



# **SPECTRUM CAPITAL INVESTMENT GROUP, INC.**

## **FIRM BROCHURE ADV PART 2A**

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**Dated March 25, 2020**

This ADV Part 2A Firm Brochure provides information about the qualifications and business practices of Spectrum Capital Investment Group, Inc. Spectrum Capital Investment Group, Inc. is a Registered Investment Adviser. Registration of an investment adviser does not imply any level or skill or training and no inference to the contrary should be made. Please contact us at (949) 597-0101 or [ben@spectrumcapitalinvest.com](mailto:ben@spectrumcapitalinvest.com) if you have any questions about the contents of this brochure.

Additional information about Spectrum Capital Investment Group Inc is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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.

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## Item 2 Material Changes

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Spectrum Capital Investment Group, Inc. (“Spectrum” or the “Firm”) has updated our ADV Part 2A Disclosure Brochure to reflect the following change(s) since our last annual updating amendment on March 29, 2019:

- Updated amount of assets under management in Item 4
- Effective in January of 2020, Mr. Putman transferred his ownership interest to Putman Financial Services, Inc. where he still remains the sole owner of Spectrum with no change in management or control

Spectrum encourages each client to read the current version of this Brochure carefully and to call us with any questions.

Pursuant to SEC rules, Spectrum will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of Spectrum’s fiscal year-end. Additionally, as the Firm experiences material changes in the future, we will send you a summary of our “Material Changes” under separate cover. For more information about the firm, please contact us at (949) 597-0101.

Additional information about Spectrum and its investment adviser representative is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## Item 4 Advisory Business

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### A. Description of Firm and Principal Owners

Spectrum Capital Investment Group, Inc. ("Spectrum"), a state Registered Investment Adviser, provides customized investment management services to individuals, businesses, pensions, trusts, and/or estates. Spectrum has been in business since August of 2005 and Mr. Benjamin R. Putman has been the sole owner for this period of time either directly or through Putman Financial Services, Inc. Spectrum is currently registered with the Securities Exchange Commission ("SEC") as a Registered Investment Adviser ("RIA").

### B. Types of Advisory Services Offered

#### 1. Investment Management Services

At the onset of the client relationship, Spectrum typically collects information pertaining to each client's investment objectives, risk tolerance, investment guidelines, time horizons and other important and necessary information. Should anything in the Client's Profile or Investment Policy Statement change due to various circumstances, it is the Client's responsibility to notify Spectrum in writing as soon as possible. Spectrum does not assume responsibility for the accuracy of the information provided by the client and is not obligated to verify any information received from the client or from any of the client's other professionals (e.g., attorney, accountant, etc.). Spectrum generally will meet with all clients no less than annually to review the client's investment goals and current advisory portfolios.

Spectrum provides discretionary investment management services on a continuous basis. The investment advice we provide is customizable, with each client's portfolio separately managed based upon the needs, objectives, and other financial goals of our clients. Such advice will typically involve providing a variety of services and include investment buy/sell recommendations, asset allocation, recommendation of independent advisers, and the selection of mutual funds and/or securities for the client's portfolio.

Spectrum utilizes various instruments, including stocks, bonds, REITs, exchange traded funds and mutual funds to achieve asset allocation while constructing an investment portfolio based upon the client's investment objectives. Upon the client's request, Spectrum may continue to hold individual securities that the client brought into the portfolio at the account's inception.

#### 2. Financial Planning Services

Spectrum offers financial planning services to non-advisory clients. Hourly fee basis or fixed fee plans are available for Client preference. Generally, a financial planning agreement will be signed before services commence. Financial planning consists of assisting Client in defining personal financial planning goals and objectives in applicable areas which include, but are not limited to: cash flow projections, budgeting, business planning, divorce planning, retirement planning, tax planning, estate planning, investment planning, children's education, insurance coverage review, long-term care insurance review, investment account aggregation advice and others.

Client may not wish to engage in the financial planning portion of our service but these services are available to you on an hourly or flat-fee basis. If a conflict of interest exists between the interest of Spectrum and the interest of Client, Client is under no obligation to act upon Spectrum's recommendation. If Client elects to act on any of the recommendations, Client is not obligated to affect the transaction through Spectrum.

#### 3. Private Placements

Spectrum may provide investment advice and due diligence regarding certain privately-issued securities for accredited investors. Spectrum will collect all available information- marketing materials, auditing reports, balance sheets, offering memorandum, subscription agreement, review historical records and assess opportunities and risk for existing and future investments. Spectrum will prepare pertinent due diligence questions and evaluate responses, such as time horizon. When applicable, Spectrum will interview managers and/or make site visits. Due diligence will include annual client meetings and will continue throughout the duration of the investment. Because investment in these types of entities may 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.

#### **4. Use of Third Party Advisers ("TPAs")**

Dependent upon the client's needs or objectives, Spectrum may recommend the services of an independent Third-Party Adviser ("TPA") to manage a portion of their portfolio. Typically, this involves the selection of certain wrap-fee programs, or money managers which may enter into a separate agreement with Spectrum.

Spectrum's recommendations regarding the suitability of a TPA and its investment style is based on, but not limited to, the client's financial needs, long-term goals, and investment objectives. Upon selection of a TPA, Spectrum will conduct periodic due diligence ensure that the TPA's performance, portfolio strategies and management remain aligned to the client's overall investment goals and objectives. Spectrum will retain discretionary authority to hire and fire TPAs and reallocate the client's assets to other TPAs, where such action is deemed to be in the best interest of the client.

Clients may be required to sign a separate investment management agreement directly with the TPA(s) selected, in addition to the advisory agreement signed with Spectrum. The client, Spectrum or the TPA, in accordance with the provisions of those agreements, may terminate the advisory relationship at any time. If the TPA is compensated in advance, the client will typically receive a pro-rata refund of any prepaid advisory fees upon termination.

Should Spectrum select a TPA to manage a portion of the client's portfolio, Spectrum will instruct the TPA to deliver a copy of the TPA's Form ADV Part 2A (or other similar Client Brochure) to the client at the time of appointing the TPA. Spectrum will periodically review the Form ADV Part 2A delivery process of all TPAs as part of its on-going due diligence efforts.

#### **5. Pension Consulting Services**

Spectrum offers pension-consulting services to qualified and non-qualified retirement and deferred compensation plans. In general, these services may include the review and/or development of an Investment Policy Statement ("IPS"); analysis, review and recommendation of investment selections; asset allocation advice; communication and education services where Spectrum assists the plan sponsor in providing meaningful information regarding the retirement plan to its participants; investment performance monitoring and/or ongoing consulting. The plan fiduciary is free to seek independent advice about the appropriateness of any recommended services for the plan.

### **C. Client Agreements and Disclosures**

Each client is required to enter into a written agreement with Spectrum setting forth the terms and conditions under which the Firm shall render its services (the "Agreement"). In accordance with applicable laws and regulations, Spectrum will provide its disclosure brochure (ADV Part 2A), brochure supplement (ADV Part 2B) and most recent Privacy Notice to each client prior to or contemporaneously with the execution of the Agreement. The Agreement between Spectrum and the Client will continue in effect until terminated by either party pursuant to the terms of the Agreement. Spectrum's fees (as discussed below) shall be prorated through the date of termination and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner.

Neither Spectrum nor the client may assign the Agreement without the consent of the other party. Transactions that do not result in a change of actual control or management of Spectrum shall not be considered an assignment.

As further discussed in Item 15 below, client's assets will be custodied with a qualified custodian. All custodial and execution fees assessed for client's assets remain the sole responsibility of client.

### **D. Participation in Wrap Programs**

Spectrum does not serve as the sponsor and/or sub-adviser to any wrap programs at this time.

### **E. Amount of Client Assets Managed**

As of March 6, 2020, Spectrum manages \$144,552,578 on a discretionary basis.

Spectrum Capital Investment Group Inc. also provides investment consultant services to participants in defined-contribution and defined-benefit retirement plans whose employers (plan sponsors) have contracted with Spectrum to provide such services to them. Spectrum utilizes third party plan administrators for retirement plan design and compliance and may use TPA for the investment management and record-keeping services.

## Item 5 Fees and Compensation

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### A. Compensation for Investment Management Services

The advisory fees for our clientele may differ dependent upon the client's selection of either Spectrum or a TPA for its investment management services.

Clients who select Spectrum's Investment Management Services will be charged an annual Management Fee based upon assets under management calculated as of the last day of the calendar quarter. All fees are billed quarterly in arrears, are deducted directly from the client's account, and are based on the combined size of assets under management as outlined below:

**Table 1** below represents Spectrum's fee schedule for its investment advisory services:

<u>Assets Under Management</u>	<u>Annual Fee</u>
\$0 - \$250,000	2.00%
\$250,001 - \$500,000	1.80%
\$500,001 - \$750,000	1.50%
\$750,001 - \$1,000,000	1.25%
\$1,000,001 - \$1,500,000	1.00%
\$1,500,001 - \$2,500,000	0.80%
\$2,500,001 - \$5,000,000	0.60%
Over \$5,000,000	0.50%

**Table 2** below represents Spectrum's fee schedule for defined-contribution and defined-benefit retirement plan services if an outside record-keeper is utilized. These fees do not include the record-keeping fee:

<u>401(k) Assets Under Management</u>	<u>Annual Fee</u>
\$0 - \$500,000	0.95%
\$500,001 - \$1,000,000	0.85%
\$1,000,001 - \$1,500,000	0.65%
\$1,500,001 - \$2,500,000	0.50%
Over \$2,500,001	0.45%

Please note if a brokerage window is utilized for defined-contribution and defined-benefit retirement plan services, the Table 1 management fees above apply.

Advisory fees are negotiable and arrangements with any particular client may differ from those described above. In addition, for family and friends of the firm, Spectrum may, in its sole discretion, waive management fees in their entirety. Although Spectrum believes its advisory fees are competitive, lower fees for comparable services may be available from other sources.

Clients who elect to use a Third Party Adviser ("TPA") should understand that the advisory fees assessed will vary dependent upon the TPA selected, the size of the account and the services provided. Should clients select a TPA for its investment management services, the TPA will provide a separate investment management agreement outlining its fees. The fees charged by the TPA will include a portion which is delegated to Spectrum for its advisory services. Typically, this will be deducted from the client's account with its custodian. For information regarding the TPA's minimum account size, requirements, management services and associated advisory and referral fees, please refer to the TPA's client disclosure brochure and other TPA materials.

As a part of the diversified investment selection process, the client may be recommended an allocation mix that includes illiquid and/or passive investments, such as REITs. Spectrum charges advisory fees on such illiquid and/or passive investments. For investments whereby the client has engaged and paid for the Firm's due diligence services (as described in Item 4.B.3. above, Private Placements), the Firm shall not charge an additional fee on the subscribed investments subject to these services as part of the engagement. Recommendations generally are only made if they are

in the best interests of the client.

The client is responsible for selecting a qualified custodian for holding portfolio assets. In accordance with the client's Agreement, payment of Spectrum's advisory fees will be made by the qualified custodian directly from the client's account upon receipt of Spectrum's quarterly invoice, unless otherwise noted. Further, the qualified custodian agrees to deliver an account statement, at least quarterly, to the client and Spectrum, showing all disbursements, including Spectrum's advisory fees, deducted from the account. The client is encouraged to review all account statements for accuracy.

Should a client open an account during a quarter, the Firm's investment management fee will be prorated based on the number of days the account was open during the quarter. If Spectrum or the client terminates the agreement under which Spectrum provides its Investment Management Services to the client mid-quarter, Spectrum will deduct its fees a pro-rata basis effective as of the date Spectrum receives the notice of termination.

The Firm may amend its standard fee schedule at any time by giving thirty (30) days advanced written notice to clients.

#### **B. Financial Planning and Consulting**

Clients who would like to engage in financial planning services may choose between an hourly rate or a fixed fee plan. Hourly rates are \$375 per hour for a CFP®/ChFC® and \$175 per hour for a Spectrum staff member. Flat fee plans start at \$2,000 for the first-year annual fee based on the plan chosen by Client. Financial plans will require upfront payment due upon receipt of signed financial planning agreement.

#### **C. Private Placements**

Spectrum charges a fixed fee according to the tiered schedule indicated below. The initial investment is calculated as the net equity subscription amount before the deduction of the due diligence fixed fee. Incremental amounts within each tiered bracket will be prorated based on the applicable fixed fee bracket. Fee is due as a one-time payment upon investment.

<b>Initial Investment</b>	<b>Fixed Fee</b>
<b>First \$1,000,000</b>	\$50,000
<b>Next \$500,000</b>	\$22,500
<b>Next \$500,000</b>	\$20,000
<b>Next \$500,000</b>	\$17,500
<b>Amounts Above \$2,500,000</b>	\$15,000 per \$500,000

#### **D. Outside Compensation**

Spectrum associated persons who recommend clients to contact the PUTMANGROUP or to certain IARs of Spectrum who serve as either Agents of various insurance companies, do not receive any direct compensation from this recommendation. Recommendations generally are only made if they are in the best interests of the client. Conversely, while such companies and individuals may from time to time refer its clients to Spectrum, Spectrum does not pay any referral fees or other forms of compensation for that referral. Please see Item 10 below for additional information concerning the relationship between Spectrum and such other firms.

Spectrum's President, Benjamin R. Putman and associated persons may provide tax planning, tax preparation, accounting, bookkeeping and business consultation services through The PUTMANGROUP for which they may receive remuneration.

Due to these arrangements, if in the course of providing advisory services to a client, a Spectrum IAR determines that a client may require other services, he or she may recommend that such client contact the above referenced companies and individuals to receive such services. This produces a potential conflict of interest because Mr. Putman and other associated persons of Spectrum may receive additional compensation for (and in the case of Mr. Putman, profits earned) on providing such services. However, such recommendations generally are made only if they are in the best interests of the client. Clients are under no obligation to use the services of the PUTMANGROUP or any of the insurance companies in which such Agents are associated. Please see Item 10 below for additional information.

Spectrum routinely utilizes the AssetMark platform to select third party asset strategists to manage client portfolios. As part of this relationship, AssetMark provides a quarterly marketing allowance of \$2,500 each quarter to Spectrum. This presents a conflict of interest in that Spectrum may recommend utilizing TPAs and receive an economic benefit. Spectrum's recommendations regarding the suitability of a TPA and its investment style is based on, but not limited to, the client's financial needs, long-term goals, and investment objectives. Clients are under no obligation to implement advisory recommendations.

#### **E. Other Fees and Expenses**

Other fees that may be incurred by the client include the cost of trading (a fee imposed and paid to the custodian of the account), and in some circumstances, there can be additional custodian fees linked to non-traded investments. Additional fees that may be incurred by the client include expenses tied to mutual funds.

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

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Not applicable to Spectrum. The Firm currently does not charge performance-based fees (i.e., fees calculated based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client). Consequently, the Firm does not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as assets under management). As described above, the Firm provides investment advisory services for a fee based upon the percentage of assets under management, in accordance with applicable rules or regulations.

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

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Spectrum provides customized investment management services to individuals, businesses, pensions, trusts, estates and/or charitable organizations.

Generally, Spectrum only manages accounts on a discretionary basis. Should a Client request, Spectrum may provide these services on a non-discretionary basis. Spectrum and most TPA's have a minimum account requirement of US\$50,000, but this is negotiable. However, this sum can be achieved by aggregating separate accounts of individual clients within the same household. The minimum account level may be waived at the sole discretion of Spectrum. The Firm reserves the right to accept or decline a potential client for any reason in its sole discretion.

There may be times when certain restrictions are placed by a client, which prevents Spectrum from accepting or continuing to manage the client's account. Spectrum reserves the right to not accept and/or terminate management of a client's account if it feels that the client imposed restrictions which would limit or prevent it from meeting and/or maintaining its overall investment strategy.

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

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#### **A. Methods of Analysis and Investment Strategies**

Generally, Spectrum uses a variety of analytical information to assist with its security analysis. Such information may include fundamental and technical analysis, and from time to time cyclical analysis.

- *Fundamental analysis* seeks to determine the intrinsic value of a security by examining the related economic, financial and other qualitative and quantitative factors. This includes the overall economy, industry conditions, and the financial condition and management of the company itself. 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 security.
- *Technical analysis* attempts to forecast the future movement of a security through the study of past market data, primarily price and volume. It focuses on charts of price movement to identify trends and recurring patterns of investor behavior and potential predict future price movement. 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.

- *Cyclical analysis* is a type of technical analysis asserting that cyclical forces, both long and short, drive price movements in the financial markets. It measures the movements of a particular stock against the overall market in attempt to predict the price movement of the security.

The primary sources of information used by Spectrum include market news reports, financial publications, corporate rating services, outside research reports, annual reports, prospectuses, SEC filings and company press releases. Spectrum implements both strategic and tactical investing. All clients are strategically invested based on multiple factors such as risk tolerance and time horizon; from these factors, we place clients into a portfolio model meeting their selected risk tolerance and invest accordingly.

The Firm may also utilize TPAs to manage all or a portion of client's assets pursuant to a specific investment strategy. In taking into account whether to invest client assets with certain TPAs, the Firm takes into consideration a variety of factors, and analyzes the TPAs for style consistency, investment strategies, risk attribution (if available) and historical performance. The Firm also considers information about the TPAs as represented in its disclosure brochure, promotional and other materials supplied by the TPA. The Firm also considers both quantitative and qualitative factors including, but not limited to, the respective TPA's performance during various time periods and market cycles; the TPA's reputation, experience and training; its articulation of, and adherence to, its investment philosophy; the presence and deemed effectiveness of the TPA's risk management discipline; the structure of the TPA's portfolio and the types of securities or other instruments held; its fee structure; interviews with the TPA; the quality and stability of a TPA's organization, including internal and external professional staff; and whether the TPA has a substantial personal investment in the investment program it pursues.

## **B. Risks of Loss**

Before participating in any program or investing in any asset class, clients should discuss their tolerance for risk with their advisor and carefully consider the risks associated with the investment by reviewing the prospectus, offering memorandum or disclosure brochure prepared by the issuing company. Equity securities markets experience varying degrees of volatility. Investing in securities involves risk of loss that clients should be prepared to bear. Short term trading strategies may impact performance when transaction costs are incurred. The following describes common characteristics of risk associated with specific types of investments that may be recommended in Client accounts.

The first stage of Spectrum's advisory services involves the completion of a Client Profile Form ("CPF"). The CPF outlines the Client's overall investment guidelines, restrictions and portfolio objectives in relation to all Client assets to be managed by Spectrum under this Agreement (hereinafter referred to as the "Account").

To begin this process, Spectrum will interview the Client to gather certain necessary information, including pertinent documentation in order to manage the Account. Once provided, Spectrum will complete the CPF which the Client will need to approve. The CPF also will capture the investment objectives, risk tolerance, investment guidelines, time horizons and other important and necessary information relating to the Client's Account. After completion and approval of the CPF, Spectrum will commence its investment management services in relation to the Account.

At any time, the Client may notify Spectrum of circumstances which may affect the investment guidelines, taxation treatment, time horizon investment restrictions and portfolio objectives as set forth in the CPF. Thereafter Spectrum will document such notification and use its best efforts to rebalance the Account accordingly.

The Client further understands and acknowledges that Spectrum will rely solely upon the contents of the CPF as amended by subsequent notifications at all times. Furthermore, the Client understands that the responsibility to update changes to the investment guidelines, taxation treatment, time horizon investment restrictions and portfolio objectives rests solely with the Client. Consequently, the Client agrees to indemnify Spectrum for any liability incurred by reason of any inaccurate information provided by the Client. Finally, the Client understands that Spectrum will only provide advisory services in relation to those assets contained within the Account and that Spectrum will have no liability for investment decisions made by the client independent of Spectrum in relation to assets held outside of the Account.

Investing is subject to risks including loss of principal invested. No Investment strategy, such as asset allocation, can guarantee a profit or protect against loss in periods of declining values. There may be tax consequences as a result of

a rebalancing strategy in a non-tax advantaged account. International investing involves special risks such as currency fluctuation and political instability.

**Mutual Funds:** Each mutual fund has different risks and rewards. Generally, the higher the potential return, the higher the risk of loss. Investors may have to pay taxes on capital gains distributions received even if the fund goes on to perform poorly after the investor bought shares. All funds carry some level of risk. You may lose some or all of the money you invest — your principal — because the securities held by a fund go up and down in value. Dividend or interest payments may also fluctuate as market conditions change.

**Money Market Funds:** Although Money Market Funds have relatively low risks, the NAV may fall below \$1.00 if the fund performs poorly therefore losses are possible.

**Fixed Income Securities:** Fixed income investments tend to be more conservative than stocks however, Clients should be aware that bonds and bond funds do carry some degree of risk including but not limited to interest rate, credit, inflation, pre-payment and reinvestment risks.

**ETFs:** Exchange-Traded Funds (ETFs), like stocks and index funds can carry a significant amount of market risk. The innate appeal of an ETF is that it represents many assets or companies, like an indexed mutual fund, but unlike a mutual fund that prices Net Asset Value on a daily basis, ETFs can be traded at any time during trading hours, like a stock. Investing in ETFs involves volatility and risk of losses that clients should be prepared to withstand.

If selected, an alternative investments strategy is subject to a number of risks and is not suitable for all investors. Investing in alternative investments is only intended for experienced and sophisticated investors who are willing to bear the high economic risk associated with such an investment. Investors should carefully review and consider potential risks before investing.

## Item 9 Disciplinary Information

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Spectrum has no disciplinary history applicable to this item.

## Item 10 Other Financial Industry Activities and Affiliations

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Spectrum's sole owner and President, Benjamin R. Putman ("Mr. Putman") also is the owner of PUTMANGROUP, a full service Certified Public Accounting and Spectrum Wealth Management, LLC ("SWM"), a marketing division of PutmanGroup. As such, PUTMANGROUP and SWM are affiliates of Spectrum due to common ownership. The following describes how the company interacts with Spectrum, and conflicts associated therewith:

- Spectrum does not directly offer tax and accounting services but instead refers clients seeking such services to the **PUTMANGROUP**. The PUTMANGROUP provides tax, accounting and business consulting services to both corporate entities and individuals. These services are offered as part of comprehensive wealth management but clients are under no obligation to engage its services. For more information, please visit [www.putmancpa.com](http://www.putmancpa.com).
- **SWM** is a subsidiary of the PUTMANGROUP. It is a Marketing and Branding company which does not provide any professional services directly to clients.

Additionally, Mr. Putman provides tax planning, tax preparation, accounting, bookkeeping and business consultation services through the PUTMANGROUP. In their capacity as employees of the PUTMANGROUP, Mr. Putman and other associates receive typical and ordinary compensation in return for performing the respective services associated with these affiliated firms.

Spectrum does not receive any referral fees for recommending these affiliates to clients. Nevertheless, such referrals present a conflict of interest in that Mr. Putman and other associates have a financial incentive to refer clients to these affiliates as they receive normal and ordinary compensation for providing services in their capacity as employees of such affiliates. Additionally, Mr. Putman receives remuneration in the form of profits for those clients who receive services from the PUTMANGROUP due to his ownership status. Spectrum's clients are not obligated to utilize any of the services provided by these affiliates, or to implement any recommendations they may receive from such

affiliates.

In addition to the affiliations mentioned above, certain IARs of Spectrum are also licensed as insurance agents through various insurance agencies or carriers. In this capacity, and pursuant to client instruction, these individuals may recommend to clients and transact in various types of insurance for separate and typical compensation.

Please note that a conflict of interest exists to the extent that such recommendations, if implemented through these individuals, result in a commission being paid to these individuals by the insurance company. The amount paid is the normal commission paid for services rendered as an insurance representative and/or RRs. To mitigate this potential conflict of interest, commissions paid to these individuals are disclosed to the client. Furthermore, Spectrum makes clients aware that they are not obligated to implement recommended transactions through any particular individual, insurance company or to purchase such products or services.

Although the officers and employees of Spectrum will devote as much time to the business and affairs of adviser as they believe is necessary to deliver the investment supervisory and management services described herein, they may devote a significant portion of their time to the affairs and activities of these other businesses and financial industry affiliations.

The conflicts surrounding these outside business activities are disclosed to clients at the time of entering into an advisory agreement with Spectrum, mainly through the delivery of this Brochure and the Supplemental Brochures (ADV Part 2Bs). Additionally, Spectrum has implemented certain policies, procedures and internal controls to help mitigate the conflicts. Importantly, as part of Spectrum's fiduciary duty to clients, the Firm and its IARs endeavor at all times to put the interests of the clients first, and referrals, recommendations and investments will only be made to the extent that they are reasonably believed to be suitable and in the best interests of the client.

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

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### **A. Description of Code of Ethics**

Spectrum adheres to the CFP® Board's Code of Ethics:

#### **Principle 1 – Integrity**

Provide professional services with integrity.

Integrity demands honesty and candor which must not be subordinated to personal gain and advantage. Certificants are placed in positions of trust by clients, and the ultimate source of that trust is the certificant's personal integrity. Allowance can be made for innocent error and legitimate differences of opinion, but integrity cannot co-exist with deceit or subordination of one's principles.

#### **Principle 2 – Objectivity**

Provide professional services objectively.

Objectivity requires intellectual honesty and impartiality. Regardless of the particular service rendered or the capacity in which a certificant functions, certificants should protect the integrity of their work, maintain objectivity and avoid subordination of their judgment.

#### **Principle 3 – Competence**

Maintain the knowledge and skill necessary to provide professional services competently. Competence means attaining and maintaining an adequate level of knowledge and skill, and application of that knowledge and skill in providing services to clients. Competence also includes the wisdom to recognize the limitations of that knowledge and when consultation with other professionals is appropriate or referral to other professionals necessary. Certificants make a continuing commitment to learning and professional improvement.

#### **Principle 4 – Fairness**

Be fair and reasonable in all professional relationships. Disclose conflicts of interest. Fairness requires impartiality, intellectual honesty and disclosure of material conflicts of interest. It involves a subordination of one's own feelings, prejudices and desires so as to achieve a proper balance of conflicting interests. Fairness is treating others in the same fashion that you would want to be treated.

**Principle 5 – Confidentiality**

Protect the confidentiality of all client information. Confidentiality means ensuring that information is accessible only to those authorized to have access. A relationship of trust and confidence with the client can only be built upon the understanding that the client's information will remain confidential.

**Principle 6 – Professionalism**

Act in a manner that demonstrates exemplary professional conduct. Professionalism requires behaving with dignity and courtesy to clients, fellow professionals, and others in business-related activities. Certificants cooperate with fellow certificants to enhance and maintain the profession's public image and improve the quality of services.

**Principle 7 – Diligence**

Provide professional services diligently. Diligence is the provision of services in a reasonably prompt and thorough manner, including the proper planning for, and supervision of, the rendering of professional services.

**B. Participation or Interest in Client Transaction**

It is Spectrum's policy not to enter into any principal transactions or agency cross transactions on behalf of client accounts. Principal transactions occur where an adviser, acting as principal for its own account, buys securities from or sells securities to any advisory client. Agency cross transactions occur where a person acts as an investment adviser in relation to a transaction in which the adviser, or an affiliate of the adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

**C. Personal Trading**

Spectrum's members, employees and independent contractors may take positions in the same securities as clients. Alternatively, Spectrum, or individuals associated with Spectrum, may cause clients to buy a security in which Spectrum, or such individuals, have an ownership position. However, Spectrum and its personnel also owe a duty of loyalty, fairness and good faith towards their clients. Such recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. To further avoid potential conflicts of interests, Spectrum has adopted personal securities transaction policies, in the form of a *Code of Ethics* ("Code"), which all Spectrum personnel must follow. This Code provides personnel with guidance in their ethical obligations regarding their personal securities transactions. Specifically, the Code requires personnel to report personal trades and holdings and prohibits or requires preclearance for certain trades in certain circumstances. The Code also contains procedures for reporting violations and enforcement. The Code is reviewed and distributed to personnel annually. Spectrum will provide a copy of the Code to any client or prospective Client upon written request.

Spectrum obtains information from a wide variety of publicly available resources. Spectrum and its personnel do not have, nor claim to have, insider or private knowledge.

## Item 12 Brokerage Practices

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When performing Investment Management Services, Spectrum generally affects all transactions for client accounts through the broker-dealer custodian. Spectrum typically does not allow client directed brokerage. Spectrum periodically evaluates the commissions charged and the services provided by the custodian and compares those with other broker-dealers to evaluate whether overall best qualitative execution could be achieved by using alternative custodians. Other factors Spectrum may consider when evaluating its choice of custodian include:

- Ability to trade mutual funds and other investments that Spectrum determines suitable for a client's portfolio;
- Any custodial relationship between the client and the broker-dealer;
- Excellent customer service;
- Interaction simplicity with Spectrum;
- Discount transaction rates; and
- Reliability and financial stability.

For those clients who select broker-dealers not recommended by Spectrum, clients should be aware that Spectrum may not be able to negotiate specific brokerage commission rates with the broker on the client's behalf, or seek better execution services or prices from other broker-dealers. As a result, the client may pay higher commissions and/or receive less favorable net prices on transactions for their account than might otherwise be the case and that Spectrum will have limited ability to ensure the broker-dealer selected by the client will provide best possible execution.

To ensure that brokerage firms recommended by Spectrum are conducting overall best qualitative execution, Spectrum will periodically (and no less often than annually) evaluate the trading process and brokers utilized. Spectrum's evaluation will consider the full range of brokerage services offered by the brokers, which may include, but is not limited to price, commission, timing, research, aggregated trades, capable floor brokers or traders, competent block trading coverage, ability to position, capital strength and stability, reliable and accurate communications and settlement processing, use of automation, knowledge of other buyers or sellers and administrative ability. Clients have no obligation to open accounts with such custodial broker-dealers as Spectrum may recommend.

Generally, Spectrum will effect transactions for a client's account independently. However, when able to, Spectrum (and/or the TPAs) may aggregate trades of accounts. Trade aggregation, or "bunching of orders," may result in better execution and/or better realized prices. Because of prevailing market conditions, it may not be possible to execute all shares of an aggregated trade, in which case Spectrum will allocate the trade among participating accounts in an equitable manner determined prior to execution of the trade. Ordinarily, the executing broker-dealer will provide an average price, and where possible, average transaction costs that will be allocated to all accounts participating in the aggregated trade. In certain cases, Spectrum (and/or the TPAs) may not be able to purchase or sell the same security for all clients that could transact in the security, which is generally based on various factors such as the type of security, size of the account, cash availability and account restrictions. For clients requiring directed brokerage, typically Spectrum may not be able to effectively "bunch" orders on the client's behalf, which could impact the possible advantage clients derive from the aggregation of orders.

Spectrum does not have any formal "soft dollar" arrangements in place, as that term is defined by § 28(e) of the Securities Exchange Act of 1934. Nevertheless, Spectrum may receive unsolicited research information and services from various broker-dealers as part of a bundled package by the provider which Spectrum may or may not use. For example, TD Ameritrade is a discount broker through which most Spectrum trades are executed. However, Spectrum may utilize some of TD Ameritrade's research from time to time which it believes to be beneficial to its investment management decisions, and therefore, beneficial to its clients. This could be construed as receipt of a soft dollar benefit by Spectrum, and therefore, be deemed a potential conflict of interest. A potential conflict also exists in that research and services acquired with soft dollars may or may not be utilized across Spectrum's entire client base and client accounts may not benefit equally from research derived from soft dollars.

## **Item 13 Review of Accounts**

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Spectrum reviews all client accounts on an ongoing basis. An officer of Spectrum reviews client accounts monthly and performs additional reviews sooner if market conditions or client circumstances warrant. For example, accounts will be reviewed in the following circumstances:

- When Spectrum's investment strategy changes;
- When a client's investment objectives or risk tolerance changes; and/or
- When there is a significant cash flow into or out of an account.

## **Nature and Frequency of Reports**

Clients receive a separate account statement and trade confirmations, generally monthly and at year-end, directly from their custodian. The account statement will identify the amount of assets for each security in the portfolio as of the end of the period and show the type of transaction (buy/sell), including the amount of management fees deducted from each client account. Clients may receive transaction confirmation notices sent or delivered in electronic format for each transaction by the broker or custodian.

Additionally, Spectrum (and the TPA, as applicable), provides quarterly reports to those clients whose household accounts exceeds \$25,000 as well as portfolio performance reviews to clients when requested. For those with household balances below \$25,000, the client may pay an annual fee of \$65 to obtain quarterly reports from Spectrum. These report updates include a description of the assets held, the quantity and market value of each position, the total market value of each account and the quarterly assessment of Spectrum's and as applicable, the TPA's advisory fee. Clients meet with Spectrum IARs for periodic consultations (typically, no less than annually) to discuss their ongoing investment needs and objectives. Additional consultations and supplemental report information is available upon request.

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

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Currently, Spectrum does not have any solicitation or referral arrangements in place whereby the Firm compensates referring parties for these referrals. However, Spectrum may in the future enter into agreements with individuals and organizations that refer clients to Spectrum. All such agreements will be in writing and comply with the applicable state and federal regulations.

## **Item 15 Custody**

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Spectrum is deemed to have custody of client funds or securities by reason of the fact that Spectrum has authority to debit its fees directly from the client's account. Custody of account assets will be maintained with an independent qualified custodian. The client is responsible for selecting a qualified custodian for holding portfolio assets. In accordance with the client's advisory contract, payment of Spectrum's advisory fees will be made by the qualified custodian directly from the client's account upon receipt of Spectrum's quarterly invoice, unless otherwise noted. Further, the qualified custodian agrees to deliver an account statement, at least quarterly, to the client and Spectrum, showing all disbursements, including Spectrum's advisory fees, deducted from the account. The client is encouraged to review all account statements for accuracy. Clients should understand that it is their responsibility to ensure that the fee calculation is correct, and not the custodian.

If Spectrum or the client terminates the agreement under which Spectrum provides its Investment Management Services to the client, Spectrum will deduct its fees a pro-rata basis effective as of the date Spectrum receives the notice of termination.

## **Item 16 Investment Discretion**

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Unless otherwise noted in the Client Profile, Spectrum has full discretionary authority over the client's portfolio, which includes the selection and amount of securities to be bought or sold for client accounts in Spectrum's sole discretion. Spectrum makes investment decisions without consultation with the client on which securities and quantities are to be bought and sold for the account, the total amount of the securities to be bought and sold and the price per share at which securities transactions are affected. In some instances, Spectrum's discretionary authority in making these determinations may be limited by conditions imposed by clients in their investment guidelines or objectives provided in writing to Spectrum. However, Spectrum strives to manage all client accounts in accordance with their investment objectives and individual risk tolerance as set forth in each client's Client Profile and/or Investment Policy Statement.

By signing Spectrum's Agreement, clients authorize Spectrum to exercise this full discretionary authority with respect to all investment transactions involving the client's investment management account. Pursuant to such Agreement, Spectrum is designated as the client's attorney-in-fact with discretionary authority to effect investment transactions in the client's account which authorizes Spectrum to give instructions to third parties in furtherance of such authority.

All Clients are required to establish custodial accounts with a qualified custodian of record. Generally, Spectrum recommends TD Ameritrade for custodial services, but Clients are permitted to recommend another custodian in their Client Profile. In the case of the Wrap Fee Program, the TPA will select the custodian.

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

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Spectrum has adopted a policy not to accept proxy voting authority with respect to client securities holdings. Consequently, all proxy solicitations related to securities held by clients will be sent directly to clients for voting. In the event a proxy solicitation is sent to Spectrum on a client's behalf, it is Spectrum's practice to forward the solicitation to the client's address of record immediately so that they may cast the proxy vote.

Currently, all ERISA clients vote their own proxies. In the case that a Plan Sponsor directs Spectrum to vote the Plan's proxies, Spectrum will take the appropriate steps to do so.

Spectrum typically does not advise or act for clients with respect to any legal matters, including bankruptcies and class actions, for the securities held in clients' accounts.

### **Item 18 Financial Information**

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Spectrum does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet. Spectrum has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.



**BROCHURE SUPPLEMENT  
ADV PART 2B**

**BENJAMIN R. PUTMAN**

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**Dated March 25, 2020**

This brochure supplement provides information about Benjamin R. Putman that supplements Spectrum Capital Investment Group Inc.'s brochure. Please contact us at (949) 597-0101 or [ben@spectrumcapitalinvest.com](mailto:ben@spectrumcapitalinvest.com) if you did not receive Spectrum Capital Investment Group's brochure or if you have any questions about the contents of this supplement.

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## Item 2 Educational Background and Business Experience

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### Education and Business Background for Executive Officers and Management Persons

Benjamin R. Putman (DOB: \*\*/\*\*/1958)

#### President

#### Education

Bachelor of Science, University of Southern California (1983)

#### Business Background

Managing Member, Spectrum Wealth Management (08/2009 to Present)

President, Spectrum Capital Investment Group, Inc. (08/2005 to Present)

President, PUTMANGROUP (01/1994 to Present)

Investment Adviser Representative, Empirical Wealth Management (11/2017 to 02/2018)

Registered Representative, Independent Financial Group (02/2007 to 10/2017)

#### Professional Designations

**Certified Public Accountant (CPA)** CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two year period or 120 hours over a three year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous *Code of Professional Conduct* which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services.

**Personal Financial Specialist (PFS)** The PFS credential demonstrates that an individual has met the minimum education, experience and testing required of a CPA in addition to a minimum level of expertise in personal financial planning. To attain the PFS credential, a candidate must hold an unrevoked CPA license, certificate, or permit, none of which are in inactive status; fulfill 3,000 hours of personal financial planning business experience; complete 75 hours of personal financial planning CPE credits; pass a comprehensive financial planning exam and be an active member of the AICPA. A PFS credential holder is required to adhere to AICPA's *Code of Professional Conduct* and the *Statement on Standards in Personal Financial Planning Services*, when providing personal financial planning services<sup>4</sup>. To maintain their PFS credential, the recipient must complete 60 hours of financial planning CPE credits every three years. The PFS credential is administered through the AICPA.

**Certified Financial Planner™ (CFP®).** The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**Certified Divorce Financial Analyst (CDFA)** CDFA professional's must complete fifteen (15) hours of divorce-related Continuing Education (CE) over the course of the next two years, and submit evidence of CE completion to IDFA for approval. One hour of CE credit will be granted by IDFA for each actual hour I attend: (1) financial seminars on divorce; (2) local or state bar association sponsored course; (3) mediation training; or (4) the Advanced Institute offered by IDFA. Additional CE credits may be obtained by teaching classes on divorce or by completing correspondence courses on the subject of divorce. Continuing Education hours must be reported on the IDFA website prior to reinstatement date.

The CDFA designation is available to individuals who have a minimum of three years' experience as a financial professional, accountant, or matrimonial lawyer. To earn the designation, the participant must complete a series of self-study course modules and pass an exam for each module. The American Module Topics are:

- Financial and Legal Issues of Divorce
- Advanced Financial Issues of Divorce
- Tax Issues of Divorce

Founded in 2005, Spectrum Capital Investment Group, Inc., is a registered investment adviser providing investment management for affluent individuals and corporate clients. Our mission is to provide objective, experienced advice with personal care to build your investment return, and at the same time, manage the downside risk.

### Item 3 Disciplinary Information

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Benjamin R. Putman has no disciplinary information to report.

## **Item 4 Other Business Activities**

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Certain officers and employees of Spectrum may participate in other business activities other than giving investment advice, for which they may be compensated. In particular, Spectrum's President, Benjamin R. Putman, provides tax planning, tax preparation, accounting, bookkeeping and business consultation services through the PUTMANGROUP, which Mr. Putman solely owns. A conflict of interest may exist when referring Spectrum clients to the PUTMANGROUP, because such persons may receive remuneration from their roles and/or ownership interests in these entities.

In addition, certain IARs of the firm are licensed as Agents through various insurance agencies or carriers. In this capacity, and pursuant to client instruction, these individuals may recommend to clients and transact in various types of insurance for separate and typical compensation.

Although Mr. Putman will devote as much time to the business and affairs of adviser as they believe is necessary to deliver the investment supervisory and management services described herein, he may devote a significant portion of his time to the affairs and activities of these other businesses and financial industry affiliations.

## **Item 5 Additional Compensation**

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Mr. Putman does not receive any monetary compensation or indirect compensation in the form of goods or services from non-clients in connection with providing advice to clients, with the exception of the inadvertent receipt of soft dollar research services. Spectrum's President, Benjamin R. Putman and associated persons may provide tax planning, tax preparation, accounting, bookkeeping and business consultation services through The PUTMANGROUP for which they may receive remuneration. In addition, commissions may be received by Mr. Putman and by certain IARs of Spectrum who serve as either Agents of various insurance companies.

Due to these arrangements, if in the course of providing advisory services to a client, a Spectrum IAR determines that a client may require other services, he or she may recommend that such client contact the above referenced companies and individuals to receive such services. This produces a potential conflict of interest because Mr. Putman and other associated persons of Spectrum may receive additional compensation for (and in the case of Mr. Putman, profits earned) on providing such services. However, such recommendations generally are made only if they are in the best interests of the client. Clients are under no obligation to use the services of the PUTMANGROUP or any of the insurance companies in which such Agents are associated.

## **Item 6 Supervision**

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Benjamin Putman uses the high standard of care set forth by both the SEC and the CFP Board. Along with these practices of care, Benjamin has been in business for over 30 years in the financial industry as both a CPA and CFP®, holding him to a high ethical standard.



**BROCHURE SUPPLEMENT  
ADV PART 2B**

**DONOVAN DENNY RITTER**

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**Dated March 25, 2020**

This brochure supplement provides information about Donovan D. Ritter that supplements Spectrum Capital Investment Group Inc.'s brochure. Please contact us at (949) 597-0101 or [ben@spectrumcapitalinvest.com](mailto:ben@spectrumcapitalinvest.com) if you did not receive Spectrum Capital Investment Group's brochure or if you have any questions about the contents of this supplement.

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## Item 2 Educational Background and Business Experience

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### Education and Business Background for Executive Officers and Management Persons

Donovan Denny Ritter (DOB: \*\*/\*\*/1974)

#### Registered Representative

#### Education

Bachelor of Business Administration, Loyola Marymount University (1996)

#### Business Background

Investment Adviser Representative, Spectrum Capital Investment Group, Inc. (09/2014 to Present)

Investment Adviser Representative, Empirical Wealth Management (11/2017 to 02/2018)

Registered Representative, Independent Financial Group, LLC (09/2014 to 10/2017)

Registered Representative, LPL Financial, LLC (09/2009 to 08/2014)

Registered Representative, Associated Securities Corp. (05/2004 to 9/2009)

#### Professional Designations

**Chartered Financial Consultant (ChFC)** The ChFC® designation has been a mark of excellence for almost thirty years and currently requires nine college-level courses, the most of any financial planning credential. Education requirements include seven core and two elective courses. The average study time to earn the ChFC® exceeds 450 hours. Required courses cover extensive education and application training in financial planning, income taxation, investments, and estate and retirement planning. Additional electives are chosen from such topics as macroeconomics, financial decisions for retirement, and executive compensation. ChFC® designees must meet experience requirements and adhere to continuing education and ethical standards. An individual is required to perform three years of full-time business experience before obtaining the credential. Continuing education requirements entail 30 CE Credits every two years in order to hold the designation. The credential is awarded by The American College, a non-profit educator with an 87-year heritage and the highest level of academic accreditation.

**Chartered Life Underwriter (CLU)** For 87 years the CLU® has been the respected risk management credential for advisors. Designees have completed eight or more college-level courses representing an average study time of 400 hours. The courses consist of seven core and three elective courses. Topics for required courses include insurance and financial planning, life insurance law, estate planning, and planning for business owners and professionals. Elective courses include such advanced topics as income taxes, group benefits, retirement planning, and health insurance. CLU® designees must meet experience and continuing education requirements and must adhere to a high ethical standard. One must complete 30 hours of CE credits every two years in order to complete the continuing education requirement and maintain the CLU® designation. The mark is awarded by The American College, a non-profit educator with the top level of academic accreditation.

## Item 3 Disciplinary Information

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Donovan Denny Ritter has no disciplinary information to report.

## Item 4 Other Business Activities

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Donovan Denny Ritter is licensed as an insurance agent through Ritter Financial & Insurance Services, Inc.

## **Item 5 Additional Compensation**

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Donovan Denny Ritter is licensed as an insurance agent through Ritter Financial & Insurance Services, Inc. and may offer fixed and variable life insurance products for typical commissions as a result of such transactions. IAR may also receive other compensation such as fixed or variable life renewals from insurance carriers. Therefore, the IAR has a financial incentive to recommend insurance based on the compensation to be received rather than on the client's needs. The client is under no obligation to purchase insurance through IAR. To the extent client does elect to purchase insurance through IAR, disclosure is made as to the nature of the relationship, services and any compensation to be received by the registered representative at the time of the transaction.

## **Item 6 Supervision**

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Donovan Denny Ritter is supervised by Benjamin Putman pursuant to Spectrum Capital Investment Group, Inc.'s policies and procedures.



**BROCHURE SUPPLEMENT  
ADV PART 2B**

**DENISE S. LEE**

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**Dated March 25, 2020**

This brochure supplement provides information about Denise S. Lee that supplements Spectrum Capital Investment Group Inc.'s brochure. Please contact us at (949) 597-0101 or [ben@spectrumcapitalinvest.com](mailto:ben@spectrumcapitalinvest.com) if you did not receive Spectrum Capital Investment Group's brochure or if you have any questions about the contents of this supplement.

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## Item 2 Educational Background and Business Experience

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### Education and Business Background for Executive Officers and Management Persons

Denise S. Lee (DOB: \*\*/\*\*/1984)

#### Registered Representative

#### Education

Bachelor of Science, University of Southern California (2007)

#### Business Background

Investment Adviser Representative; Spectrum Capital Investment Group, Inc. (07/2015 to Present)

Investment Adviser Representative, Empirical Wealth Management (11/2017 to 02/2018)

Investment Adviser Representative; Ronald Blue & Company, LLC (02/2014 to 06/2015)

Senior Tax Consultant; PutmanGroup (01/2013 to 02/2014)

Senior Tax Consultant; Financial Advocates, LLP (8/2010 to 1/2013)

Tax Consultant; Deloitte (12/2007 to 10/2009)

#### Professional Designations

**Certified Public Accountant (CPA)** CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two year period or 120 hours over a three year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous *Code of Professional Conduct* which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services.

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- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in two 3-hour sessions, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining



the ethical and practice standards for CFP® professionals.

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- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

### **Item 3 Disciplinary Information**

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Denise S. Lee has no disciplinary information to report.

### **Item 4 Other Business Activities**

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Denise S. Lee has no other business activities.

### **Item 5 Additional Compensation**

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Denise S. Lee receives no additional compensation.

### **Item 6 Supervision**

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Denise S. Lee is supervised by Benjamin Putman pursuant to Spectrum Capital Investment Group, Inc.'s policies and procedures.