

**Householder Group Estate & Retirement Specialists, LLC**

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Item 1 - Cover Page  
**FORM ADV, PART 2A Appendix 1**  
**WRAP PROGRAM BROCHURE**

March 28, 2020

**This wrap fee program brochure provides information about the qualifications and business practices of Householder Group Estate & Retirement Specialists, LLC. If you have any questions about the contents of this Brochure, please contact us at (602) 604-0600 and/or Alexandra Vidal at [avidal@householdergroup.com](mailto:avidal@householdergroup.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Householder Group Estate & Retirement Specialists, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Any references to Householder Group Estate & Retirement Specialists, LLC as a registered investment adviser or its related persons as registered advisory representatives does not imply a certain level of skill or training.**

## **Item 2 - Material Changes**

At least annually, this section will discuss only specific material changes that are made to the Brochure and provide you with a summary of such changes. The date of the last annual update to this Brochure is March 2019.

Pursuant to 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 fiscal year, which is December 31st. We may further provide other ongoing dis-closure information about material changes as necessary.

Additionally, we will further provide you with a new brochure as necessary based on change or new information, at any time, without charge.

Our brochure may be requested free of charge by contacting Alexandra Vidal at (602) 604-0600 and/or [avidal@householdergroup.com](mailto:avidal@householdergroup.com). Additional information about Householder Group Estate & Retirement Specialists, LLC is also available via the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The website also provides information about any persons affiliated with Householder Group Estate & Retirement Specialists, LLC who are registered, or are required to be registered, as investment adviser representatives of Householder Group Estate & Retirement Specialists, LLC.

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

##### **Investment Advisory Services**

Although clients do not pay a transaction charge for transactions in a SWM II account, clients should be aware that Householder Group pays LPL transaction charges for those transactions. The transaction charges paid by Householder Group vary based on the type of transaction (e.g., mutual fund, equity or ETF) and for mutual funds based on whether or not the mutual fund pays 12b-1 fees and/or recordkeeping fees to LPL. Transaction charges paid by the Advisor for equities and ETFs are \$9. For mutual funds, the transaction charges range from \$0 to \$26.50. Because Householder Group pays the transaction charges in SWM II accounts, there is a conflict of interest in cases where the mutual fund is offered at both \$0 and \$26.50. Clients should understand that the cost to Advisor of transaction charges may be a factor that Householder Group considers when deciding which securities to select and how frequently to place transactions in a SWM II account.

In many instances, LPL makes available mutual funds in a SWM II account that offer various classes of shares, including shares designated as Class A Shares and shares designed for advisory programs, which can be titled, for example, as “Class I,” “institutional,” “investor,” “retail,” “service,” “administrative” or “platform” share classes (“Platform Shares”). The Platform Share class offered for a particular mutual fund in SWM II in many cases will not be the least expensive share class that the mutual fund makes available, and was selected by LPL in certain cases because the share class pays LPL compensation for the administrative and recordkeeping services LPL provides to the mutual fund. Client should understand that another financial services firm may offer the same mutual fund at a lower overall cost to the investor than is available through SWM II. In other instances, a mutual fund may offer only Class A Shares, but another similar mutual fund may be available that offers Platform Shares. Class A Shares typically pay LPL a 12b-1 fee for providing shareholder services, distribution, and marketing expenses (“brokerage-related services”) to the mutual funds. Platform Shares generally are not subject to 12b-1 fees. As a result of the different expenses of the mutual fund share classes, it is generally more expensive for a client to own Class A Shares than Platform Shares. An investor in Platform Shares will pay lower fees over time, and keep more of his or her investment returns than an investor who holds Class A Shares of the same fund.

Householder Group has a financial incentive to recommend Class A Shares in cases where both Class A and Platform Shares are available. This is a conflict of interest which might incline Householder Group, consciously or unconsciously, to render advice that is not disinterested. Although the client will not be charged a transaction charge for transactions, Advisor pays LPL a per transaction charge for mutual fund purchases and sales in the account. Householder Group generally does not pay transaction charges for Class A Share mutual fund transactions accounts, but generally does pay transaction charges for Platform Share mutual fund transactions. The cost to Householder Group of transaction charges generally may be a factor Advisor considers when deciding which securities to select and whether or not to place transactions in the account.

The lack of transaction charges to Householder Group for Class A Share purchases and sales, together with the fact that Platform Shares generally are less expensive for a client to own, presents a significant conflict of interest between Householder Group and the client. In short, it costs Householder Group less to recommend and select Class A share mutual funds than Platform shares,

## Householder Group Estate & Retirement Specialists, LLC

but Platform shares will generally outperform Class A mutual fund shares on the basis of internal cost structure alone. Clients should understand this conflict and consider the additional indirect expenses borne as a result of the mutual fund fees when negotiating and discussing with your Advisor the advisory fee for management of an account.

### Householder Group Wrap Program

Householder Group Estate & Retirement Specialists, LLC (“Householder Group”) offers a bundled or wrap program referred to as the Householder Group Wrap Program. The Householder Group Wrap Program option involves the client paying a single fee which will include asset management services and transactional fees. No separate transaction fees will be assessed.

### Assets Under Management

As of January 31, 2019, we have approximately \$621,692,027 of client assets under our discretionary management and approximately \$175,894,911 of non-discretionary client assets under management.

Wrap accounts are more suitable for the client who wants the cost of management and trading in one single fee without being charged for each transaction. While a non-wrap account will be more suitable for a client who prefers to separate management fees and pay for each transaction. Actively management accounts will generally be better suited for a wrap account. Managed accounts that are infrequently traded or trade in no-transaction fee securities will be better suited for a non-wrap fee structure which is also offered by Householder Group and is further described in Householder Group’s Part 2A. A wrap program may cost you more or less than if you purchased advisory and transactional services separately.

Householder Group provides discretionary and non-discretionary portfolio management services where the investment advice provided is custom tailored to meet your individual needs and investment objectives.

Upon your approval, your Advisor will have you complete the Client Advisory Services Agreement and implement the portfolio allocation. Householder Group will provide continuous and ongoing management of your account.

As further described below, Householder Group has entered into a relationship to offer you brokerage and custodial services through LPL Financial Corporation (“LPL”). There is no affiliation between Householder Group and LPL.

Householder Group Advisors offers advice on all exchange-listed securities and those traded over-the-counter. Advice is also offered on: variable annuities, variable life insurance, mutual funds, U.S. government securities, corporate debt instruments, certificates of deposit, municipal securities, security and index option contracts, and any other products that would be appropriate for the individual client, provided such products are approved for offering by LPL.

Your Advisor will develop an asset allocation strategy for you that consists of an agreed upon percentage mix of fixed income and equity investments. The fixed income allocation will include one or more of the following (a) cash (b) money market funds (c) U.S. government securities (d) foreign

government bonds (e) U.S. corporate debt (f) foreign corporate debt (g) municipal securities (h) fixed income mutual funds and (i) any other appropriate fixed income investment. The equity portion of the allocation will include one or more of the following (a) individual stocks which are exchange listed (b) individual stocks which are traded over the counter (c) individual stocks issued by foreign corporations (d) equity mutual funds (e) variable annuity products (f) securities option contracts (non-discretionary only and limited to purchases of put options where the account is long the underlying security & writing covered calls) (g) interests in direct participation programs (h) Exchange Traded Funds (“ETFs”) and (i) any other appropriate equity investment. Recommended mutual funds may be no-load or load-waived. Additionally, we provide managed portfolios containing an element of option transactions and strategies.

#### Joint Advisors

On occasion, a client may establish an account with two Householder Group Advisors (“Joint Advisor Accounts”). For Joint Advisor accounts, one Advisor shall be responsible for managing assets in the Joint Advisor Account (“Managing Advisor”) and the other Advisor (“Servicing Advisor”) will be responsible for establishing and servicing the Joint Advisor Account, communicating and conducting meetings with the client concerning the Joint Advisor Account and the performance of the Joint Advisor Account, making investment recommendations to the client including the use of the Managing Advisor to manage assets in the Joint Advisor Account and ensuring that all required documentation is maintained for the Joint Advisor Account. The client or the Servicing Advisor may discontinue the services of the Managing Advisor at any time and for any reason.

Transactions in the account, account reallocations and rebalancing may trigger a taxable event, with the exception of IRA accounts, 403(b) accounts and other qualified retirement accounts.

#### **Wrap Fee Schedule and Costs**

On an annualized basis, Householder Group charges a negotiable fee up to 2.9% of your assets under management. Each Investment Advisory Representative sets his/her own fee schedule which you will receive as part of the Client Advisory Services Agreement. Fees are not commensurate with experience or education.

The fee for portfolio management services is due and payable monthly or quarterly in advance. Fees are calculated based upon the value of your account at the end of the just completed calendar quarter or month. Fees are calculated and determined by the platform provider, LPL Financial. Fees may also be based upon the fair market value of the assets in the account and computed monthly or quarterly. Fees will be assessed pro rata in the event your agreement is executed at any time other than the first day of your decided billing period.

Fee calculations may be tiered or linear. A tiered fee schedule is similar to the current income tax system. Each level of assets is charged its own corresponding percentage rate. For example, a tiered fee schedule might charge 2% on the first \$250,000, 1.75% on the next \$250,000 and 1.5% on the next \$250,000, effectively giving the client a blended and lower rate than the initial 2%. With a linear fee calculation, as a client’s assets grow and breakpoints are met, fees are decreased. Unlike the tiered fee schedule, once a breakpoint has been met, all of the assets back to dollar one are then charged at the

new lower percentage rate.

Householder Group's advisory fees can decline incrementally for larger account sizes. The account size and the nature of the services being provided are the primary determinants of the agreed upon fee to be charged. Fees are negotiable depending on the extent and level of service to be provided. In instances where there is a Joint Advisor Account, the fees will be shared by the Servicing Advisor and the Managing Advisor; in no instance will you pay additional advisory fees for the services of the Managing Advisor.

You may make additions to your account or withdrawals for your account, provided the account continues to meet minimum account size requirements. Additional assets deposited into the account (i.e. inflows) after it is opened will be charged a pro-rata fee based upon the number of days remaining in the then current billing period. Additionally, partial withdrawals from the account (i.e. outflows) will result in a prorated portion of the fee being credited to the account. No fee adjustment will be made for account appreciation or depreciation.

At its discretion, Householder Group allows accounts of members of the same household to be aggregated for purposes of determining the advisory fee or meeting the minimum account size. Householder Group allows such aggregation, for example, where Householder Group services accounts on behalf of minor children of current clients, individual and joint accounts, and other types of related accounts.

Payment of the advisory fees will be made by the qualified custodian holding your funds and securities directly to Householder Group provided you supply written authorization permitting the fees to be paid directly from your account. Householder Group will not have access to your funds for payment of fees without your written consent. Further, the qualified custodian is responsible for delivering an account statement, at least quarterly, to you directly, showing all disbursements from your account. You are encouraged to review all account statements for accuracy. Householder Group will receive a duplicate copy of your statement. In limited circumstances, you will receive an invoice directly from Householder Group for the payment of its management fees.

If this disclosure brochure, Form ADV Part 2A Appendix 1, is not delivered to you within 48 hours prior to entering into the asset management agreement, you may terminate the asset management agreement within five business days of the date of acceptance without penalty. If you receive the disclosure brochure 48 hours in advance or if the five-day grace period has expired, either party may terminate the agreement at any time upon 30-days written notice to the other party. Any pre-paid unearned fees will be refunded to you on a pro rata basis.

In addition to the wrap fee, you will pay a proportionate share of mutual fund expenses, including the fee paid to the adviser of the mutual fund. Also, there will be account maintenance fees and custodial fees charged direct by the account custodian. Householder Group does not share in any portion of such fees and expenses. The custodians and broker/dealers suggested by Householder Group have account maintenance fees and transaction costs that may be higher or lower than those fees and charges charged by other broker/dealers and custodians.

Certain mutual funds can be conducted with no transaction fees. Therefore, there is an incentive for Householder Group to utilize funds for which the broker/dealer will not assess a transaction fee to

Householder Group. Therefore, Householder Group's account costs are reduced. The funds available with no transaction fees vary from broker/dealer to broker/dealer. Further, funds purchased with no transaction fees will typically need to be held for 90 days to avoid any early redemption charges being assessed.

Householder Group's Advisory Representatives who manage accounts are independent contractors. As independent contractors, Advisory Representatives have a direct interest in the advisory fee charged to you since the Advisory Representative will receive a portion of the advisory fee you pay to Householder Group. Householder Group negotiates a payout with each Advisory Representative which is determined based on several factors including but not limited to production and experience. The payout Householder Group negotiates with each independent contractor Advisory Representative is not solely based on the Advisory Representative's assets under management and does not fluctuate with the amount of assets managed by the Advisory Representative. Householder Group retains up to 50% of the fee and up to 92% of the fee is paid to your Advisory Representative, depending on the Advisory Representative's agreement.

Householder Group offers other advisory programs. A description of Householder Group's other advisory programs is disclosed in the Householder Group Form ADV Part 2A available to you at any time upon written request. The fees for other advisory and management programs may be less than the fees for Householder Group's wrap program.

### **General Information on Services, Fees and Costs**

Householder Group charges its Advisors an administrative fee of 10 basis points (0.10%) based on the value of assets the Advisory Representative manages. Householder Group charges the administrative fee directly to the Advisory Representative. The administrative fee is to assist Householder Group to cover various costs it incurs including administrative, compliance, regulatory fees, operational support, and back office services. The Advisor chooses to pass this administrative fee onto you, the client, and increase the fees you are charged. Advisory Representatives are independent contractors of Householder Group and each Advisory Representative determines the fee they will charge to their clients based on the fee schedules outlined above. Therefore, fees charged by another Householder Group Advisory Representative may be more or less than what you are being charged.

Householder Group's fees are exclusive of other related costs and expenses which you will incur. You will incur certain charges imposed by custodians, brokers, third party investment advisors and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

You will pay separately for Individual Retirement Account custodial services and the account custodian can assess inactivity fees if the account does not have transactions occurring in the account in a calendar year.



All fees paid to Householder Group for investment advisor services are separate from fees and expenses charged to owners of mutual fund shares or variable annuity contracts by the product sponsors. As a result, you may will pay two management fees.

**Mutual Funds and Exchange Traded Funds Costs:** Mutual funds and ETFs also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Householder Group's fee, and Householder Group shall not receive any portion of these commissions, fees, and costs. For Joint Advisor Accounts, the fees will be shared by the Servicing Advisor and the Managing Advisor; in no instance will the client pay additional advisory fees for the services of the Managing Advisor.

Registered investment securities, such as mutual funds and variable products, are offered in various share classes. The share classes have different fee and expense structures. Different share classes are priced differently and have varying levels of internal costs and share classes other than institutional share classes will involve higher internal costs that over time will cost you more. Institutional share classes often have higher trading costs. Some Advisors will utilize or maintain in a client's fee based portfolio share class such as A that are more expensive to the client. Further, these share classes will pay trail compensation, which is paid to LPL Financial. Use of A shares will result in higher internal costs than what you would have paid if the shares were converted to an institutional share class and an advisory fee was charged on the value. Further, the longer an A share is held the spread in the increased cost directly incurred by the client increases.

Determining the share class in the best interest of the client requires consideration of the amount being invested and the length of anticipated holding to make a decision as to the share class most suitable and in the best interest of the client. Institutional share classes have higher trading costs. There is a conflict of interest for Advisors managing assets in a wrap program to use an A share where there is lower trading costs or no trading costs and reducing their costs of managing the account yet increasing the costs to the client. To mitigate this conflict of interest this disclosure is provided. If client is paying transaction costs, consideration must be given to holding period and frequency of transactions. The increased trading costs of using institutional share classes can result in a longer holding period being needed to offset the cost verses if an A share was purchased with higher internal costs.

Advisors will select the lowest share class funds available and appropriate to the situation. However, in selecting the lowest share class, trading costs are sometimes higher. Selecting the lowest share class appropriate to the situation does not imply the lowest cost share class but means what the Advisor deems lowest cost for the situation. Advisor consider the anticipated holding period, cost structure, and administrative and transaction costs associated with selecting a share class. However, there is no way to predict the future and there could be occasions where a holding is liquidated sooner or held longer resulting in higher costs to the client. Additional information about share classes can be found in an Investor Alert issued by the Securities and Exchange Commission at <https://www.investor.gov/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-mutual-fund-classes> and <https://www.investor.gov/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-mutual-fund-classes>. Additionally, the SEC and FINRA provides investor information at [www.sec.gov](http://www.sec.gov) and [www.finra.org](http://www.finra.org).

## **IRA Rollover Considerations**

As part of our consulting and advisory services, we provide you recommendations and advice concerning your employer retirement plan or other qualified retirement account. Our recommendations may include you consider withdrawing the assets from your employer's retirement plan or other qualified retirement account and roll the assets over to an individual retirement account ("IRA"). Further, we offer our management services be applied to those funds and securities rolled into an IRA or other account for which we will receive compensation. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset based fee as described above under Item 5. This practice presents a conflict of interest because persons providing investment advice on your behalf have an incentive to recommend a rollover to you for the purpose of generating fee based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Furthermore, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by us.

It is important for you to understand many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of each.

An employee will typically have four options:

1. Leave the funds in your employer's (former employer's) plan.
2. Move the funds to a new employer's retirement plan.
3. Cash out and taking a taxable distribution from the plan.
4. Roll the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage it is important you understand the following:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
  - a. Employer retirement plans generally have a more limited investment menu than IRAs.
  - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
  - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
  - b. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.

- c. It is likely you will not be charged a management fee and will not receive ongoing asset management services unless you elect to have such services. In the event your plan offers asset management or model management, there may be a fee associated with the services that is more or less than our asset management fee.
- 3. Our strategy may have higher risk than the option(s) provided to you in your plan.
- 4. Your current plan may offer financial advice, guidance, and/or model management or portfolio options at no additional cost.
- 5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 72.
- 6. Your 401k may offer more liability protection than a rollover IRA; each state may vary. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult an attorney if you are concerned about protecting your retirement plan assets from creditors.
- 7. You may be able to take out a loan on your 401k, but not from an IRA.
- 8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
- 9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
- 10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.

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

Householder Group's clients include individuals, pension and profit sharing plans, trusts, estates, corporations, and other business entities. Householder Group does not require a minimum investment per portfolio, but allows each Investment Advisor Representative to establish their own minimum investment requirements.

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

You have the independence to select your Advisory Representative or portfolio manager. All portfolio managers are Advisory Representatives of Householder Group. Should you want to change your portfolio manager you may contact the Compliance Department of Householder Group at (602) 604-0600.

A variety of investment advisory services are available through Householder Group. By leveraging a network of investment advisor representatives ("Advisors") with over 20 offices across the United States, Householder Group offers personalized investment advisory services to individuals, pension and profit sharing plans, trusts, estates, corporations, and other business entities.

## Householder Group Estate & Retirement Specialists, LLC

Householder Group is an investment advisory firm offering a variety of advisory services customized to your individual needs. You should carefully consider the information provided in this Brochure regarding Householder Group including its advisory services, fee arrangements and business practices before becoming an advisory client.

Householder Group offers the following services, which, are more fully described below.

- Portfolio Management Services
- Analysis, Recommendation & Monitoring of Third Party Managed Programs
- Financial Planning & Consulting Services
- Pension Consulting Services
- Seminar & Education Programs
- Estate Planning Services
- Retirement Plan Services

Whether you select a wrap account option or non-wrap account, the management of your account will be treated the same. The difference lies in the pricing structure.

You may impose restrictions and/or limitations on the investing in certain securities or types of securities.

At the inception of the relationship, a Householder Group Advisor will conduct a data gathering interview with you to determine your investment objectives, risk tolerance and other relevant information and may review and/or develop an Investment Policy Statement. Based on the Investment Policy Statement and/or other relevant information, the Advisor will recommend an initial portfolio to you.

Householder Group does not charge performance based fees.

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

Householder Group Advisors offers advice on all exchange-listed securities and those traded over-the-counter. Advice is also offered on: variable annuities, variable life insurance, mutual funds, U.S. government securities, corporate debt instruments, certificates of deposit, municipal securities, security and index option contracts, and any other products that would be appropriate for the individual client, provided such products are approved for offering by LPL.

In formulating investment advice or managing assets to accomplish stated financial objectives, Householder Group Advisors uses one or more of the following methods of analysis:

- Fundamental – Analyzes individual investments in relation to expectations regarding the market and international and national economic indicators, such as GDP growth rates, inflation, interest rates, exchange rates, productivity, and energy prices.
- Technical – Analyzes past market data trends, primarily price and volume, in an attempt to forecast the direction of securities prices.
- Cyclical – Analyzes past economic and market cycles in an attempt to forecast the direction of securities prices.
- Computer Model – Software programs utilizing statistics and probability, calculus, and econometrics to produce trading signals for the purpose of timing portfolio re-allocations.

Advisors uses one or more of the following investment strategies in managing client assets:

- Buy and Hold (passive management) - A long-term investment strategy based on the view that in the long run financial markets give a good rate of return despite periods of volatility or decline. This viewpoint also holds that short-term market timing, *i.e.* the concept that one can enter the market on the lows and sell on the highs, does not work so it is better to simply buy and hold.
- Market Timing (active management) - A strategy of making buy or sell decisions of financial assets by attempting to anticipate future market price movements. The projection is based on an outlook of market or economic conditions resulting from technical or fundamental analysis. This is an investment strategy based on the outlook for an aggregate market, rather than for a particular financial asset.
- Momentum Investing (active management) – A strategy of buying securities that have had high returns over a specific historical time period (ex. the twelve months), and selling those that have had poor returns over the same period.
- Strategic Asset Allocation - A strategy that involves the establishment of a long-term target allocation in major asset classes such as stocks, bonds, and cash based on portfolio objective, risk tolerance, and time horizon.
- Tactical Asset Allocation – A strategy that attempts to overweight those asset classes that are expected to outperform on a relative basis and under weigh those expected to underperform. Financial and economic variables (“signals”) are used to predict performance and assign relative short-term asset-class weightings.

The strategies described above may utilize a combination of long term purchases (securities held at least a year), short-term purchases (securities sold within a year), trading (securities sold within 30 days), or options contracts (non-discretionary only and limited to purchases of put options where the account is long the underlying security & writing covered calls). Frequent trading in a client account can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Investment strategies and recommendations is based upon consideration of the following:

- Diversification – for the purpose of balancing risk while maintaining the possibility of gain; or,
- Risk Factors – including the risk of capital loss (market risk) and the risk of loss of purchasing power (inflation risk), and the client’s understanding of, and financial ability to bear, such risks; or,
- Asset Balance – taking into consideration short and long-term liquidity needs, blending of lesser and greater risk approaches, and combining income, growth, and safety concepts; or,
- Discipline – emphasizing commitment and follow through over a reasonable period of time in order to permit the investment plan or recommendations to work toward intended/pursued result; or,
- Income Tax Considerations - these should not replace the economic benefits as the principal determinant of investment decisions.

Investing in securities involves risk of loss that you should be prepared to bear. Risks associated with the strategies described above include:

- **Capital risk:** The risk that your investments may lose value.
- **Currency risk:** If the assets you invest in are held in another currency there is a risk that currency movements alone may affect the value.
- **Financial risk:** The risk that there may be a disruption in the internal financial affairs of the investment, thereby causing a loss of value.
- **Market risk:** The risk that the value of a security or portfolio will decrease due to the change in value of the overall market.
- **Credit risk:** The risk of loss arising from a borrower who does not make payments as promised.
- **Interest rate risk:** The risk that an interest-bearing asset, such as a bond, will lose value due to variability of interest rates. In general, as rates rise, the price of a fixed rate bond will fall, and vice versa.

To aid in mitigating some of the risk associated with investing in securities, Householder Group prohibits its Advisors from offering advice on securities products that have not been approved by the broker/dealer LPL. Some of these securities products include futures contracts, private placements and Regulation D offerings. Similarly, Advisors are not permitted to offer advice on products in instances where they are not properly licensed. For example, an Advisor who is only Series 6 licensed cannot advise clients to purchase stocks, bonds, options, REITs.

We generally recommend stocks and mutual funds to you.

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

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

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

- **Manager Risk:** which is the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.
- **Market Risk:** which is 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:** which is the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, therefore decreasing the value of mutual funds that are significantly invested in that industry.
- **Inflation Risk:** which is the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund.

**Cost Structure:** which is the risk of selecting a share class that will cost more over another share class. registered investment companies offer their shares in various share classes. The share classes have varying fee structures. Further, certain A shares have no transaction costs, but, over time the higher internal costs make the share class more expensive. Refer to the

disclosures under Item 4 – Services, Fees and Compensation for additional information on conflicts of interest and cost

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.

Investing in securities involves risk of loss, including the potential loss of principal. Therefore, your participation in any of the management programs offered by Householder Group will require you to prepare to bear the risk of loss and fluctuating performance.

#### Proxy Voting

Householder Group does not vote clients' securities. Unless you suppress proxies, securities proxies will be sent directly to you by the account custodian or transfer agent. You may contact Householder Group about questions you may have and opinions on how to vote the proxies. However, the voting and how you vote the proxies is solely your decision.

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

Your financial history and information and personal information such as social security number, identify verification information, account numbers, etc. will be gathered and obtained by your Advisory Representative. The aforementioned information will be communicated as required by the account custodian you select to establish your account. Your non-public information will not be disclosed to any third party unless required by law or to provide you services you have requested.

At least annually your Advisory Representative will offer to meet with you to update your personal information, review your account and determine if the management of your account is suitable to your financial situation. Should your financial situation or investment goals or objectives change, you must notify Householder Group promptly of the changes.

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

There are no restrictions or limitations on your ability to contact your Advisory Representative or any member of the Householder Group management team of the Householder Group model portfolios. You along with your Advisory Representative determine the frequency of meetings and reviews.

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

There is no reportable disciplinary information required for Householder Group or its advisory representative that would be deemed material to your evaluation of the advisory services offered by Householder Group or the integrity of Householder Group, its principal owners or your Advisory Representative.

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

The principal business of Householder Group is the provision of advisory services. Householder Group's Advisory Representatives are registered representatives of LPL Financial Corporation ("LPL"), a FINRA licensed broker-dealer firm. In addition, a number of Householder Group Advisory Representatives carry the required licensing to allow them to act as insurance agents. Accordingly, these individuals are licensed to sell securities and insurance related products for a separate commission based compensation.

It is important to understand investment advisers have a fiduciary obligation to provide advice and services through the investment adviser that are in the best interest of the client. However, when Advisors act in the capacity of a registered representative, their obligation is to make recommendation and conduct transactions that are suitable to you but are not necessarily in your best interest.

Since Householder Group Advisors are independent contractors, the advisory representatives engage in other businesses and/or own other businesses including insurance agents, tax preparation, attorney, and/or insurance company or agency. Therefore, you will be offered services (such as accounting, insurance services, or legal advice) for a fee. You are under no obligation to purchase these services through your advisor. Because of the conflict of interest in having you purchase services through them, this disclosure is provided to you.

Householder Group or its Advisory Representatives receive administrative, investment advisory or other fees for providing support services, administrative support and/or client referrals to other investment advisory firms. These practices present a conflict of interest and gives Householder Group or a client's Advisor an incentive to recommend products based on the compensation received, rather than on a client's needs. In all such cases, these arrangements are fully disclosed to the affected client(s). Clients are not obligated to use their Advisor for any of the products or services referenced in this Brochure. Lower fees for comparable services may be available from other sources.

All compensation received by Householder Group Advisory Representatives for securities transactions through LPL will be separate for effecting the services and transactions, including 12b-1 fees for the sale of investment company products. Advisors make differing recommendations with respect to the same securities or insurance products to different advisory clients. All recommendations made are specific to each client's individualized needs and current financial situation.

The conflicts described here are addressed through ongoing training, annual compliance meetings, and through routine transaction review by either Householder Group's Chief Compliance Officer or Compliance staff.

## **Participation or Interest in Client Transactions and Personal Trading**

Householder Group and its associated persons buy or sell securities identical to those securities recommended to you. Therefore, Householder Group and/or its associated persons have an interest or position in certain securities that are also recommended and bought or sold to you. Householder Group and its associated persons will not put their interests before your interests.



## **Code of Ethics**

Householder Group has adopted a Code of Ethics for all supervised persons of the firm, including Advisors, describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of non-public client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Householder Group must acknowledge the terms of the Code of Ethics annually, or as amended.

Householder Group anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Householder Group has management authority to affect the purchase or sale of securities in which Householder Group, its affiliates and/or clients, directly or indirectly, have a position of interest. Householder Group's employees and persons associated with Householder Group are required to follow Householder Group's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Householder Group and its affiliates trade for their own accounts in securities which are recommended to and/or purchased for Householder Group's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Householder Group will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Householder Group's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between Householder Group and its clients. The conflicts, which are disclosed in this Brochure, are addressed through ongoing training, annual compliance meetings, and routine review of transactions by either Householder Group's Chief Compliance Officer or Compliance staff.

Certain affiliated accounts trade in the same securities with client accounts on an aggregated basis when consistent with Householder Group's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Householder Group will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

It is Householder Group's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Householder Group will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any

person controlled by or under common control with the investment advisor, acts as the broker for both the advisory client and for another person on the other side of the transaction.

Householder Group's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting our Compliance staff at 602-604-0700.

Client should understand that Householder Group and its Advisory Representatives perform advisory and/or brokerage services for various other clients, and that Householder Group and its Advisory Representatives give advice or take actions for those other clients that differ from the advice given to the client. The timing or nature of any action taken for a client will also be different.

### **Review of Accounts**

Householder Group Advisors perform account reviews on a periodic basis, such as quarterly or semi-annually, but typically no less than annually. Your Advisor will review your investments as well as your changing needs and objectives. In general, the frequency and extensiveness of the review is set between you and your Advisor based upon your preferences and the specific requirements of managing your portfolio and your personal needs. This said review may also occur when you inform your Advisor of substantial changes to your financial or tax status, investment objectives, risk tolerance or time horizons. Finally, reviews may occur when fundamental market factors (*e.g.*, inflation rates, interest rates, GDP, etc.) change in a material way.

You will receive regular statements, at least quarterly, concerning your investments directly from the qualified custodian holding your assets. In some instances, and depending on the advisory program selected, you may receive additional "special" performance reporting provided to you on a quarterly basis detailing performance and comparative data. From time to time, and at the request of your Advisor, you may receive a consolidated report generated by Householder Group to help facilitate the portfolio review process between you and your Advisor.

### **Brokerage Practices**

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

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

## Householder Group Estate & Retirement Specialists, LLC

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

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

Although you are not required to select LPL for execution and custodial services, Householder Group does not allow clients to participate in its portfolio management services if they select another broker-dealer. Householder Group does not have discretion to select the broker-dealer to use for transactions or to negotiate transaction costs. Transactions executed through LPL, in its broker-dealer capacity, as part of services identified in this Brochure, are subject to LPL's then current transaction fee and commission schedule. If applicable, such commissions and fees will be "fully disclosed". These practices present a conflict of interest and give your Advisor an incentive to recommend products based on the compensation received, rather than on your needs.

Commissions and other account expenses and costs charged by LPL may be higher or lower than commissions you are able to obtain if transactions were implemented through another broker/dealer.

To improve the quality of execution, certain Advisors aggregate your transactions with other orders for their clients. It is up to each Advisory Representative's discretion whether to aggregate orders. Further, not all Advisors manage on a model basis and customize clients' accounts where aggregation is difficult. Allocations of aggregated orders are made under procedures designed to treat all clients fairly. Aggregation of transactions typically occurs only when an Advisor is executing a transaction in the same investment in multiple client accounts. If transactions are not aggregated, this may result in higher costs to clients than if transactions are aggregated. Participating clients will obtain the average price per share for the security executed that day. To the extent the aggregated order is not filled in its entirety and when possible, securities purchased or sold in an aggregated transaction will be allocated on a pro-rata basis. Under certain circumstances, the amount of securities will be increased or decreased to avoid holding odd-lot or a small number of shares for particular clients.

Not all advisory firms require their clients to direct brokerage to a specified broker-dealer. Accordingly, the investment advisory services provided by Householder Group will cost clients more or less than purchasing similar services separately.

In initially selecting LPL, Householder Group conducted due diligence. Householder Group's evaluation and criteria includes:

- Ability to service you
- Staying power as a company
- Industry reputation
- Ability to report to you and to Householder Group
- Availability of an efficient trading platform
- Products and services available
- Technology resources
- Educational resources
- Execution capability
- Financial responsibility and viability
- Confidentiality and security of your information
- Responsiveness

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- Other factors that may bear on the overall evaluation of best price and execution

### Benefits Received by Householder Group Personnel

Householder Group has received a loan from LPL Financial in order to assist Householder Group with transitioning its business onto the LPL Financial custodial platform. This loan may not be forgiven by LPL Financial based on the scope of business Householder Group engages in with LPL Financial, including the amount of Householder Group's client assets with LPL Financial. This presents a conflict of interest in that Householder Group has a financial incentive to recommend that you maintain your account with LPL Financial in order to benefit by having the loan forgiven. However, to the extent Householder Group recommends you use LPL Financial for such services, it is because Householder Group believes that it is in your best interest to do so based on the quality and pricing of the execution, benefits of an integrated platform for brokerage and advisory accounts, and other services provided by LPL Financial.

Householder Group receives support services and/or products from LPL Financial, many of which assist the Householder Group to better monitor and service program accounts maintained at LPL Financial; however, some of the services and products benefit Householder Group and not client accounts. These support services and/or products may be received without cost, at a discount, and/or at a negotiated rate, and may include the following:

- investment-related research
- pricing information and market data
- software and other technology that provide access to client account data
- compliance and/or practice management-related publications
- consulting services
- attendance at conferences, meetings, and other educational and/or social events
- marketing support
- computer hardware and/or software
- other products and services used by Householder Group in furtherance of its investment advisory business operations

LPL Financial may provide these services and products directly or may arrange for third party vendors to provide the services or products to Advisor. In the case of third-party vendors, LPL Financial may pay for some or all of the third party's fees.

These support services are provided to Householder Group based on the overall relationship between Householder Group and LPL Financial. It is not the result of soft dollar arrangements or any other express arrangements with LPL Financial that involves the execution of client transactions as a condition to the receipt of services. Householder Group will continue to receive the services regardless of the volume of client transactions executed with LPL Financial. Clients do not pay more for services as a result of this arrangement. There is no corresponding commitment made by the Householder Group to LPL or any other entity to invest any specific amount or percentage of client assets in any specific securities as a result of the arrangement. However, because Advisor receives these benefits from LPL Financial, there is a potential conflict of interest. The receipt of these products and services presents a financial incentive for Advisor to recommend that its clients use LPL Financial's custodial platform rather than another custodian's platform.

As stated previously, individuals associated with Householder Group are licensed as registered representatives of LPL Financial. As a result of this licensing relationship, LPL Financial is responsible for supervising certain activities of Householder Group to the extent Householder Group manages assets at a broker/dealer and custodian other than LPL Financial. LPL Financial charges a fee for this oversight. This presents a conflict of interest in that Householder Group has a financial incentive to recommend that you maintain your account with

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LPL Financial rather than another custodian in order to avoid the oversight fee. However, to the extent Householder Group recommends you use LPL Financial for such services, it is because Householder Group believes that it is in your best interest to do so based on the quality and pricing of the execution, benefits of an integrated platform for brokerage and advisory accounts, and other services provided by LPL Financial.

Many of these services generally are used to service all or a substantial number of Householder Group's accounts, including accounts not held through LPL.

Additionally, vendors and product sponsors such as variable and investment companies which are recommended to you provide support to Householder Group and Advisors. Such support includes research, educational information, increased payout margins, and monetary support for due diligence trips and client events.

Advisors, when appropriate, recommend that a Plan use a certain retirement plan platform or service provider (such as a record keeper, administrator or broker-dealer). That recommendation includes using our affiliate, LPL, to serve as broker-dealer in connection with the sale of securities or insurance products to the Plan. As noted above, for Plans that are subject to ERISA or are otherwise subject to Section 4975 of the Code, 12b-1 fees paid by product sponsors to LPL as broker-dealer of record to the Plan are used to offset the Fee

### **Client Referrals and Other Compensation**

Householder Group receive an economic benefit from LPL Financial in the form of a loan, which is forgiven if Householder Group meets certain conditions in terms of maintaining a relationship with LPL Financial. Please see detailed discussion of the conditions and conflicts of interest above under the heading Brokerage Practices.

LPL Financial, LLC has agreed to a loan issued as a Promissory Note to Scott Householder of Householder Group for the loss of assets to Householder group as a result of a Householder Group Advisory Representative selling his business to an LPL Financial representative and the assets being transferred away from Householder Group. The Promissory note is to assist in bridging the loss of revenue from the loss of assets and has a five year forgivable provision. One-fifth (1/5) of the principal plus interest will be forgiven on the yearly anniversary date of the Promissory Note by LPL Financial provided Scott Householder remains registered with LPL Financial. This is a conflict of interest for Scott Householder to remain registered with LPL Financial. To mitigate this conflict of interest, this disclosure is being provided.

LPL Financial offers our firm and our firm's advisors one or more forms of financial benefits based on our advisory representatives' total assets under management held at LPL Financial or financial assistance for advisors transitioning from another firm to LPL Financial. The types of financial benefits that Householder Group and/or our advisors receive from LPL Financial include, but are not limited to, forgivable or unforgivable loans, enhanced payouts, and discounts or waivers on transaction, platform, and account fees; technology fees; research package fees; financial planning software fees; administrative fees; brokerage account fees; account transfer fees; and the cost of attending conferences and events. The enhanced payouts, discounts, and other forms of financial benefits that advisors receive from LPL Financial are a conflict of interest, and provide a financial incentive for advisors to select LPL Financial as broker/dealer for your accounts over other broker/dealers from which they may not receive similar financial benefits. We attempt to mitigate this conflict of interest by disclosing the conflict in this brochure and engaging in a regular review of our

relationship with LPL Financial to ensure the relationship continues to be appropriate in all respects for our firm's clients.

Vendors and product sponsors such as variable and investment companies which are recommended to you from time to time provide support to Householder Group and Advisory Representatives. Such support includes research, educational information, increased payout margins, and monetary support for due diligence trips and client events.

#### Client Referrals

Investment Advisor can compensate other persons or organizations for client referrals. In each of those cases, Investment Advisor enters into an agreement with the referral agent and pays the agent a portion of the Fee. Many states require that any referral agent also be registered as an investment advisor representative. At the time that the agent refers Sponsor to Investment Advisor, the referral agent discloses to Sponsor both the arrangement Householder Group and its Advisory Representatives also offer advisory services on the premises of unaffiliated financial institutions, like banks or credit unions. If so, Householder Group will have entered into agreements with the financial institutions to share compensation, including a portion of the Fee, with the financial institution for the use of the financial institution's facilities and for client referrals.

#### Householder Group's Use of Solicitors

Householder Group compensates outside professionals or firms, such as attorneys, accountants, or other broker/dealers and investment advisers, for referring your advisory business to Householder Group. These professionals or firms are known as "Solicitors". Householder Group will pay a portion of the advisory fee you pay us to the Solicitor, typically for as long as you maintain an advisory relationship with us, to compensate the Solicitor for the referral. Householder Group will not charge a client who is referred to them by a Solicitor any amount for the cost of obtaining the client that is in addition to the fee normally charged by Householder Group for its investment advisory services. Such solicitation arrangements are disclosed to clients at the time of the solicitation via execution of a Solicitor Disclosure Statement or similar document that outlines the nature and amount of the compensation we pay to the Solicitor and whether or not the Solicitor is affiliated with or related to Householder Group. Solicitors are required to provide prospective clients with a current copy of Householder Group's Form ADV Part 2 no later than the date on which the client enters into an advisory relationship with Householder Group.

#### Other Compensation

Advisory Representatives, Householder Group and its employees receive additional compensation from various vendors, product providers, distributors and others. These providers provide non-monetary compensation by paying some expenses related to training and education, including travel expenses, and attaining professional designations. Investment Adviser from time to time receives payments to subsidize its own training programs. Certain vendors invite Investment Adviser to participate in conferences, on-line training or provide it publications that further its Advisory Representatives and employees' skills and knowledge. Some occasionally provide Investment Adviser gifts, meals and entertainment of reasonable value consistent with industry rules and regulations.

## **Custody**

Householder Group does not take custody except under two conditions which are considered by the Securities and Exchange Commission to be custody because of our authority and ability to transfer funds.

1. Householder Group is deemed to have custody because of our ability to deduct our fees from your account. You will receive a statement at least quarterly direct from the account custodian showing the deduction of our fees from your account. Authorization to deduct our fees from your account is given in the agreement executed between Householder Group and you, the client.
2. Householder Group is deemed to have custody if you establish a standing letter of authorization to direct us to transfer funds or securities from your account to a specified third party and you give us the authorization to change the timing and or the amount of the transfer. Householder Group does not have the ability to change the third party without your written authorization.

Deduction of advisory fees will be made by the qualified custodian holding your funds and securities. Further, the qualified custodian is responsible for delivering a monthly or quarterly account statement directly to you showing all disbursements from the account. You are encouraged to review all account statements for accuracy. Householder Group will receive a duplicate copy of the statement that was delivered to you in order to form a reasonable belief that such statements are being delivered. Clients should carefully review statements received from the broker/dealer or account custodian. Further, clients should compare any written report received from Householder Group with statements received direct from the broker/dealer or account custodian. Should there be any discrepancy the account custodian's report will prevail.

## **Financial Information**

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to you and we have not been the subject of a bankruptcy proceeding.

Householder Group will not require you to prepay more than \$1,200 and six or more months in advance of receiving the advisory service.