

# **TRUADVICE, LLC**

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**FORM ADV PART 2A  
FIRM BROCHURE  
MARCH 24, 2020**

This brochure provides information about the qualifications and business of TRUADVICE, LLC. If you have any questions about the contents of this brochure, please contact us at (941) 413-5390. 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.

TRUADVICE, LLC is a SEC registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about TRUADVICE, LLC is available on the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. TRUADVICE, LLC's CRD number is 292482.

## **ITEM 2 - MATERIAL CHANGES**

We will amend this brochure at least annually within ninety (90) days of the end of our fiscal year. Because our fiscal year ends December 31, we will amend our brochure annually by March 31.

Annually, we will ensure that you receive either an amended brochure or a summary of any material changes to this and any subsequent Brochure within 120 days of the end of our fiscal year, and promptly at any time if any of the information herein becomes materially inaccurate.

The following are the material changes to this brochure since our annual update dated March 20, 2019:

- We have updated Item 5 and Item 12 to remove our relationships with Focus Point Solutions and AssetMark Trust.

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## **ITEM 4 – ADVISORY BUSINESS / SERVICES OFFERED**

### OWNERSHIP/ADVISORY HISTORY

TRUADVICE, LLC is a Florida Limited Liability Company registered as an investment adviser with the Securities and Exchange Commission in 2018. CS Sleight Inc. is the only owner.

### ASSET MANAGEMENT SERVICES

We offer asset management services that involves us providing the client with continuous and ongoing supervision over his or her specified accounts.

The client must appoint us as the investment adviser of record on specified accounts (collectively, the “Account”). The Account consists only of separate account(s) held by qualified custodian(s) under the client’s name. The qualified custodians maintain physical custody of all funds and securities of the Account, and the client retains all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account.

The Account is managed by us based on the client’s financial situation, investment objectives and risk tolerance. We actively monitor the Account and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account.

We obtain certain information from the client to determine his or her financial situation and investment objectives. The client will be responsible for notifying us of any updates regarding his or her financial situation, risk tolerance or investment objective and whether the client wishes to impose or modify existing investment restrictions. We are always reasonably available to consult with the client relative to the status of the Account. The client has the ability to impose reasonable restrictions on the management of the accounts, including the ability to instruct us not to purchase certain securities.

It is important that the client understands that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to the client or actions taken for him or her. We are not obligated to buy, sell or recommend to the client any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for the account(s) and other accounts advised by us among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client’s benefit.

### SUB-ADVISER MANAGEMENT SERVICES

As part of our Asset Management Services, we may provide recommendations to the client or exercise discretion to utilize specific Sub-Advisers to manage the client’s Account or a portion of

the assets of Account. We have full discretion and authority to contract with, retain, and remove third-party investment money managers providing sub-advisory services with respect to the investment of certain cash, securities and other assets held in Client Accounts. We conduct due diligence on all recommended Sub-Advisers and monitor the performance of the Sub-Advisers with respect to the Sub-Advisers' management of the designated assets in the Account relative to appropriate peers and/or benchmarks. We will be available to answer any questions the client may have regarding any portion of the client's Account managed by a Sub-Adviser(s), and we will act as the communication conduit between the client and the Sub-Adviser. If the Sub-Adviser is registered as an investment adviser, a complete description of the Sub-Adviser's services and fees will be disclosed in the Sub-Adviser's Form ADV Part 2A that will be provided to the client.

#### FINANCIAL PLANNING

We offer financial planning and consulting services to evaluate a client's financial situation, goals and risk tolerance. Through a series of personal interviews and/or the use of questionnaires we collect pertinent data, identify goals, objectives, financial problems, and potential solutions. With this information, we tailor the client's written financial plan or consulting advice to the client's situation. Our advice may cover any of the following topics: net worth statement; cash flow analysis, tax analysis, insurance analysis; estate planning techniques; retirement projection; 401k review; or other needs as identified during our meetings with the client. Our advice may be verbal or in a written financial plan. The type of service is stated in the financial planning agreement.

#### TAILOR ADVISORY SERVICES TO INDIVIDUAL NEEDS OF CLIENTS

Our advisory services are provided based on the client's individual needs. This means, for example, that when we provide asset management services, the client is given the ability to impose restrictions on the accounts we manage for him or her, including specific investment selections and sectors. We work with the client on a one-on-one basis through interviews and questionnaires to determine his or her investment objectives and suitability information.

Our financial planning services are also provided based on the client's individual needs. When providing financial planning services, we work with the client on a one-on-one basis through interviews and questionnaires to determine his or her investment objectives and suitability information.

We will not enter an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

We may provide recommendations to the client or exercise discretion to utilize specific Sub-adviser(s) (individually "Sub-Adviser" and collectively "Sub-Advisers") to manage the Account or a portion of the assets of the Account. We will conduct due diligence of any recommended Sub-Adviser and monitor the performance of Sub-Adviser with respect to the Sub-Adviser's management of the designated assets of the Account relative to appropriate peers and/or benchmarks. We will be available to answer the client's questions regarding any portion of the

Account managed by a Sub-Adviser and will act as the communication conduit between Client and the Sub-Adviser.

If the Sub-Adviser is registered as an investment adviser, a complete description of the Sub-Adviser's services and fees will be disclosed in the Sub-Adviser's Form ADV Part 2A that will be provided to client.

#### CLIENT ASSETS MANAGED

As of March 20, 2020 we managed \$322,007,324 in discretionary assets and \$521,335 in non-discretionary assets.

## **ITEM 5 – FEES AND COMPENSATION**

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding our services along with descriptions of each service's fees and compensation arrangements. The exact fees and other terms will be outlined in the agreement between us and the client. We believe our fees for investment advisory services are reasonable with respect to the services provided and the fees charged by other investment advisers offering similar services. However, lower fees for comparable service may be available from other sources.

#### ASSET MANAGEMENT SERVICES

Our management fee is based on a percentage of assets under management in the client's account. Our maximum annual management fee is 2.99%. The management fee is negotiable based on the size of the account. The client may aggregate or household accounts to negotiate a lower fee.

Our management fee is billed quarterly, in advance. This means we collect the management fee at the beginning of the quarterly billing period. The management fee will be based on the market value of the Account as of the last business day of the previous quarter end. Fees for a partial quarter at the commencement or termination of an agreement will be prorated based on the number of days the account was open during the quarter. Quarterly fee adjustments for additional assets received into an account during the quarter or for partial withdrawals may also be prorated. The fee will be deducted from the client's account. Cash balances and investments in money market funds held in the account are counted toward the account value and are included in the management fee calculations.

#### OTHER FEES AND EXPENSES

Our management fee does not include the Sub-Adviser's management fee, brokerage commissions, transaction fees, or other related costs and expenses. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive, of and in addition to, our fee and we will not receive any portion of

these commissions, fees, and costs. For more information about our brokerage practices please see Item 12.

#### USE OF THIRD-PARTY SERVICE PROVIDERS DISCLOSURE

Additionally, we may have arrangements with unrelated third-party service providers (collectively referred to as “Service Providers”) to service client accounts, including, but not limited to the following services:

- research,
- due diligence,
- reporting,
- portfolio analysis, and
- back office administration.

Service Providers generally do not have any direct contact with our clients. They provide services directly to us and we are solely responsible for client accounts.

Upon entering into an agreement for advisory services with us, clients authorize us to use these unrelated third party service providers to service their account, including billing and the deduction of fees from client accounts. Clients agree to allow us to share non-public, personal information with these unrelated third-party service providers for the purpose of administering and managing the clients’ accounts. We require unrelated third-party service providers to execute a confidentiality agreement and not share client information with any unauthorized person or entity. The use of unrelated third-party service providers will not cause the client to incur any additional fees. We pay unrelated third-party service providers for services out of the total advisory fee charged to the client. Our fee schedule is disclosed above.

#### FINANCIAL PLANNING AND CONSULTING SERVICES

Our financial planning and consulting services are provided on a fixed or hourly fee basis in accordance with the following fee schedule:

***Fixed Fee:*** The fixed fee ranges up to \$5,000. The fixed fee varies and depends upon the nature and complexity of each client’s individual circumstances and the number of topics covered by the service.

***Hourly Fee:*** The hourly rate is not to exceed \$400 an hour with a minimum of two hours per engagement. The hourly rate will vary depending on the nature and complexity of each client’s individual circumstances and the number of topics covered by the service.

The financial planning fee may be negotiated or waived at our discretion. At the time of engagement, we provide the client with a written estimate of the total fee. We collect one half of the agreed upon fee at the time of engagement and the remaining half upon delivery of the financial plan or consulting service.

## TERMINATION OF SERVICES

The client may terminate any service for any reason within the first five (5) business days after signing an advisory contract and receive a 100% refund of any fees paid, without any cost or penalty.

For our financial planning and consulting clients, after the first five (5) business days, the financial planning agreement may be terminated at any time by either party through written notice to the other party. Upon our receipt of a written termination notice, hourly financial planning clients will receive a prorated refund of any unearned fees based on the number of hours completed on the plan or consulting services. Flat fee financial planning clients will receive a prorated refund of any unearned fees based on the percentage of work completed on the plan.

After the first five (5) business days, either party may terminate the investment management agreement by giving the other party ten (10) days' written notice of termination. Upon our receipt of a written notice of termination, the client will receive a prorated refund based on the amount of time services were rendered during the terminated quarter. For example, if there are 90 days in a quarter and the service was cancelled 45 days into the quarter, the client will receive a 50% refund of the quarterly management fee. (45 divided by 90 equals 50%) Refunds are paid by depositing the fee back into the account if allowed by the client's custodian. In all other cases refunds are paid by check.

## **ITEM 6 – PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT**

We do not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client) or perform side by side management.

## **ITEM 7 – TYPES OF CLIENTS**

We offer our services to individuals, high net worth individuals, corporations and other business entities, and pension and profit sharing plans. We do not have a minimum account size requirement.

## **ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### METHODS OF ANALYSIS

We use the following methods of analysis in formulating investment advice:

*Fundamental Analysis* – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate



a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

*Technical Analysis* – This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly, since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

*Other Methods of Analysis* - Third party reports.

There are risks involved in using any analysis method.

#### INVESTMENT STRATEGIES

We use the following investment strategies when managing client assets and/or providing investment advice:

Long term purchases. We purchase securities with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year. The risk associated with using a long-term purchase strategy is that it generally assumes the financial markets will go up in the long-term, which may not be the case. There is also the risk that the segment of the market that the client is invested in or perhaps just that client's

particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

Short term purchases. We purchase securities with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. The risk associated with using a short-term purchase strategy is that it generally assumes that we can predict how financial markets will perform in the short-term, which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

Strategic asset allocation. Calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment returns skew the original asset allocation percentages. The concept is akin to a "buy and hold" strategy, rather than an active trading approach. Of course, the strategic asset allocation targets may change over time as the client's goals and needs change and as the time horizon for major events such as retirement and college funding grow shorter. Generally, strategic asset allocation strategies are agnostic to economic environments, i.e., they do not change their allocation postures relative to changing market or economic conditions.

#### INVESTMENT RISKS

All investment programs have certain risks that are borne by the client. Investing in securities involves risk of loss that clients should be prepared to bear. The client should be prepared to bear investment loss including loss of original principal. Past performance is not indicative of future results. Therefore, the client should never assume that future performance of any specific investment or investment strategy will be profitable. Further, depending on the different types of investments there may be varying degrees of risk. The client should feel free to ask questions about risks that he or she does not understand; we would be pleased to discuss them.

Because of the inherent risk of loss associated with investing, we are unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate the client from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- **Company Risk:** When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

- **Credit Risk:** This is the risk that an issuer of a bond could suffer an adverse change in financial condition that results in a payment default, security downgrade, or inability to meet a financial obligation.
- **Equity (stock) Market Risk:** Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If the account holds common stock, or common stock equivalents, of any given issuer, the account would generally be exposed to greater risk than if it held preferred stocks and debt obligations of the issuer.
- **ETF and Mutual Fund Risk:** When investing in an exchange traded fund ("ETF") or mutual fund, the client will bear additional expenses based on a pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. The client will also incur brokerage costs when purchasing ETFs.
- **Fixed Income Risk:** When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **Inflation Risk:** This is the risk that inflation will undermine the performance of an investment and/or the future purchasing power of a client's assets.
- **Interest Rate Risk:** The chance that bond prices overall will decline because of rising interest rates.
- **International Investing Risk:** Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, as well as regulatory and financial reporting standards, that differ from those of the U.S.
- **Manager Risk:** The chance that the proportions allocated to the various securities will cause the client's account to underperform relevant to benchmarks or other accounts with similar investment objectives.
- **Market Risk:** Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Options Risk:** Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

- **Stock Market Risk:** The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.

## **ITEM 9 – DISCIPLINARY INFORMATION**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the firm and its management. We do not have information applicable to this item.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### OTHER INDUSTRY AFFILIATIONS

Our associated persons may be independent insurance agents and they may recommend this service to our clients. This other business activity pays them commissions that are separate from the fees described in Item 5 above. This is a conflict of interest because the commissions give our associates a financial incentive to recommend and sell clients the insurance products. However, we attempt to mitigate any conflicts of interest to the best of our ability through our fiduciary duty and by informing clients that they are never obligated to purchase any recommended insurance products through our associates.

### RECOMMENDATION OF THIRD PARTY INVESTMENT ADVISER

We may recommend the use of Sub-Advisers to manage a portion of a client's account. Please see Items 4 and 5 above for additional details.

## **ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTION AND PERSONAL TRADING**

### DESCRIPTION

Our Code of Ethics establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Our Code of Ethics covers all supervised persons and it describes our high standard of business conduct and fiduciary duty to our clients. The Code of Ethics includes, among other things, provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition on rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All supervised persons must acknowledge the terms of the Code of Ethics annually or as amended.

### MATERIAL INTEREST IN SECURITIES

We do not have a material interest in any securities.

### INVESTING IN OR RECOMMENDING THE SAME SECURITIES

Our associated persons may buy or sell for their own account the same securities at or about the same time that they recommend those securities to clients or purchase them for client accounts. A conflict of interest may exist because they can trade ahead of client trades. We

mitigate any conflict of interest in two ways. First, our Code of Ethics requires employees to report personal securities transactions on at least a quarterly basis and provide us with a detailed summary of certain holdings (both initially upon commencement of employment and quarterly thereafter) in which employees have a direct or indirect beneficial interest. The reports are reviewed to ensure we do not trade ahead of client accounts. Second, we require client transactions be placed ahead of our associates' personal trades or our associates can place personal trades as part of a block trade (Please see Item 12 for details on our block trading practices). The records of all associates' personal and client trading activities are reviewed and made available to regulators to review on the premises.

## **ITEM 12 – BROKERAGE PRACTICES**

### RECOMMENDATION CRITERIA

We do not maintain custody of client assets although we may be deemed to have custody of the client's assets if he or she gives us authority to withdraw assets from the account (see Item 15 – Custody, below). Client assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We recommend that clients use Fidelity or TD Ameritrade, (individually "Custodian or Custodial" collectively "Custodians") as the qualified custodian(s). We are independently owned and operated and not affiliated with any Custodians. The Custodian will hold the client's assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that the client use either Fidelity or TD Ameritrade as the custodian/broker, the client will decide whether to do so and open an account with the Custodian by entering into an account agreement directly with them. We do not open the account for the client. If the client does not wish to place their assets with Fidelity or TD Ameritrade, then we cannot manage your account. Not all advisers require their clients to use a particular broker-dealer or custodian selected by the adviser. Even though the clients account is maintained at the Custodian(s), we can still use other brokers to execute trades for your account, as described below.

### HOW WE SELECT BROKERS/CUSTODIANS TO RECOMMEND

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

- Combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of investment products made available (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)

- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- Reputation, financial strength, and stability of the provider
- Their prior service to us and our other clients

For our client accounts they maintain, the Custodians generally do not charge the client separately for custody services but are compensated by charging the client commissions or other fees on trades that they execute or that settle into the Custodial account. In addition to commission or asset-based fees, the Custodians typically charge the client a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the clients’ Custodial account. These fees are in addition to the commissions or other compensation the client pays the executing broker-dealer. Because of this, in order to minimize the client’s trading costs, we have Fidelity or TD Ameritrade execute most trades for the account.

#### RESEARCH AND SOFT DOLLARS

“Soft dollars” are defined as a form of payment investment firms can use to pay for goods and services such as news subscriptions or research. When an investment firm gives its business to a particular brokerage firm, the brokerage firm in return can agree to use some of its revenue to pay for these types of services. We do not receive soft dollar benefits.

#### BROKERAGE FOR CLIENT REFERRALS

We do not receive client referrals or any other incentive from any broker-dealer or Custodian.

#### DIRECTED BROKERAGE

Some clients may direct us to a specific broker-dealer to execute securities transactions for their accounts. When so directed, we may not be able to effectively negotiate lower brokerage commissions or achieve best execution on those clients’ transactions. This can result in substantially higher fees, charges or dealer concessions in one or more transactions for the clients’ accounts because we cannot negotiate favorable prices.

#### TRADE AGGREGATION

We may aggregate transactions in equity and fixed income securities for a client with other clients to improve the quality of execution. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and each client account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. We may determine not to aggregate transactions, for example, based on the size of the trades, the number of client’s accounts, the timing of the trades, the liquidity of the securities or the discretionary or non-discretionary nature of the trades. If we do not

aggregate orders, some clients purchasing securities around the same time may receive a less favorable price than other clients. This means that this practice of not aggregating may cost clients more money.

## **ITEM 13 – REVIEW OF ACCOUNTS**

Our investment adviser representatives review their clients' portfolios annually.

We do not conduct follow up consultations on written financial plans unless the client contacts us to schedule an update. We typically do not provide ongoing financial planning services, but we may at the client's request. A separate engagement is required for a follow up meeting. Please note, our financial planning clients will receive a written report only if memorialized in the financial planning agreement.

Additional reviews may be conducted depending on market conditions, economic or political events, or by changes in a client's financial situation (such as retirement, termination of employment, physical move or inheritance).

## **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

### OTHER COMPENSATION

We do not receive other compensation or any additional economic benefits when we provide investment advice.

### CLIENT REFERRALS

We do not pay for client referrals or use solicitors.

## **ITEM 15 – CUSTODY**

All client funds, assets and securities are held at a qualified custodian. Under government regulations, we are deemed to have custody of the client's assets if the client authorizes us to instruct the custodian to deduct our management fee directly from the client's account or, if the client has an executed Standing Letter Of Authorization (SLOA) on file. The custodian maintains actual custody of the client's assets. The client will receive account statements directly from the custodian at least quarterly. They will be sent to the email or postal mailing address the client provided to the custodian. The client should carefully review those statements promptly when he or she receives them. We also urge the client to compare the custodian's account statements with any periodic portfolio reports the client receives from us.

## **ITEM 16 – INVESTMENT DISCRETION**

We offer discretionary investment management services. To grant us discretionary authority over the account, the client must sign the investment management agreement. Our investment management agreement contains a limited power of attorney that allows us to select the security, the amount, and the time of the purchase or sale in the client's account. It also allows us to place each such trade without the client's prior approval. In addition to our investment management agreement, the client's custodian may request the client sign the custodian's limited power of attorney. This varies with each custodian. The client may limit our

discretionary authority by providing us written instructions. These limitations will commence upon our written acknowledgment of the constraints.

## **ITEM 17 – VOTING CLIENT SECURITIES**

We do not vote proxy votes for any client. All proxy materials are mailed or emailed directly to the client from the custodian. Any proxy materials received by us will be forwarded to the client for response and voting. In the event the client has a question about a proxy solicitation, the client should feel free to contact us.

## **ITEM 18 – FINANCIAL INFORMATION**

### BALANCE SHEET

We do not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance. Therefore, we are not required to provide a balance sheet.

### FINANCIAL CONDITION

We are required in this Item to provide the client with certain financial information or disclosures about our financial condition if we have a financial commitment that impairs our ability to service you. We do not have a financial commitment that impairs our ability to service our clients.

### BANKRUPTCY

We have not been the subject of a bankruptcy proceeding.