

Part 2A of Form ADV
Firm Brochure

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This brochure provides information about the qualifications and business practices of Pension Partners, LLC (hereinafter “Pension Partners” or “firm”). If you have any questions about the contents of this brochure, please contact us at (212) 255-5000 or at solutions@pensionpartners.com. 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. Although the firm is registered with the SEC, such registration does not imply a certain level of skill or training.

Additional information about Pension Partners is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by Pension Partner’s CRD number: 125772.

Item 2 Material Changes

This Item discusses only the material changes that have occurred since Pension Partners' last annual update. The following is a summary of the material changes since that last annual update on March 11, 2019:

- Item 4- Pension Partners, LLC's domicile and principal place of business moved from New York City, New York to San Juan, Puerto Rico. The firm maintains office(s) in New York City, New York.
- Item 10-A description of Lead-Lag Publishing, LLC was added. The publishing firm is owned by Michael Gayed, and offers a weekly newsletter named the Lead-Lag Report, a subscription-based newsletter offered through the Seeking Alpha Marketplace for a fee. Mr. Gayed's activities through Lead-Lag Publishing are separate and distinct from the activities of Pension Partners, however, the firm has engaged with Lead-Lag Publishing to provide limited advertising for the firm, including limited promoting of Pension Partners-advised mutual fund.

Whenever you would like to receive a complete copy of our Brochure, please contact Pension Partners by telephone at (212) 255-5000 or by email at solutions@pensionpartners.com.

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Item 4 Advisory Business

Pension Partners is a fee-based SEC-registered investment adviser with its principal place of business located in San Juan, Puerto Rico and at least one branch office located in New York. The firm has been in business since 1999. Edward Dempsey is the Managing Member and Chief Investment Officer since the firm was founded and was the sole owner through September 2012 when Michael A. Gayed acquired a membership interest. Mr. Gayed has served as the firm's Chief Investment Strategist since September 2010. In August of 2019, Pension Partners appointed Christopher Payne of Key Bridge Compliance, LLC to be the Chief Compliance Officer.

In December of 2019, Pension Partners, LLC changed its domicile and principal place of business from New York to Puerto Rico.

Portfolio Management Services

As part of Pension Partners' *"Portfolio Management Services,"* the firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, the firm develops a client's personal investment policy and creates and manages a portfolio based on that policy. During the data-gathering process, Pension Partners determines the client's individual objectives, time horizons, risk tolerance, and liquidity needs. The firm may also review and discuss a client's prior investment history, as well as family composition and background.

The firm currently provides portfolio management services to clients using model and asset allocation portfolios over which it has discretionary investment authority. The portfolios are designed to meet a particular investment goal. Through personal discussions with the client in which the client's goals and objectives are established, the firm will determine if the portfolio is suitable to the client's circumstances. Once the suitability of the portfolio has been determined, the portfolio will generally be managed based on the portfolio's goal, rather than on each client's individual needs. Clients, nevertheless, can place reasonable restrictions on the types of investments to be held in the client's account and account supervision will be guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients retain individual ownership of all securities.

The model and asset allocation portfolios have featured active rotating allocations to equity and bond ETFs and cash or cash equivalents, depending on the firm's assessment of expected relative outperformance by each asset class. The portfolios invest directly in ETFs.

In order to ensure that the firm's initial determination of an appropriate portfolio continues to be suitable and that the client's account continues to be managed in a manner suitable to the client's financial circumstances, Pension Partners will maintain client suitability information in the client's file. On a quarterly basis, the firm will notify clients in writing to request updated information regarding the client's financial situation and investment objectives and whether the client wishes to impose or modify existing investment restrictions. In addition, the firm will contact clients at

least annually to determine whether there have been any changes in the client's financial situation and whether the client wishes to impose investment restrictions or modify existing restrictions.

Sub-advisory Services

The firm also provides "*Subadvisory Services*" by serving as a subadvisor and/or portfolio manager on either a discretionary or non-discretionary basis for other investment advisers. Those advisers may review portfolio information that Pension Partners provides with respect to the firm's discretionary model and asset allocation portfolios after it has traded for its clients but retain discretionary authority to trade or allocate client assets for the firm to manage on a discretionary basis. Under these arrangements, the primary investment advisers and their clients retain all responsibility for determining amounts to allocate to portfolios that Pension Partners manages or that are managed using portfolio information the firm provides.

Advice With Respect to Particular Matters or Investments

Pension Partners may also provide additional advice which is investment advisory in nature (i.e., opinions relating to liabilities, cash flow, risk management, and various other financial planning issues), but does not consider itself a financial planner or provider of general financial services beyond the scope of services as outlined in the firm's advisory agreement(s).

The firm's investment recommendations are not limited to any specific product or service offered by a broker dealer or insurance company and will generally include advice regarding exchange-listed and over-the-counter securities, no-load mutual funds, exchange traded funds, warrants, corporate debt securities, municipal securities, United States governmental securities, certificates of deposit, and commercial paper. The firm may also recommend to advisory clients investments in private placement offerings and/or limited investment partnerships, such as, hedge funds and other pooled investment partnerships. Additional information about the fees related to such investments is included in the offering documents provided to prospective investors. Because these types of investments involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Pension Consulting Services

Pension Partners also provides several advisory services separately or in combination. While the primary clients for these services will be pension, profit sharing, and 401(k) plans, the firm will also offer these services, where appropriate, to individuals, trusts, estates, and charitable organizations. "*Pension Consulting Services*" are comprised of four distinct services. Clients may choose to use any or all of these services.

(1) Investment Policy Statement ("IPS") Preparation:

The firm will meet with the client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. The firm will then prepare a written IPS stating those

needs and goals and encompassing a policy under which these goals are to be achieved. The IPS will also list the criteria for selection of investment vehicles and the procedures and timing interval for monitoring of investment performance.

(2) *Selection of Investment Vehicles:*

The firm will assist plan sponsors in constructing asset allocation models and review various investments to determine which investments are appropriate to implement the client's IPS. The firm will review various investments, consisting exclusively of mutual funds (both index and managed) to determine which of these investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS. As of December 31, 2019, Pension Partners overseas investment options for approximately \$144,065,641 million of retirement plan assets.

(3) *Monitoring of Investment Performance:*

The firm will monitor client investments continuously, based on the procedures and timing intervals delineated in the IPS. Although the firm will not be involved in any way in the purchase or sale of these investments, it will supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

(4) *Employee Communications:*

For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), the firm may also provide quarterly educational support and investment workshops designed for the plan participants. The nature of the topics to be covered will be determined by Pension Partners and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will not provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

ATAC Inflation Rotation Fund

During 2012, Pension Partners sponsored the organization of the ATAC Inflation Rotation Fund ("The Fund") mutual fund, a series of the Managed Portfolio Series (the "**Trust**"). The firm serves as the Fund's investment adviser and Mr. Dempsey and Mr. Gayed are the Fund's Co-Portfolio Managers on behalf of the firm. The Fund's Prospectus and a Statements of Additional Information are a part of the Trust's Registration Statement filed with the SEC. Copies of the Trust's complete Registration Statement may be obtained from the SEC upon payment of the prescribed fee or may be accessed free of charge at the SEC's website at www.sec.gov. Information about the Fund is also available at <https://www.atacfunds.com/index.htm>

Assets Under Management

The Firm manages \$76,517,666 in client assets on a discretionary basis as of 12/31/2019. Our firm also advises with respect to investment options for \$144,065,641 of retirement plan assets over which the firm does not have discretionary or non-discretionary investment authority, for a total of \$220,583,307 combined regulatory assets under management and under advisement as of December 31, 2019.

Item 5 Fees and Compensation

Portfolio Management Service Fees

Pension Partners' fees for Portfolio Management Services are based upon a percentage of assets under management and currently range from 1.00% - 2.00%, based on the terms of each client's advisory contract. However, clients are not charged a direct advisory fee with respect to amounts invested in the Fund as part of its Portfolio Management Services. They do pay the firm an advisory fee indirectly, as well as bearing a portion of other Fund expenses, as described below under "Mutual Fund and ETF Fees and Expenses." Depending on the particular arrangement with each client, the firm will either invoice clients or directly debit their custodial accounts. Fees for related accounts pay a discounted rate.

Subadvisory Services

The firm's fees for Sub-advisory Services are a portion of the fees payable to the primary adviser by its clients and range between annualized rates of 0.75% to 1% of net assets. The methods of calculation and payment will vary depending on the primary adviser's arrangements with their clients.

Pension Consulting Services Fees

The firm's fees for Pension Consulting Services are based upon a percentage of assets under advisement, according to the following schedule:

<u>Assets under Advisement</u>	<u>Annual Fee (%)</u>
\$0 - \$999,999	1.00%
\$1,000,000 - \$1,999,999	0.75%
\$2,000,000 - \$2,999,999	0.50%
\$3,000,000 - and over	0.33%

Fees in General

Depending on the terms of the contractual agreement with each client, fees are billed in advance at the beginning of each quarter, based either upon the average of the last day of each month of the previous calendar quarter, pro-rated for additions and withdrawals, or based on the value of the portfolio as of the last day of the preceding quarter, pro-rated for additions and withdrawals.

Fees and account minimums 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 and friends. The firm may also waive the fees of a new client for a period of time to promote its services.

The firm may group certain related client accounts for the purposes of determining the account size and/or annualized fee.

Under no circumstances will Pension Partners earn fees in excess of \$1,200 more than six months in advance of services rendered.

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, an advisory agreement may be terminated by either party at any time without penalty upon delivery of written notice. Such termination shall not, however, affect liabilities or obligations incurred or arising from transactions initiated prior to such termination, including the provisions regarding arbitration, which shall survive any expiration or termination. Upon termination of any account, any prepaid, unearned fees will be promptly refunded on a pro-rated basis, and any earned, unpaid fees will be due and payable.

Mutual Fund and ETF Fees and Expenses

All fees paid to the firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders, except that client Portfolio Management Service account allocations to the Fund are not charged a direct firm advisory fee. The fees and expenses of the Fund and other mutual funds and ETFs are each described in their respective 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 an ETF directly, without the services of Pension Partners. In that case, the client would not receive the services provided by the firm which are designed, among other things, to assist the client in determining which mutual fund or 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 the firm to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Brokerage and Custodian Fees

In addition to advisory fees paid to Pension Partners, clients will also be responsible for all transaction, brokerage, and custodian fees incurred as part of their account management. Please see Item 12 of this Brochure for important disclosures regarding Pension Partners' brokerage practices.

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

Pension Partners does 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

In addition to the Fund, the Pension Partners generally provides advisory services to individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, and other business entities.

The firm generally requires a minimum of \$1,000,000 of assets under management for separately managed account investment supervisory services. However, this minimum account size is negotiable under certain circumstances.

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

Pension Partners employs fundamental, technical, and charting analysis to formulate client recommendations.

Fundamental Analysis: Fundamental analysis of a business involves analyzing its income statement, financial statements and health, its management and competitive advantages, and its competitors and markets. Fundamental analysis school of thought maintains that markets may mis-price a security in the short run but that the "correct" price will eventually be reached. Profits can be made by trading the mis-priced security and then waiting for the market to recognize its "mistake" and re-price the security. However, 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. Therefore, unforeseen market conditions and/or company developments may result in significant price fluctuations that can lead to investor losses.

Technical Analysis: Technical analysis seeks to identify price patterns and trends in financial markets and attempt to exploit those patterns. The firm follows and examines such indicators as price, volume, moving averages of the price, and market sentiment.

Charting: In this type of technical analysis, the firm reviews charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

Since technical analysis predictions are only extrapolations from historical price patterns, investors bear risk that these patterns will not reoccur as expected. Moreover, technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly managed or financially unsound company may underperform regardless of market movement.

Risks for all forms of analysis: Pension Partners' securities analysis method relies on the assumption that the companies whose securities the firm purchases and sells, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While the firm is alert to indications that data may be incorrect, there is always a risk that its analysis may be compromised by inaccurate or misleading information.

The firm employs the following investment strategies to implement investment advice given to clients:

Leverage

Leverage may be used in investment and trading, generally through purchasing inherently leveraged instruments such as exchange-traded funds. The prices of leveraged instruments can be highly volatile, and investments in leveraged instruments may, under certain circumstances, result in losses that exceed the amounts invested.

Long-term purchases: The firm purchases securities with the idea of holding them in the client's account for a year or longer. The firm may do this because it believes the securities to be currently undervalued. The firm may do this because it wants exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, the firm may not take advantages of short-term gains that could be profitable to a client. Moreover, if the firm's predictions are incorrect, a security may decline sharply in value before it makes the decision to sell.

Short-term purchases: The firm also purchases securities with the idea of selling them within a relatively short time (typically a year or less). The firm does this in an attempt to take advantage of conditions that it believes will soon result in a price swing in the securities the firm purchases.

A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, the firm is left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Option writing: The firm may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

Pension Partners may use options to speculate on the possibility of a sharp price swing. The firm may also use options to “hedge” a purchase of the underlying security; in other words, the firm may use an option purchase to limit the potential upside and downside of a security it has purchased for the client’s portfolio.

Pension Partners may use “covered calls”, in which the firm may sell an option on security a client owns. In this strategy, the client receives a fee for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price.

A risk of covered calls could be that the option buyer does not have to exercise the option, so that if the firm wants to sell the stock prior to the end of the option agreement, it must buy the option back from the option buyer, for a possible loss.

Pension Partners may use a “spreading strategy”, in which the firm may purchase two or more option contracts (for example, a call option that the client buys and a call option that a client sells) for the same underlying security. This effectively puts the client on both sides of the market, but with the ability to vary price, time, and other factors.

A risk of spreading strategies could be that the ability to fully profit from a price swing is limited.

Clients should understand that investing in any security, including mutual funds and ETFs, involves a risk of loss of both income and principal.

Item 9 Disciplinary Information

Pension Partners has no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Pension Partners is not a registered broker-dealer and does not have an application pending to register as a broker-dealer. Furthermore, none of the firm’s management persons are registered as representatives of, or have an application pending to register as representatives of a broker-dealer. The firm has claimed an exclusion from the definition of “commodity pool operator” (“CPO”) under the Commodity Exchange Act (“CEA”) and the rules of the CFTC and, therefore, is not subject to CFTC registration or regulation as a CPO with respect to the Mutual Fund. In addition, with respect to the Fund, the Adviser is relying upon a related exclusion from the definition of “commodity trading advisor” under the CEA and the rules of the CFTC. Furthermore, none of the firm’s management persons are registered as, or have applications pending to register as an associated person of the foregoing entities.

The Firm does not have any other arrangements that are material to its advisory business or its clients with a related person who is a broker-dealer, investment company, other investment advisor, financial planning firm, commodity pool operator, commodity trading advisor or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company

or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships other than those already disclosed herein.

Michael Gayed, a minority owner in Pension Partners, LLC, also owns and operates a firm named Lead-Lag Publishing, LLC. Lead-Lag Publishing, LLC produces a quarterly newsletter named the Lead-Lag Report, a subscription-based newsletter offered through the Seeking Alpha Marketplace. The Lead-Lag Report is a weekly newsletter that seeks to provide subscribers with actionable market signals and analysis that they can apply to their own investing decisions. The Lead-Lag Report delivers weekly analysis on different market segments and potential risk or return opportunities and seeks to identify market direction signals that may help subscribers to position their portfolio appropriately. Mr. Gayed's activities through Lead-Lag Publishing are separate and distinct from the activities of Pension Partners, however, the firm has engaged with Lead-Lag Publishing to provide limited advertising for the firm. We do not believe Mr. Gayed's activities present a conflict of interest.

Michael Gayed is also the owner Felix Culpa Publishing, LLC. The company is not directly investment-related and does not involve a substantial amount of Mr. Gayed's time nor does it represent 10% or more of his income.

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

Code of Ethics Disclosure

Pension Partners has adopted a Code of Ethics which sets forth high ethical standards of business conduct that the firm requires of its employees and other supervised persons, including compliance with applicable federal securities laws. Among other things, the Code of Ethics requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering and the disclosure of conflicts of interest with respect to any particular transaction and prohibits recommending or trading securities based on material nonpublic information. None of the firm's employees or other supervised persons may recommend any securities transactions for a client without having disclosed his or her interest, if any, in such securities or the issuer thereof, including without limitation:

- any direct or indirect beneficial ownership of any securities of such issuer;
- any contemplated transaction by such person in such securities;
- any position with such issuer or its affiliates; and
- any present or proposed business relationship between such issuer or its affiliates and such person or any party in which such person has a significant interest.

The firm's code provides for oversight, enforcement and recordkeeping provisions. A copy of our Code of Ethics is available to advisory clients and prospective clients upon request to the Chief Compliance Officer at the firm's principal office address.

The firm or individuals associated with the firm may also buy or sell the same securities recommended to or purchased for customers for their personal accounts. In addition, persons related to employees and other associated persons may have an interest or position in a certain

security which may also be recommended to a client. This practice could give the firm 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 address these potential conflicts of interest, Pension Partners has established trading restrictions. When the purchase or sale of a security is under active consideration for Pension Partners' client accounts, no employee or other supervised person may purchase or sell that security until those clients' purchases have been completed, unless all of the orders are executed together, with all those participating receiving allocations at the same price and sharing costs proportionately.

Item 12 Brokerage Practices

Pension Partners does not have any formal or informal soft-dollar arrangements and does not receive any soft-dollar benefits.

The firm does not request or accept the discretionary authority to determine the broker dealer to be used for client accounts. Clients must direct us as to the broker dealer to be used for all client securities transactions. In directing the use of a particular broker or dealer, it should be understood that the firm will not have authority to negotiate commissions among various brokers, and best execution may not be achieved, resulting in higher transaction costs for clients.

The firm participates in the Fidelity Institutional Wealth Services Program (hereinafter, "**FIWS**") sponsored by Fidelity Brokerage Services LLC (hereinafter, "**Fidelity**"), member FINRA/NYSE/SIPC. Clients in need of brokerage and custodial services will have Fidelity recommended to them. While there is no direct linkage (except in certain circumstances) between the investment advice given to clients and the firm's participation in the FIWS program, the firm receives economic benefits which would not be received if it did not give investment advice to clients. These benefits include: A dedicated trading desk that services FIWS participants exclusively, a dedicated service group and an account services manager dedicated to the firm's accounts, access to a real-time order matching system, ability to 'block' client trades, electronic download of trades, balances and positions, access, for a fee, to an electronic interface with FIWS' software, duplicate and batched client statements, confirmations and year-end summaries, the ability to have advisory fees directly debited from client accounts (in accordance with federal and state requirements), availability of third-party research and technology, a quarterly newsletter, access to Fidelity mutual funds, access to AdvisorChannel.com (internet access to statements, confirmations and transfer of asset status), access to Account View (through which clients may access their account information over the internet via our website), access to over 350 mutual fund families and 4,500 mutual funds NOT affiliated with Fidelity, of which over 2,000 have no transaction fee, ability to have loads waived for our clients who invest in certain Fidelity loaded funds, when certain conditions are met and maintained and the ability to have custody fees waived (when negotiated by the adviser and allowed under certain circumstances).

The benefits the firm receives through participation in the FIWS program may depend upon the amount of transactions directed to, or amount of assets custodied by, Fidelity.

Participation in the FIWS program results a potential conflict of interest for the firm, as the receipt of the above benefits creates an incentive for the firm to recommend Fidelity to clients.

Nonetheless, Pension Partners has reviewed the services of Fidelity and recommends the services based on a number of factors. These factors include the professional services offered, commission rates, and the custodial platform provided to clients. While, based on the firm's business model, it will not seek to exercise discretion to negotiate trades among various brokers on behalf of clients, the firm will, however, periodically attempt to negotiate lower commission rates for its clients with Fidelity.

With respect to sub-advised clients, the firm utilizes the services of the broker/custodian recommended by the Primary Adviser.

Best Execution

On at least an annual basis, Pension Partners' senior executives evaluate the pricing and services offered by all custodians utilized and other trading counterparties with those offered by other reputable firms. Pension Partners has sought to make a good-faith determination that all custodians, and other chosen trading counterparties, provide clients with good services at competitive prices. However, clients should be aware that this determination could have been influenced by Pension Partners receipt of products and services from all custodians. Historically Pension Partners has concluded that the custodians they have selected to work with are as good as, or better than, the other firms that have been considered. Pension Partners would notify its clients if it were to determine that another brokerage firm offers better pricing and services than the custodians they have selected.

Trade Aggregation

As a matter of policy and practice, the firm generally block trades client accounts jointly rather than implementing client transactions separately for each account. Each client receives average pricing with respect to the corresponding block trades and shares proportionately in transaction costs.

Item 13 Review of Accounts

Investment Supervisory Services

Edward Dempsey, Managing Member, will continuously monitor the underlying securities in client accounts and perform at least monthly reviews of account holdings for all clients. Mr. Dempsey will review individually tailored accounts for consistency with client investment strategy, asset allocation, risk tolerance and performance relative to the appropriate benchmark. Mr. Dempsey will review model portfolio accounts in the context of the investment objectives and guidelines of the model portfolio as well as any investment restrictions provided by the client. More frequent reviews may be triggered by changes in an account holder's personal, tax or financial status. Economic and macroeconomic specific events may also trigger reviews.

In addition to the monthly statements and confirmations of transactions that clients receive from their broker dealer, the firm will provide quarterly performance reports.

Pension Consulting Services

Edward Dempsey will review clients' investment policy statements whenever clients indicate a change in circumstances regarding the needs of the plan. He will also review the investment options of the plan according to the agreed upon time intervals established in the investment policy statement. Such reviews will generally occur quarterly.

These clients will receive reports as contracted for at the inception of the advisory relationship.

Item 14 Client Referrals and Other Compensation

The firm does not receive additional compensation from third parties for providing investment advice to its clients, except that under some of its sub-advisory Service arrangements the fees paid to the firm by the primary adviser are increased if the firm refers the particular client to them. Any referred client under one of those arrangements will receive specific disclosures in accordance with SEC Rule 206(4)-3. Pension Partners does not compensate directly or indirectly any person who is not a supervised person for client referrals.

Item 15 Custody

The firm does not take or provide custody of its clients' assets. For the purpose of deducting advisory fees directly from the firm's clients' accounts, it does have limited authority as consented to by our clients. This arrangement may be construed as custody. Pension Partners urges all of the firm's management clients to carefully review and compare their quarterly reviews of account holdings and/or performance results to those they receive from their custodian.

Item 16 Investment Discretion

For clients granting Pension Partners discretionary authority to determine which securities and the amounts of securities that are to be bought or sold for their account(s), the firm requests that such authority be granted in writing, typically in the executed advisory agreement.

Should the client wish to impose reasonable limitations on this discretionary authority, such limitations shall be included in this written authority statement. Clients may change/amend these limitations as desired. Such amendments must be submitted to the firm by the client in writing.

Item 17 Voting Client Securities

As a matter of firm policy, Pension Partners does not vote proxies on behalf of clients. Therefore, although the firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating

to the client's investment assets. The firm does not offer any consulting assistance regarding proxy issues to clients.

The firm 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, Pension Partners will make commercially reasonable efforts to forward such notices in a timely manner.

Item 18 Financial Information

Under no circumstances will Pension Partners earn fees in excess of \$1,200 more than six months in advance of services rendered.