

**Part 2A of Form ADV: Firm Brochure**  
**Item 1: Cover Page**  
**March 24, 2020**



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**Dan Klein**  
**Chief Compliance Officer**

This brochure provides information about the qualifications and business practices of Lockshield Partners, Inc. If you have any questions about the contents of this brochure, please contact us by telephone at: (270) 629-2046 or email: [dan@lockshieldpartners.com](mailto:dan@lockshieldpartners.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.

Additional information about Lockshield Partners, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD# 175433.

Please note that the use of the term "registered investment adviser" and description of Lockshield Partners, Inc. and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

## **Item 2: Material Changes**

### **Annual Update**

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The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

### **Summary of Material Changes**

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Since our prior annual updating amendment filed on March 30, 2019, our regulatory assets under management have exceeded \$100 million. Accordingly, we registered our firm with the SEC. In addition, we no longer offer broker-dealer services as we have become a fee-only financial advisory firm which is compensated for providing investment management services. Our firm and our representatives no longer receive any commissions for the execution of securities transactions.

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## **Item 4: Advisory Business**

### **Firm Description**

Lockshield Partners, Inc. (going forward known as “Our”, “We”, or “Firm”) was founded in 2015. Daniel J. Klein is 100% owner.

We are a fee-based investment management firm. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products.

An evaluation of each client's initial situation is provided to the client, often in the form of a net worth statement, risk analysis or similar document. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

We do not act as a custodian of client assets.

Other professionals (e.g., lawyers, accountants, tax preparers, insurance agents, etc.) are engaged directly by the client on an as-needed basis and may charge fees of their own. For example, tax preparation and to the extent your estate plan needs to be updated, the tax preparer and/or attorney will bill the client separately. Potential conflicts of interest will be disclosed to the client in the event they should occur.

### **Description of the Types of Advisory Services We Offer**

#### **Comprehensive Portfolio Management:**

Our Comprehensive Portfolio Management service encompasses non-discretionary asset management to advisory clients. We will offer clients ongoing portfolio management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program will be based on the above factors.

When non-discretionary asset management services are provided, we will determine the securities to be bought or sold and the amount of the securities to be bought or sold. We will obtain prior client approval before executing any transactions.

#### **Financial Planning & Consulting:**

We provide a variety of financial planning and consulting services to individuals, families and other clients regarding the management of their financial resources based upon an analysis of the client's current situation, goals, and objectives. Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation for clients based on the client's financial goals and objectives. This planning or consulting may encompass one or more of the following areas: Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Cost Segregation Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, Business and Personal Financial Planning.

Our written financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, recommendations may be made that the clients begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. It should also be noted that we refer clients to an accountant,

attorney or other specialist, as necessary for non-advisory related services. For written financial planning engagements, we provide our clients with a written summary of their financial situation, observations, and recommendations. For financial consulting engagements, we usually do not provide our clients with a written summary of our observations and recommendations as the process is less formal than our planning service. Plans or consultations are typically completed within six (6) months of the client signing a contract with us, assuming that all the information and documents we request from the client are provided to us promptly. Implementation of the recommendations will be at the discretion of the client. Clients may terminate advisory services with 30 days written notice.

### **Tailoring of Advisory Services**

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We offer individualized investment advice to all of our clients. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account. Restrictions would be limited to our Comprehensive Portfolio Management service.

### **Participation in Wrap Fee Programs**

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We do not offer wrap fee programs.

### **Regulatory Assets Under Management**

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As of December 31, 2019 we manage approximately \$123,132,241 on a non-discretionary basis.

## **Item 5: Fees & Compensation**

### **How We Are Compensated for Our Advisory Services**

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#### **Comprehensive Portfolio Management:**

Our annual fees shall be based on a negotiated percentage of the market value of the assets under management not to exceed 1.50%. The fees shall be payable in one of the formats below. These fees shall be detailed on Schedule A of the client agreement.

#### Quarterly Fee Payable in Advance

Our annual fees shall be based on a negotiated percentage of the market value of the assets under management not to exceed 1.50% ("Annual Percentage Rate"). The fee is based on the market value of assets in the account, including cash holdings, and is payable quarterly in advance. The annual fee is billed on a pro-rata basis based on the value of your account on the last day of the previous quarter. Your initial quarterly advisory fee will include a pro-rated amount for services rendered from the account enrollment date with the qualified custodian. Fees are negotiable and will be deducted from your account.

#### Quarterly Billing Cycle (Every Three Months)

Your quarterly billing cycle will depend on your account enrollment date. Your billing cycle will commence at the beginning of the month following your account enrollment date. For example, if your account enrollment date is May 15, you would be billed at the beginning of each following June, September, December and March, based on the market value of your assets under management as of the last business day of May, August, November and February (subject to adjustment as described below).

For example, if the market value of your assets under management is \$100,000 on May 31, and your Annual Percentage Rate is 1.50%, at the beginning of June, you would be billed as follows: \$100,000

(market value at May 31) times 1.50%, divided by 360 (assumed days in year) times 90 (assumed days in quarter) = \$375.00.

#### Adjustment for Deposits and Withdrawals During Preceding Quarter

If, however, you made any deposits to or withdrawals from your account during the preceding quarter, the quarterly fee will be adjusted on a prorated basis.

For example, assume you are billed at the beginning of June and the market value of your assets under management was \$100,000 at May 31, but you had withdrawn \$20,000 from your account on April 15. The quarterly fee assessed at the beginning of June would be based on an adjusted market value of assets under management of \$110,000, computed as follows: \$120,000 x 46 (number of days in the quarter prior to account withdrawal) plus \$100,000 x 46 (number of days in the quarter following account withdrawal), divided by 92 (total number of days in quarterly period) = \$110,000.

#### Initial Billing – Normal Advance Quarterly Billing Plus Arrears Billing

Your initial quarterly bill will include the advance quarterly billing as described above plus an arrears billing which is necessary to charge your account for assets deposited before a fee is assessed.

For example, assume your Annual Percentage Rate is 1.50%, your account was initially funded with \$100,000 on May 14 and no other deposits were made before June 1. In addition to the normal quarterly advance billing, you would be billed for the assets under management for the period from May 15 and May 31 on a pro rata basis as follows: the initial deposit (\$100,000) times the Annual Percentage Rate (for purposes of this example, 1.50%) divided by 360 (assumed year of 360 days) times 17 (the number of days the deposit was in the account) = \$70.83.

Occasionally, we will directly bill clients. As part of the fee deduction process, the client is made aware of the following:

- a) LPL as the client's custodian sends statements at least quarterly, showing all disbursements for each account, including the amount of the advisory fees paid to our firm;
- b) Clients provide authorization permitting LPL to deduct these fees;
- c) LPL calculates the advisory fees for all fee schedules and deducts them from the client's account;
- d) Our firm sends quarterly statements to the client showing the fee amount, the value of the assets upon which the fee is based, and the specific manner in which the fee is calculated as well.

Clients may terminate advisory services with thirty (30) days written notice. Client will be entitled to a pro rata refund for the days service was provided in the final quarter. Client shall be given thirty (30) days prior written notice of any increase in fees, and client will acknowledge, in writing, any agreement of increase in said fees.

#### **Financial Planning & Consulting:**

We charge on an hourly or flat fee basis for financial planning and consulting services. The total estimated fee, is based on the scope and complexity of our engagement with you. Our hourly fees are \$200 per hour. Flat fees generally range from \$1,000 to \$10,000. Prior to the planning process the client will be provided an estimated plan fee. We reserve the right to waive the financial planning fee if the plan is implemented with us. Services include but are not limited to a thorough review of all applicable topics including Wills, Estate Plan/Trusts, Investments, Taxes, and Insurance.

We require a retainer of fifty-percent (50%) of the financial planning or consulting fee with the remainder of the fee directly billed to you and due to us within thirty (30) days of your financial plan being delivered or consultation rendered to you. In all cases, we will not require a retainer exceeding \$1200 when services cannot be rendered within 6 (six) months. Client may cancel within five (5) days of signing agreement for a full refund. If the client cancels after five (5) days, any unearned fees will be refunded to the client.

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**Client Payment of Fees**

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Investment management fees are billed quarterly, in advance, meaning that we invoice you before the three-month billing period has started. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

Fees for financial plans are due  $\frac{1}{2}$  in advance with the final payment due upon completion of the plan.

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**Other Types of Fees & Expenses**

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Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm that the trades are executed through. Also, clients will pay the following separately incurred expenses, which we do not receive any part of: charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

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**Prepayment of Client Fees**

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We charge assets under management fees quarterly in advance. In addition, fees for financial planning are charged half in advance with the balance due upon completion of the plan.

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**Commissionable Securities Sales**

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We do not sell securities for a commission in our advisory accounts.

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**Item 6: Performance-Based Fees & Side-By-Side Management**

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We do not accept performance-based fees.

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**Item 7: Types of Clients & Account Requirements**

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We generally have the following types of clients:

- Individuals and High Net Worth Individuals;

Client relationships vary in scope and length of service. We do not impose requirements for opening and maintaining accounts or otherwise engaging us.

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

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**Methods of Analysis:** We use the following method of analysis in formulating our investment advice and/or managing client assets:

**Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements.

**Investment Strategies We Use:** We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-Term Purchases** (Securities Held At Least a Year): When utilizing this strategy, we may purchase securities with the expectation of holding them for a relatively long time (typically held for at least a year). A risk in a long-term purchase strategy is that by holding the security for this length of time, we

may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Typically we employ this sub-strategy when we believe the securities to be well valued; and/or we want exposure to a particular asset class over time, regardless of the current projection for this class.

**Short-Term Purchases:** When utilizing this strategy, we may purchase securities with the expectation of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. The risk in this strategy is that the funds invested may decline sharply in value before we make a decision to sell.

**Margin Transactions:** We may purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings. The risk in utilizing borrowed money is that clients may be subject to a margin call, where the addition of cash will be required to liquidate the position.

The two types of options are calls and puts. A call gives us the right to buy an asset at a certain price within a specific period of time. We may buy a call if we have determined that the stock will increase substantially before the option expires. A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We may buy a put if we have determined that the price of the stock will fall before the option expires. We may use options to "hedge" a purchase of the underlying security; in other words, we may use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio. We may use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We may use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors. Inherent risks associated with this strategy include time sensitivity and that options are less tangible than other investments. An options contract is for a short period - generally a few months. The buyer of an option could lose his or her entire investment even with a correct prediction about the direction and magnitude of a particular price change if the price change does not occur before the option expires. Options are book entry only investments and do not come with paper certificates of ownership.

### **Risk of Loss**

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Investing in securities involves risk of loss that clients should be prepared to bear. While the financial markets and value of the securities your portfolio is invested in may increase and your account(s) could enjoy a gain, it is also possible that the financial markets and the value of the securities your portfolio is invested in may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the financial markets, that the risks are appropriately diversified in your investments, and that you ask us any questions you may have.

### **Description of Material, Significant or Unusual Risks**

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We generally invest clients' cash balances in FDIC insured bank deposit programs or money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Some cash will be maintained so that our firm may debit advisory fees for our services related to Comprehensive Portfolio Management as applicable. Ultimately, we try to achieve the highest return on our clients' cash balances through relatively low-risk conservative investments.



All investment programs have certain risks that are borne by the investor. Fundamental analysis may involve interest rate risk, market risk, business risk, and financial risk. Risks involved in technical analysis are inflation risk, reinvestment risk, and market risk. Cyclical analysis involves inflation risk, market risk, and currency risk.

Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks and should discuss these risks with US:

- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Market Risk:* The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Financial Risk:* Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- *Long-term purchases:* Long-term investments are those vehicles purchased with the intention of being held for more than one year. Typically the expectation of the investment is to increase in value so that it can eventually be sold for a profit. In addition, there may be an expectation for the investment to provide income. One of the biggest risks associated with long-term investments is volatility, the fluctuations in the financial markets that can cause investments to lose value.
- *Short-term purchases:* Short-term investments are typically held for one year or less. Generally there is not a high expectation for a return or an increase in value. Typically, short-term investments are purchased for the relatively greater degree of principal protection they are designed to provide. Short-term investment vehicles may be subject to purchasing power risk — the risk that your investment's return will not keep up with inflation.
- *Trading risk:* Investing involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund or investment will be achieved.

## **Item 9: Disciplinary Information**

### **Criminal or Civil Actions**

The firm and its management have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

The firm and its management have not been involved in administrative enforcement proceedings.

### **Self-Regulatory Organization Enforcement Proceedings**

The firm and its management have not been involved in legal or disciplinary events related to past or present investment clients.

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

### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

Mr. Daniel J. Klein, Senior Partner of Lockshield Partners, Inc. owns more than 25% of the accounting firm Gilbert & Gilbert Accounting Services, Inc. ("Gilbert & Gilbert"). Mr. Klein possesses management responsibilities in the accounting firm. This outside financial industry activity presents a potential conflict of interest to the extent Mr. Klein devotes a portion of his time and efforts to this activity, and because he is compensated through Gilbert & Gilbert business as partial owner. Clients of Lockshield Partners are not required to utilize Gilbert & Gilbert for accounting services, and there is no revenue sharing arrangement between Lockshield Partners, Inc. and Gilbert & Gilbert. This outside activity will not require significant time and resources and will not detract from Mr. Klein's responsibilities as Senior Partner of Lockshield Partners, Inc. or the management of the investments advised by Lockshield Partners, Inc. Mr. Klein and the Lockshield Partners, Inc. investment professionals devote substantially all their efforts and time to the activities of Lockshield Partners, Inc. and the Lockshield clients.

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

### **Code of Ethics Description**

The employees of Lockshield Partners, Inc. have committed to a Code of Ethics ("Code"). The purpose of our Code is to set forth standards of conduct expected of Lockshield Partners, Inc. employees and addresses conflicts that may arise. The Code defines acceptable behavior for employees of Lockshield Partners, Inc. The Code reflects Lockshield Partners, Inc. and its supervised persons' responsibility to act in the best interest of their client.

One area the Code addresses is when employees buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our clients. We do not allow any employees to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our clients.

Lockshield Partners, Inc. policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other employee, officer or director of Lockshield Partners, Inc. may recommend any transaction in a security or its derivative to advisory clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

Lockshield Partners, Inc.'s Code is based on the guiding principle that the interests of the client are our top priority. Lockshield Partners, Inc.'s officers, directors, advisors, and other employees have a fiduciary duty to our clients and must diligently perform that duty to maintain the complete trust and confidence of our clients. When a conflict arises, it is our obligation to put the client's interests over the interests of either employees or the company.

The Code applies to "access persons." "Access persons" are employees who have access to non-public information regarding any clients' purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to clients, or who have access to such recommendations that are non-public.

The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

### **Investment Recommendations Involving a Material Financial Interest and Conflict of Interest**

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Lockshield Partners, Inc. and its employees do not recommend to clients securities in which we have a material financial interest.

### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

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Lockshield Partners, Inc. and its employees may buy or sell securities that are also held by clients. In order to mitigate conflicts of interest such as front running, employees are required to disclose all reportable securities transactions as well as provide Lockshield Partners, Inc. with copies of their brokerage statements.

The Chief Compliance Officer of Lockshield Partners, Inc. is Daniel Klein. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets and that clients of the firm receive preferential treatment over employee transactions.

### **Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

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Lockshield Partners, Inc. does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist. However, employees may buy or sell securities at the same time they buy or sell securities for clients. In order to mitigate conflicts of interest such as front running, employees are required to disclose all reportable securities transactions as well as provide Lockshield Partners, Inc. with copies of their brokerage statements.

The Chief Compliance Officer of Lockshield Partners, Inc. is Daniel Klein. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets.

## **Item 12: Brokerage Practices**

### **Selecting a Brokerage Firm**

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We seek to recommend a custodian/broker who will hold your assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, the following:

- Timeliness of execution
- Timeliness and accuracy of trade confirmations

- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Financial condition
- Business reputation
- Quality of services

While our firm recommends that clients establish brokerage accounts with LPL Financial, member FINRA/SIPC, Clients are advised that they are under no obligation to implement our recommendations and may choose a broker-dealer at their discretion. Clients may pay commissions or fees that are higher or lower than those that may be obtained from elsewhere for similar services.

### **Soft Dollars**

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Our firm does not accept products or services that do not qualify for Safe Harbor outlined in Section 28(e) of the Securities Exchange Act of 1934, such as those services that do not aid in investment decision-making or trade execution.

### **Brokerage for Client Referrals**

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Our firm does not refer clients to particular broker-dealers in exchange for client referrals from those broker-dealers.

### **Directed Brokerage**

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Neither we nor any of our firm's related persons have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, or the commission rates at which such securities transactions are effected.

### **Permissibility of Client-Directed Brokerage**

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We allow clients to direct brokerage outside our recommendation. We may be unable to achieve the most favorable execution of client transactions as Client directed brokerage may cost clients more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices.

### **Special Considerations for ERISA Clients**

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A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan

brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

### **Aggregation of Purchase or Sale**

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We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are effected only when we believe that to do so will be in the best interest of the affected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

### **Item 13: Review of Accounts or Financial Plans**

We review accounts no less than annually for our clients subscribing to our Comprehensive Portfolio Management service. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. We do not provide written reports to clients, unless asked to do so. Oral reports to clients take place on at least an annual basis when we contact clients. Each of our investment adviser representatives will conduct client account reviews.

We may review certain client accounts more frequently than others. Among the factors which may trigger a more frequent review are major market or economic events, the client's life events, requests by the client, etc.

Financial Planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. We do not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc. Financial Planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately contract with us for a post-financial plan meeting or update to their initial written financial plan.

### **Item 14: Client Referrals & Other Compensation**

#### **Client Referrals:**

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We do not pay referral fees to independent solicitors (non-registered representatives), nor to anybody else, for the referral of their clients to our firm in accordance with relevant statutes, rules and regulations.

### **Item 15: Custody**

We do not have physical custody of client funds or securities. All of our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. On at least a quarterly basis, the custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits

or other fees taken out of your account. We urge our client to carefully review those statements, and any errors reported immediately to either the custodian or this firm.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets.

#### **Item 16: Investment Discretion**

We accept non-discretionary authority to manage securities accounts on behalf of clients. We will obtain prior client approval before executing any transactions.

The client approves the custodian to be used and the commission rates paid to the custodian. We do not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

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

We do not accept proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

#### **Item 18: Financial Information**

We are not required to provide financial information in this Brochure because:

- We do not require the prepayment of more than \$1200 in fees and six or more months in advance.
- We do not take custody of client funds or securities.
- We do not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

We have never been the subject of a bankruptcy proceeding.

**Item 1: Cover Page for Part 2B of Form ADV:  
Brochure Supplement  
March 24, 2020**



**DANIEL J. KLEIN**

**Lockshield Partners, Inc.  
301 South Broadway  
Ave.  
Glasgow, KY 42141**

**This brochure supplement provides information about Mr. Klein that supplements our Firm Brochure. Please contact us if you did not receive Lockshield Partners, Inc.'s brochure or if you have any questions about the contents of this supplement. Additional information about Mr. Klein is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD# 3213917.**

## **Item 2: Educational Background & Business Experience**

**Daniel J. Klein | Year of Birth: 1973**

### **Educational Background:**

- 1995; St. Louis University; Bachelor of Science - Education

### **Business Background:**

- 04/2015 – Present      Lockshield Partners, Inc.; Managing Member & Investment Adviser Representative
- 02/2008 – Present      George Hartman LLC; Member
- 02/2008 – Present      Hatler & Hartman LLC; Member
- 07/2011 – 08/2019      LPL Financial LLC; Registered Representative
- 04/1999 – 07/2011      Uvest Financial Services, Inc.  
Investment Adviser Representative/Registered Representative

### **Exams, Licenses & Other Professional Designations:**

- Certified Financial Planner (CFP®) (please see below regarding the minimum qualifications for this professional designation)

## **Item 3: Disciplinary Information**

There are no legal or disciplinary events material to the evaluation of Mr. Klein.

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

Mr. Klein owns more than 25% of the accounting firm Gilbert & Gilbert Accounting Services, Inc. ("Gilbert & Gilbert"). Mr. Klein possesses management responsibilities in the accounting firm. This outside financial industry activity presents a potential conflict of interest to the extent Mr. Klein devotes a portion of his time and efforts to this activity, and because he is compensated through Gilbert & Gilbert business as partial owner. Clients of Lockshield Partners are not required to utilize Gilbert & Gilbert for accounting services, and there is no revenue sharing arrangement between Lockshield Partners, Inc. and Gilbert & Gilbert. This outside activity will not require significant time and resources and will not detract from Mr. Klein's responsibilities as Senior Partner of Lockshield Partners, Inc. or the management of the investments advised by Lockshield Partners, Inc. Mr. Klein and the Lockshield Partners, Inc. investment professionals devote substantially all their efforts and time to the activities of Lockshield Partners, Inc. and the Lockshield clients.

Mr. Klein also owns rental property. Through other businesses, a third party property manager rents real estate to individuals. There is no conflict of interest as advisory clients of Lockshield Partners, Inc. are not solicited services for the rental properties.

## **Item 5: Additional Compensation**

Mr. Klein does not receive any other economic benefit for providing advisory services in addition to advisory fees.



## Item 6: Supervision

Mr. Klein is the Chief Compliance Officer of Lockshield Partners Inc. he is responsible for supervision and formulation and monitoring of investment advice offered to clients. He will adhere to the policies and procedures as described in the firm's Compliance Manual.

### **CFP® Professional Designation – Minimum Qualifications**

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

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 85,000 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, or 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.

**Item 1: Cover Page for Part 2B of Form ADV:  
Brochure Supplement  
March 24, 2020**



**JEREMIAH HARSTON**

**Lockshield Partners, Inc.  
301 South Broadway Ave.  
Glasgow, KY 42141**

**This brochure supplement provides information about Mr. Harston that supplements our Firm Brochure. Please contact us if you did not receive Lockshield Partners, Inc.'s brochure or if you have any questions about the contents of this supplement. Additional information about Mr. Harston is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD# 5863764.**

## Item 2: Educational Background & Business Experience

**Jeremiah Harston | Year of Birth: 1978**

### **Educational Background:**

- 2003; University of Memphis; J.D. / M.B.A.
- 2000; Western Kentucky University; Bachelor of Arts

### **Business Background:**

- 04/2015 – Present Lockshield Partners, Inc.; Managing Member & Investment Adviser Representative
- 07/2011 – 08/2019 LPL Financial LLC; Registered Representative
- 09/2012 - Present Harston Properties, LLC; Member
- 09/2012 – Present Wildcat Duck Club, LLC; Member
- 07/2011 – 04/2015 South Central Bank; Financial Advisor
- 11/2010 – 06/2011 Mass Mutual Life Insurance Company; Agent
- 05/2006 – 11/2010 Dennie Hardin and Associates, Attorneys at Law; Attorney
- 07/2004 – 05/2006 Keen and Hardin, Attorneys at Law; Attorney

### **Exams, Licenses & Other Professional Designations:**

- 03/2011 Series 63 Exam
- 07/2011 Series 65 Exam

## Item 3: Disciplinary Information

There are no legal or disciplinary events material to the evaluation of Mr. Harston.

## Item 4: Other Business Activities

Mr. Harston owns rental property. Through Harston Properties, LLC, he rents real estate to individuals. There is no conflict of interest as advisory clients of Lockshield Partners, Inc. are not solicited services for the rental properties.

## Item 5: Additional Compensation

Mr. Harston does not receive any other economic benefit for providing advisory services in addition to advisory fees.

## Item 6: Supervision

Jeremiah Harston is supervised Daniel Klein, Chief Compliance Officer. He reviews Mr. Harston's work through client account reviews, quarterly personal transaction reports as well as face-to-face and phone interactions

Mr. Klein can be contacted by telephone at (270) 629-2046 or by email at [dan@lockshieldpartners.com](mailto:dan@lockshieldpartners.com).

**Item 1: Cover Page for Part 2B of Form ADV:  
Brochure Supplement  
March 23, 2020**



**CLARK HAYDEN**

**Lockshield Partners, Inc.  
301 South Broadway Ave.  
Glasgow, KY 42141**

**This brochure supplement provides information about Mr. Hayden that supplements our Firm Brochure. Please contact us if you did not receive Lockshield Partners, Inc.'s brochure or if you have any questions about the contents of this supplement. Additional information about Mr. Hayden is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD# 6578608.**

## Item 2: Educational Background & Business Experience

**Clark Hayden | Year of Birth:** 1993

### **Educational Background:**

- 2016; University of Kentucky; Bachelor of Science, Accounting; Bachelor of Business Administration, Finance

### **Business Background:**

- 06/2017 – Present Lockshield Partners, Inc.; Investment Adviser Representative
- 05/2017 – 08/2019 LPL Financial LLC; Registered Representative
- 04/2016 – 05/2017 Thrivent Investment Management Inc.; Registered Representative
- 06/2016 – 05/2017 Thrivent Investment Management Inc.; Investment Advisor Representative
- 08/2012 – 05/2016 University of Kentucky; Full-time Student
- 05/2015 – 06/2015 Daviess County Extension Office; Office Assistant
- 05/2007 – 08/2012 Full-time student

### **Exams, Licenses & Other Professional Designations:**

- Certified Financial Planner (CFP®) (please see below regarding the minimum qualifications for this professional designation)

## Item 3: Disciplinary Information

There are no legal or disciplinary events material to the evaluation of Mr. Hayden.

## Item 4: Other Business Activities

Mr. Hayden does not engage in any other business activities.

## Item 5: Additional Compensation

Mr. Hayden does not receive any other economic benefit for providing advisory services in addition to advisory fees.

## Item 6: Supervision

Clark Hayden is supervised Daniel Klein, Chief Compliance Officer. He reviews Mr. Hayden's work through client account reviews, quarterly personal transaction reports as well as face-to-face and phone interactions

Mr. Klein can be contacted by telephone at (270) 629-2046 or by email at [dan@lockshieldpartners.com](mailto:dan@lockshieldpartners.com).

### **CFP® Professional Designation – Minimum Qualifications**

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- 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.

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