a period of five (5) business days from the date of signing the agreement to unconditionally rescind the agreement and receive a full refund of all fees without penalty. Thereafter, the client may terminate the agreement by providing us with a 30-day written notice at our principal place of business. Upon termination of any account, any prepaid, unearned fees will be refunded on a pro-rated basis within 60 days from receipt of the written termination notice and any earned, unpaid fees will be due and payable.

## **II. FINANCIAL PLANNING SERVICES**

We charge Financial Planning clients fixed annual fees, typically ranging from \$500 to \$6,000 per year, depending on each client's circumstances and the nature and complexity of the services provided.

#### Consulting Services

We charge clients negotiable, consulting fees on either an hourly rate or fixed fee basis. The standard hourly rate is \$250 for consulting services.

Seminars

Fees for seminars range from \$50 to \$100. Our firm may be paid a portion of the total fee by the organization sponsoring the seminar.

Fees in General

Fixed fees for written financial plans or consultation services will be billed directly to the client and may be payable in advance. Upon termination, any unearned fees will be refunded on a pro rata basis.

Hourly fees are due and payable as services are performed. We will estimate how long a project will take and provide the client with a quote based on the hourly rate.

Fees for all services are negotiable based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.). Discounts, not generally available to our advisory clients, may be offered to family members.

We may group certain related client accounts for the purposes of determining the annualized fee.

Under no circumstances will we have clients pay fees in excess of \$500 more than six months in advance of services rendered.

Account Termination/Refund of Fees

Clients will have a period of five (5) business days from the date of signing the agreement to unconditionally rescind the agreement and receive a full refund of all fees without penalty. Thereafter, the client may terminate the agreement by providing us with a 30-day written notice at our principal place of business. Upon termination of any account, any prepaid, unearned fees will be refunded on a pro-rated basis within 60 days from receipt of the written termination notice, and any earned, unpaid fees will be due and payable.

**III. QUALIFIED RETIREMENT PLAN ADVISORY SERVICES**

Fees for Qualified Retirement Plan Advisory Services depend on the relationship desired by each Plan Sponsor. Fees for services may be charged based on assets, at a flat fee for a certain scope of services, or at an hourly rate. Fees vary based on the nature of the engagement, services provided, and the size of the plan.

Asset-based fees are based upon the size of the plan and the desired services. Fees range from 5 basis points (0.05%) to 50 basis points (0.50%). These fees may or may not be combined with a flat fee for a certain scope of service depending upon the engagement.

The terms regarding payment and types of fees will be clearly set forth and agreed upon prior to engagement and documented in the Retirement Plan Investment Advisory Agreement.

Invoices may be paid by the Plan or by the Plan Sponsor depending upon the nature of the services provided and the Sponsor's desire for payment method. Invoices are typically done in arrears. Certain prepayments of project-based work may be required, usually at a 50% of the flat fee.

Additional Compensation Received by Preisz

Our principals and some employees are registered representatives of LPL, Investment Advisor Representatives of Preisz Financial and licensed agents/brokers with various insurance companies. In these capacities, these individuals may recommend securities, insurance, advisory, or other products, and receive normal transaction commissions if products are purchased through any firms with which they are affiliated. Thus, a conflict of interest exists between the interests of these individuals and those of the advisory client, creating an incentive for them to recommend investment products based on the compensation received, rather than on a client's needs. However, clients are under no obligation to act upon any recommendations of these individuals or to effect any transactions through them if they decide to follow the recommendations. Most consulting and financial planning advice provided by our firm is of a generic nature. Clients have the option to purchase investment products recommended by these persons through other brokers or agents not affiliated with our firm. Please refer to Item

10 of this brochure for a more detailed explanation of how our firm handles and mitigates these conflicts of interest.

#### Account Termination

Clients will have a period of five (5) business days from the date of signing the agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, the client may terminate the agreement by providing us with a 30-day written notice at our principal place of business. Upon termination of any account, any prepaid, unearned fees will be refunded on a pro-rated basis within 60 days from receipt of the written termination notice, and any earned, unpaid fees will be due and payable.

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

We do not charge any fees based on a share of capital gains on or capital appreciation of the assets of a client.

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

Our firm generally provides advisory services to a number of different clients under each of the service models previously described. These types of clients include, but are not limited to:

- Individuals and families, including high net-worth individuals
- Pension and profit sharing plans
- Non-profit and governmental entities
- Trusts, estates and charitable organizations
- Corporations and other business entities

Other than stated minimum required account values (see Item 4), there are no specific requirements for opening or maintaining an account.

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

Our firm utilizes the following methods of analysis to formulate client recommendations:

- Mutual fund and/or ETF analysis:  
We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other funds in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the fund or ETF less suitable of the client's portfolio.

- Fundamental Analysis:  
We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

- Asset Allocation:

Rather than focusing primarily on security selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Risks for all forms of analysis

Our securities analysis method relies on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Our firm does not implement financial planning or consulting recommendations. However, as discussed above, these recommendations may be implemented through LPL or affiliated insurance companies.

When pursuing our strategic long-term investing strategies, we are assuming the Financial Markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall Financial Markets advance. In addition, purchasing investments long-term may create an opportunity cost, "locking-up" assets that may be better utilized in the short-term in other investments.

We generally recommend stocks, bonds and mutual funds.

Investing in **stocks** involves the assumption of risk including:

- **Financial Risk:** the risk that the companies we recommend to you may perform poorly which will affect the price of your investment
- **Market Risk:** the risk that the Stock Market will decline, decreasing the value of the securities we recommend to you with it
- **Inflation Risk:** the risk that the rate of price increases in the economy deteriorates the returns associated with the stock
- **Political and Governmental Risk:** the risk that the value of your investment may change with the introduction of new laws or regulations.

Investing in **bonds** involves the assumption of risk including:

- **Interest Rate Risk:** the risk that the value of the bond investments we recommend to you will fall if interest rates rise
- **Call Risk:** the risk that your bond investment will be called or purchased back from you when conditions are favorable to the bond issuer and unfavorable to you
- **Default Risk:** the risk that the bond issuer may be unable to pay you the contractual interest or principal on the bond in a timely manner or at all
- **Inflation Risk:** the risk that the rate of price increases in the economy deteriorates the returns associated with the bond

Investing in **mutual funds** involves the assumption of risk including:

- **Manager Risk:** the risk that an actively managed mutual fund's investment advisor will fail to execute the fund's stated investment strategy
- **Market Risk:** the risk that the Stock Market will decline, decreasing the value of the securities contained within the mutual funds we recommend to you
- **Industry Risk:** the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry
- **Inflation Risk:** the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund

Listed above are some of the primary risks associated with the way we recommend investments to you. Please do not hesitate to contact us to discuss these risks and others in more detail. In instances where we recommend that a third party manage your assets, please refer to the third party's ADV and associated disclosure documents for details on their investment strategies, methods of analysis and associated risks.

***Clients should understand that investing in securities, including mutual funds, involves risk of loss of both income and principal.***

#### Sources of Information

The firm relies upon several sources of information when researching and analyzing securities. These sources include traditional research materials such as financial newspapers and magazines, research materials prepared by others, annual reports, prospectuses, filings with the SEC, and company press releases. We also subscribe to various professional publications deemed to be consistent and supportive of our investment philosophy.

### **Item 9: Disciplinary Information**

Our firm has no reportable disciplinary events to disclose.

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

Some non-Preis activities may present a potential conflict of interest, to the extent that our principals and employees may receive additional compensation as a result of recommending additional brokerage, advisory and insurance products and services to clients.

Clients should be aware that the receipt of any additional compensation by our firm and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. We endeavor at all times to put the interest of our clients first as part of our fiduciary duty as a Registered Investment Advisor and take the following steps to address this conflict:

1. We disclose to clients the existence of all material conflicts of interest, including the potential for our firm and its employees to earn compensation from advisory clients in addition to our advisory fees;
2. We disclose to clients that they are not obligated to purchase any recommended investment advisory or insurance products or services from our employees;
3. We collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
4. Our management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
5. We require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
6. We periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
7. We educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

As is disclosed in Item 5 and Item 10 of this brochure, our principal and employees are registered representatives of LPL, Investment Advisor Representatives of Preisz Financial and licensed agents/brokers with various insurance companies. Please refer to Item 5 and Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

Our firm or individuals associated with our firm may buy or sell securities identical to those recommended to customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security which may also be recommended to a client. This practice results in a potential conflict of interest, as we may have an incentive to manipulate the timing of such purchases to obtain a better price or more favorable allocation in rare cases of limited availability.

To further mitigate these potential conflicts of interest and ensure the fulfillment of our fiduciary responsibilities, we have established the following restrictions:

1. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No principal or employee of our firm may prefer his or her own interest to that of the advisory client;
2. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts;
3. LPL maintains copies of statements, listing all securities holdings, for our firm employees and anyone associated with this advisory practice with access to advisory recommendations;
4. We emphasize the right of the client to decline to implement any advice offered.
5. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices; and
6. Any individual not in observance of the above may be subject to disciplinary action or termination.

We will provide a copy of our complete Code of Ethics upon request.

**Item 12: Brokerage Practices**

We do not have any formal or informal soft-dollar arrangements and do not receive any soft-dollar benefits.

We do not request or accept the discretionary authority to determine the broker dealer to be used for client accounts. For clients in need of brokerage or custodial services, and depending on client circumstances and needs, we will generally recommend the services of LPL and ourselves as registered representatives of LPL. Our clients should evaluate this broker before opening an account. The factors considered by our firm when making this recommendation are the broker's ability to provide professional services, our experience with the broker, the broker's reputation, and the broker's quality of execution services and costs of such services, among other factors. Please refer to Items 5 and 10 of this brochure for a more detailed description of our relationship with LPL and the policies implemented by our firm to monitor and mitigate the existing conflicts of interest.

The firm may offer clients the opportunity to use third party money managers such as Symmetry (See Item 4).

***Clients are not under any obligation to effect trades through any recommended broker.***



**Item 13: Review of Accounts**

Michael Preisz, Thomas Davenport, Carol Bethune, Robert Beswick, Geoffrey LaRoche and William Preisz are responsible for client account reviews.

We will review these client accounts as contracted for at the inception of the advisory relationship. We will provide financial planning clients with a completed financial plan. We will not typically provide additional reports unless otherwise contracted for at the inception of the advisory relationship.

Although our firm does not send any account statements to clients, clients will typically receive at least quarterly statements for any account opened with their selected portfolio management firm. We urge all of our clients to carefully review and compare all statements, invoices, confirmations, quarterly reviews of account holdings and/or performance reports received from their custodian and the firm. Should you notice any discrepancies or inconsistencies, please notify your custodian as soon as possible.

For those clients engaging us for consulting services, we will not provide any ongoing reviews or reports beyond those specifically outlined in the advisory agreement(s).

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

Other than that already described in this brochure, our firm does not receive any additional compensation from third parties for providing investment advice to its clients. Our firm does not compensate any unsupervised person for client referrals.

**Item 15: Custody**

Our firm does not have actual or constructive custody of client accounts and will not accept custody of any client asset.

We previously disclosed in the Fees and Compensation section (Item 5) of this brochure that our firm or the programs in which we may recommend to client's directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

**Item 16: Investment Discretion**

For Investment Advisory Services, outlined in Item 4.I, we generally accept non-discretionary authority to manage securities accounts on behalf of clients. However management personnel, and our adviser representatives in their individual capacities as registered representatives of LPL may exercise discretion on behalf of client advisory accounts for the purchase/sale of securities, selection of asset allocations, and selection/replacement of third-party managers.

For Qualified Retirement Plan Advisory Services, outlined in Item 4.III, we accept both discretionary and non-discretionary authority to manage securities accounts depending on the depth of services agreement authorized by the Plan Sponsor.



**Item 17: Voting Client Securities**

As a matter of firm policy, our firm does not vote proxies on behalf of clients. Clients will receive their proxies and other solicitations directly from their custodian or transfer agent and retain sole responsibility for voting. However, we may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

**Item 18: Financial Information**

Under no circumstances will we earn fees in excess of \$500 more than six months in advance of services rendered.

**Item 19: Requirements for State-Registered Advisors****Investment Advisor/Principal/Management Information**

Please refer to the brochure supplements (Part 2B of Form ADV: Brochure Supplement) for detailed information on each of our investment advisors.

**Outside Business Activities**

Please refer to Item 10 in this brochure as well as the brochure supplements (Part 2B of Form ADV: Brochure Supplement, Item 4) for a detailed disclosure of outside business activities of our principals and investment advisor representatives, as well as important conflict of interest disclosures.

**Business Continuity Plan**

The firm has a Business Continuity Plan (BCP) in place that provides steps to mitigate and recover from the loss of office space, communications, services or key people.

The BCP covers natural disasters such as snow storms, hurricanes, tornados, earthquakes, and flooding. The BCP covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, telephone line outage, Internet outage, railway and aircraft accident. Electronic files are backed up daily and archived offsite.

**Information Security**

The firm maintains an information security program to reduce the risk that personal and confidential information may be breached. The firm utilizes a firewall barrier, authentication procedures and encryption services in our computer environment.

**Privacy Notice**

The firm is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us. The firm will provide a complete copy of our Privacy Policy to any client or prospective client upon request.

**Document Retention**

The firm will maintain all client documentation for the required period that records are required to be maintained by federal and state authorities. After that time, information may be destroyed.