

The financial advisors of The Yanker Group, Inc. are registered representatives with securities offered through LPL Financial, member FINRA/SIPC.

**Item 1 Cover Page**

Registered As: The Yanker Group, Inc.



Doing Business As: The Yanker Group

Registered Investment Adviser | CRD No. 281364

13611 Barrett Office Drive - Suite. 100 | Manchester, MO 63021

(866) 941-2275 – phone

(314) 962-5609 – fax

[www.scottyanker.com](http://www.scottyanker.com)

**February 09, 2020**

**NOTICE TO PROSPECTIVE CLIENTS: READ THIS DISCLOSURE BROCHURE IN ITS ENTIRETY**

This brochure provides information about the qualifications and business practices of The Yanker Group Inc. If you have any questions about the contents of this brochure, please contact us at (866) 941-2275 or [www.scottyanker.com](http://www.scottyanker.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about The Yanker Group, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## **Item 2 – Material Changes**

There are no material changes since the most recently amended ADV 2A.

Currently, our Disclosure Brochure may be requested by contacting us at (866) 941-2275 [scottyanker@lpl.com](mailto:scottyanker@lpl.com). We welcome visitors to our Web Site at [www.scottyanker.com](http://www.scottyanker.com) for a comprehensive overview of our firm and the professional services we offer.

Additional information about The Yanker Group is also available via the SEC's Web Site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's Web Site also provides information about any persons affiliated with The Yanker Group who are registered, or are required to be registered, as investment adviser representatives of The Yanker Group.

### **Item 3 – Table of Contents**

#### **Part 2A**

Item 1 – Cover Page .....	1
Item 2 – Material Changes .....	2
Item 3 – Table of Contents .....	3
Item 4 – Advisory Business .....	4
Item 5 – Fee and Compensation .....	8
Item 6 – Performance-Based Fees and Side-by-Side Management .....	11
Item 7 – Types of Clients .....	11
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	11
Item 9 – Disciplinary Information .....	13
Item 10 – Other Financial Industry Activities and Affiliations .....	14
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	14
Item 12 – Brokerage Practices .....	14
Item 13 – Review of Accounts .....	16
Item 14 – Client Referrals and Other Compensation .....	16
Item 15 – Custody .....	16
Item 16 – Investment Discretion .....	17
Item 17 – Voting Client Securities .....	17
Item 18 – Financial Information .....	17
Item 19 – Requirements for State-Registered Advisers .....	17

#### **Item 4 – Advisory Business**

The Yanker Group, Inc. is an SEC register investment Advisor based in Missouri. The firm's founding member, Scott W. Yanker., formed the firm as The Yanker Group, Inc. in 1984 and registered the entity as an independent investment adviser in 2016. As of December 31, 2019 the firm has \$ 120,422,000 assets under management.

#### **Management Team**

##### **Scott W. Yanker, CFP®,- President & Chief Compliance Officer**

Scott Yanker began his career in 1984 with Allmerica Financial, and transitioned to LPL Financial in 2003. His role at The Yanker Group is to help clients plan and secure their financial future, and identify talented financial advisors who may be interested in joining the firm. He specializes in retirement distribution planning and tax planning analysis. Scott W. Yanker, CERTIFIED FINANCIAL PLANNER™, provides comprehensive financial planning services that utilize specialists within and outside the firm when necessary. He holds the [CERTIFIED FINANCIAL PLANNER™\(CFP®\)](#) designations, as well as Series 6,7,24 and 63 registrations through LPL.

##### **Carol Yanker - Director of Operations**

Carol Yanker has worked in the client services and financial services industry for more than four years. Her previous experience was as a sales representative for Chemtech Industries. At The Yanker Group, Carol is responsible for assisting with compliance follow-through, audits, hiring and training, and general office supervision. She received a BS in business administration from Southeast Missouri State University.

#### **The Firm**

The Yanker Group provides fee based discretionary or non-discretionary investment advisory services for compensation primarily to individual clients and high-net worth individuals as well as corporate clients based on their individual goals, objectives, time horizon, and risk tolerance of each client.

Discretionary authority, if granted, means that The Yanker Group makes all decisions to buy, sell or hold securities, cash or other investments in your managed account without consulting with you before implementing such transactions. You must provide advance written authorization to grant The Yanker Group discretionary authority. You have the ability to place reasonable restrictions on the types of investments that may be purchased in an account. You may also place reasonable limitations on the discretionary power granted to us so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Investment policy
- Asset selection
- Regular portfolio monitoring

Investment advisor representatives of The Yanker Group tailor advisory services to your individual needs.

## **Wrap Fee Program**

A wrap fee program is an advisory program under which a single fee, not based directly upon transactions in a client's account, is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisors) and the execution of client transactions. The Yanker Group does not currently sponsor or act as the portfolio manager of a wrap fee program.

## **Asset Management**

### **Strategic Wealth Management (SWM I / SWM II)**

Strategic Wealth Management (SWM) is the name of a custodial account offered through LPL Financial to support investment advisory services provided by The Yanker Group. Strategic Wealth Management is a comprehensive, open-architecture platform that allows investment advisor representatives to provide advice on the purchase and sale of various types of investments including access to more than 8,000 no-load and load waived mutual funds and more than 350 fund families as well as stocks, bonds, ETFs, UITs, alternative investments, options, fund of hedge funds and managed futures. Fee-based variable annuities are also available.

The difference between SWM I and SWM II is that there are no transaction fees in a SWM II account although it is not considered a Wrap Fee Program.

There is no account minimum.

### **Optimum Market Portfolios Program (OMP)**

The Optimum Market Portfolios (OMP) program offers clients the ability to participate in a professionally managed asset allocation program. The Yanker Group will obtain the necessary financial data from each client and then select the proper fund portfolio program. The underlying assets are managed consistent with the portfolio program objectives without regard for particular clients of The Yanker Group. The advisory services provided by The Yanker Group is to allocate and manage a client's investment within the appropriate portfolio.

A minimum account value of \$10,000 is required for OMP.

### **Model Wealth Portfolios Program (MWP)**

Model Wealth Portfolios Program (MWP) offers clients a professionally managed mutual fund asset allocation program. Investment advisor representatives of The Yanker Group will obtain the necessary financial data from the client in order to assist the client in determining the appropriate funds to support their investment objective. The underlying mutual funds are managed consistent with the portfolio program objectives without regard for particular clients of The Yanker Group. The advisory services provided by The Yanker Group is to allocate and manage a client's investment within the appropriate portfolio.

A minimum account value of \$50,000 is required for MWP.

## Manager Access Select Program

Manager Access Select provides clients access to the investment advisory services of professional portfolio management firms. Investment advisor representatives of The Yanker Group assist clients in identifying a third party portfolio manager (Portfolio Manager). The underlying portfolios are managed consistent with the portfolio program objectives without regard for particular clients of The Yanker Group. The advisory services provided by The Yanker Group is to allocate and manage a client's investment within the appropriate portfolio.

A minimum account value of \$100,000 is required for Manager Access Select, however, in certain instances, the minimum account size may be lower or higher.

## Financial Planning Services

As part of our financial planning services, The Yanker Group, through its investment advisor representatives, may provide personal financial planning tailored to individual needs. These services may include, as selected by the client on the financial planning agreement, information and recommendations regarding tax planning, investment planning, retirement planning, estate needs, business needs, education planning, life and disability insurance needs, long-term care needs and cash flow/budget planning. The services take into account information collected from the client such as financial status, investment objectives and tax status, among other data. Fees for such services are negotiable and detailed in the client agreement.

Financial planning is made available to all clients as a comprehensive service that may or may not result in a written plan. The amount of time required per plan can vary greatly depending on the scope and complexity of an individual engagement. A particular client's financial plan will include the relevant types of planning specific to their needs and objectives such as:

- **Retirement** – planning an investment strategy with the objective of providing inflation-adjusted income for life.
- **College / Education** – planning to pay the future college / education expenses of a child or grandchild.
- **Major Purchase** – Evaluation of the pros and cons of home ownership verse renting as well as buying or leasing a car, for example.
- **Divorce** – planning for the financial impact of divorce such as change in income, retirement benefits and tax considerations.
- **Insurance Needs** – planning for the financial needs of survivors to satisfy such financial obligations as housing, dependent child care and spousal arrangements as well as education.
- **Final Expenses** – planning to leave assets to cover final expenses such as funeral, debts and potential business continuity.
- **Estate Planning** – planning that focuses on the most efficient and tax friendly option to pass on an estate to a spouse, other family members or a charity.
- **Cash Flow/ Budget Planning** – planning to manage expenses against current and projected income.

- **Wealth Accumulation** – planning to build wealth within a portfolio that takes into consideration risk tolerance and time horizon.
- **Business Succession** – planning for the continuation of a business in a smooth a transition as possible with the use of buy-sell agreements, key-man insurance and engaging independent legal counsel as needed.
- **Tax Planning** – planning a tax efficient investment portfolio to maximize deductions and off-setting losses.
- **Investment Planning** – planning an investment strategy consistent with a particular objectives, time horizons and risk tolerances.

### **Hourly Consulting Services**

The Yanker Group, through its investment advisor representatives, may provide consulting services on an hourly basis. Such services are offered to all client types and are tailored to the individual needs of a particular client. The financial planning services listed above are also available on an hourly consulting basis. The difference between the services being offered as financial planning or on an hourly basis is the degree of focus. A financial plan is a more comprehensive review and analysis that incorporates the complete financial situation whereas hourly consulting focuses on a particular aspect or the smaller more specifics details of a particular financial goal, objective or scenario.

The number of hours required per client can be significantly different depending on the exact nature of their financial situation and the unique variables that need to be considered. Consequently, the firm is not able to accurately predict the number of hours required until first gathering certain client specific information. Once the necessary client information is obtained, the firm can then provide an estimated number of hours expected to provide the type and scope of consulting required. Clients will have the opportunity to agree to the number of hours prior to engagement and an obligation to pay.

### **Other Considerations**

Neither the firm nor any investment advisor representative are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

Advisory agreements may not be assigned or transferred in any manner by any party without the written consent of all parties receiving or rendering services hereunder; provided that Advisor may assign an agreement upon consent of the client. An advisory agreement may be terminated by any party effective upon receipt of written notice to the other parties. The client will be entitled to a prorated refund of any pre-paid quarterly Account Fee based upon the number of days remaining in the quarter after the Termination Date.

Clients need to understand that in the event of death or incapacity during the term of an advisory agreement, the authority of The Yanker Group under an advisory agreement shall remain in full force and effect until such time as The Yanker Group is notified otherwise in writing by the authorized representative of client or client's estate. Termination of an advisory agreement will not affect the liabilities or obligations of the parties from transactions initiated prior to termination.

## **Conflicts of Interest**

When dealing with investment advisory clients and services, investment adviser representatives have an affirmative duty of care, loyalty, honesty and good faith to act in the best interests of its clients. Investment adviser representatives should fully disclose all material facts concerning any conflict that does arise with these clients, and should avoid even the appearance of a conflict of interest.

- A conflict exists between the interests of the investment adviser and the interests of the client.
- The client is under no obligation to act upon the investment adviser's recommendation.
- If the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through the investment adviser.
- The recommendation that a client purchase a commission product from LPL Financial presents a conflict of interest, as the receipt of commissions provides an incentive to recommend investment products based on commissions received, rather than on a particular client's need.
- No client is under any obligation to purchase any commission products from LPL Financial.

The Firm and IARs must abide by honest and ethical business practices including, but not be limited to:

- Not inducing trading in a client's account that is excessive in size or frequency in view of the financial resources and character of the account;
- Making recommendations with reasonable grounds to believe that they are appropriate based on the information furnished by the client;
- Placing discretionary orders only after obtaining client's written trading authorization contained within the advisory agreement or via separate amendment;
- Not borrowing money or securities from, or lending money or securities to a client;
- Not placing an order for the purchase or sale of a security if the security is not registered, or the security or transaction is not exempt from registration in the specific state.

The firm's Chief Compliance Officer, Scott Yanker, is available to address any questions that a client or prospective client may have regarding conflicts of interest.

## **Item 5 – Fees and Compensation**

The specific manner in which fees are charged by the firm is established in the client's written agreement. The custodian calculates and deducts the advisory fee quarterly in advance based upon a percentage (%) of the market value as of the final day of the quarter prior to the fee calculation.



If the advisory agreement is terminated before the end of the quarterly period, clients are entitled to a pro-rated refund of any pre-paid quarterly advisory fee based on the number of days remaining in the quarter after the termination date, which will be processed automatically by the custodian.

Unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract, clients may terminate the agreement without penalty for a full refund of The Yanker Group's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice.

### Asset Management Fees

The account fee charged to the client for each advisory program is negotiable, subject to the following fee schedule:

Account Size			MWP / OMP	SWM I	SWM II	Manager Select
\$10,000	-	\$99,999	1.35	1.35%	1.35%	N/A
\$100,000	-	\$149,999	1.20%	1.20%	1.20%	2.21%
\$150,000	-	\$249,999	1.15%	1.15%	1.15%	2.06%
\$250,000	-	\$499,999	1.10%	1.10%	1.10%	1.94%
\$500,000	-	\$749,999	1.0%	1.0%	1.0%	1.81%
\$750,000	-	\$1,249,999	.95%	0.95%	0.95%	1.70%
\$1,250,000	-	\$1,999,999	.85%	0.85%	0.85%	1.62%
\$2,000,000	-	\$2,999,999	.85%	0.75%	0.75%	1.43%
\$3,000,000	-	\$4,999,999	0.84%	0.65%	0.65%	1.21%
\$5,000,000	-	\$9,999,999	0.67%	0.50%	0.50%	1.04%

Asset management fees cover the following costs:

Quarterly Performance Report  
Insurance Analysis  
Portfolio Analysis & Optimization  
Educational Client Workshop  
Intergenerational Wealth Transfers  
Defined Contribution Asset Allocation  
Company Stock Option Analysis  
Qualified Plan  
Weekly Market Updates via Email

Monthly Newsletter  
Comprehensive Financial Planning  
Retirement Planning  
Education Planning  
Estate Planning  
Tax Planning Strategies  
Quarterly/Semi-Annual Client Review  
Beneficiary Planning

### Financial Planning

Financial Planning fees are generally fixed based on an estimated number of hours but in some cases financial planning may be offered on an actual hourly basis. Financial planning fees and payment schedules are negotiated but generally require 50% up front and the balance upon completion. In the event that a client terminates the services they will be entitled to a refund of any unearned fees by subtracting the earned fees from the amount paid up front. The Yanker Group does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance.

The general range of fees for hourly billing is \$200 to \$400 and fixed fees range from \$200 to \$15,000 depending on the particular complexities involved.

Payment for Financial Planning is payable to: The Yanker Group, Inc.

### **Hourly Consulting**

The hourly consulting fee will be based on the type of services to be provided, experience and expertise, and the sophistication and bargaining power of the client. The hourly fee ranges from \$200 to \$400. A higher or lower fee may apply under extenuating circumstances and requires approval by the Chief Compliance Officer.

The total estimated fee, as well as the ultimate fee that we charge, is based on the scope and complexity of the specific engagement. Our hourly fee generally ranges from \$200 – \$400 an hour but may exceed \$400 as circumstances warrant. Our fixed fee is generally between \$200 and \$15,000 but may exceed \$15,000 as circumstances warrant.

Payment for Hourly Consulting is payable to: The Yanker Group, Inc.

### **Brokerage Commissions**

Commissions are not charged for asset management services; however, a client of The Yanker Group can engage certain investment adviser representatives in their capacity as a registered representative of LPL Financial an SEC registered and FINRA/SIPC member broker-dealer and separate unaffiliated legal entity, to implement investment recommendations on a commission basis. LPL Financial will charge brokerage commissions to effect securities transactions in a brokerage account. Securities transactions in an advisory account do not generate commission based compensation. The brokerage commissions charged by LPL Financial may be higher or lower than those charged by other broker/dealers.

The Firm and the IAR will:

- Allocate securities in a manner that is fair and equitable to all clients
- Not effect agency-cross transactions for client accounts

The firm generally does not receive more than 20% of its revenue from advisory clients as a result of brokerage commissions or other compensation for the sale of investment products the firm recommends to its clients. When the firm's representatives sell an investment product on a commission basis, the firm does not charge an advisory fee in addition to the commissions paid by the client for such product in order to address this conflict of interest.

Investment advisor representatives may also be licensed insurance agents. In the capacity of an insurance agent, they may recommend the purchase of certain insurance-related products on a commission basis separate from providing advisory services

### **Item 6 – Performance-Based Fees and Side-by-side Management**

Neither the firm nor any supervised persons accepts performance-based fees, fees based on a share of capital gains, or on the capital appreciation of assets. The Yanker Group does not provide advisory services to such clients as a hedge fund or other pooled investment vehicles.

## **Item 7 – Types of Clients**

The advisory services offered by The Yanker Group are available for individuals, individual retirement accounts (“IRAs”), banks and thrift institutions, pension and profit sharing plans, including plans subject to Employee Retirement Income Security Act of 1974 (“ERISA”), trusts, estates, charitable organizations, state and municipal government entities, corporations and other business entities.

However, the firm generally provides investment advice to individuals and high net worth individuals as small businesses. The firm is currently not working with other types of clients or pursuing them as prospects but would not turn away any opportunities that may arise.

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

We emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds (“ETFs”), options, mutual funds and other public and private securities or investments.

The client’s individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client’s circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based upon the client’s individual needs, stated goals and objectives. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

The firm may use one or more of the following methods: fundamental and technical analysis, cyclical analysis and Modern Portfolio Theory in order to formulate investment advice when managing assets. Depending on the analysis the firm will implement a long or short term trading strategy based on the particular objectives and risk tolerance of a particular client.

**Fundamental Analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages. Fundamental analysis concentrates on factors that determine a company’s value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Technical Analysis** involves the analysis of past market data; primarily price and volume. Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

**Cyclical Analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security. Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

**Modern Portfolio Theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various assets. Modern Portfolio Theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Please note, investing in securities involves risk of loss that clients should be prepared to bear. There are different types of investments that involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy will be profitable or equal any specific performance level(s). Past performance is not indicative of future results.

The firms' methods of analysis and investment strategies do not represent any significant or unusual risks however all strategies have inherent risks and performance limitations such as:

- **Market Risk** - the risk that the value of securities may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.
- **Interest Rate Risk** - the risk that fixed income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.
- **Credit Risk** - the risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.
- **Mutual Funds** - Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond "fixed income" nature (lower risk) or stock "equity" nature (mentioned below).
- **Equity** - investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.
- **Fixed Income** - investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury

inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

- **Exchange Traded Funds (ETFs)** - An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.
- **Annuities** - are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.
- **Non-U.S. securities** - present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

#### **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 an advisory firm or the integrity of a firm’s management.

Any such disciplinary information for the company and the company’s investment advisor representatives would be provided herein and publicly accessible by selecting the Investment Advisor Search option at <http://www.adviserinfo.sec.gov>. There are no legal or disciplinary events to disclose.

#### **Item 10 – Other Financial Industry Activities and Affiliations**

As disclosed previously investment advisor representatives may also be registered representatives of LPL Financial, an unaffiliated SEC registered and FINRA/SIPC member broker/dealer.

Also disclosed previously investment advisor representatives of our firm are insurance agents/brokers. They may offer insurance products and receive customary fees as a result of insurance sales. Insurance products will only be offered in states where the representative offering insurance is properly licensed.

Neither The Yanker Group nor any of the management persons are registered or has a registration

pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

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

The Yanker Group maintains a Code of Ethics, which serves to establish a standard of business conduct for all employees that are based upon fundamental principles of openness, integrity, honesty and trust.

The code of ethics includes guidelines regarding personal securities transactions of its employees and investment advisor representatives. The code of ethics permits employees and investment advisor representatives or related persons to invest for their own personal accounts in the same or different securities that an investment advisor representative may purchase for clients.

This presents a potential conflict of interest because trading by an employee or investment advisor representatives in a personal securities account in the same or different security on or about the same time as trading by a client could potentially disadvantage the client. The Yanker Group addresses this conflict of interest by requiring in its code of ethics that employees and investment advisor representatives report certain personal securities transactions and holdings to the Chief Compliance Officer for review.

Neither The Yanker Group nor a related person recommends to clients, or buys or sells for client accounts, securities in which the firm or a related person has a material financial interest.

#### **Item 12 – Brokerage Practices**

The Yanker Group receives support services and/or products from LPL Financial without cost, at a discount, and/or at a negotiated rate. These support services are provided to The Yanker Group based on the overall relationship between The Yanker Group and LPL Financial. It is not the result of soft dollar arrangements or contingent upon the execution of client transactions. The support services may include the following:

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

As a result of receiving the services The Yanker Group may have an incentive to continue to use or expand the use of LPL Financial services. Our firm examined this potential conflict of interest when we chose to enter into the relationship with LPL and we have determined that the

relationship is in the best interest of our firm's clients and satisfies our fiduciary obligations, including our duty to seek best execution.

While the services will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account.

LPL Financial charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). LPL enables the firm to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. LPL Financial commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by LPL Financial may be higher or lower than those charged by other custodians and broker/dealers.

Our recommendation of LPL Financial is based on best execution and the level of competitive, professional services LPL Financial provides. Our firm does not receive client brokerage commissions (or markups or markdowns) to obtain research or other products or services. Neither does our firm receive brokerage commissions for client referrals. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, we may not always obtain the lowest possible commission rates for specific client account transactions.

Each client with assets held at LPL Financial will be required to establish an account if not already done. Please note that not all investment advisers have this requirement.

The Yanker Group 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 the client account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. The Yanker Group may determine not to aggregate transactions, for example, based on the size of the trades, number of client accounts, the timing of trades, the liquidity of the securities and the discretionary or non-discretionary nature of the trades. If The Yanker Group or its related persons 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.

Clients may direct their brokerage transactions at a firm other than LPL Financial. Client directed brokerage may cost clients more money. For example, in a directed brokerage account, a client 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.

### **Item 13 – Review of Accounts**

Account reviews are conducted on an ongoing basis by Scott Yanker, the Chief Compliance Officer. Clients are advised that it remains their responsibility to advise The Yanker Group of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review their financial plan, investment objectives and account performance with their investment advisor representative on at least an annual basis.

Scott Yanker, the Chief Compliance Officer, may also conduct account reviews based on the occurrence of a triggering event, such as a change in a client's investment objectives and/or financial situation, market corrections and by request.

Clients are provided, at least quarterly, transaction confirmations and account statements directly from the broker-dealer/custodian and/or program sponsor. The Yanker Group may also provide a written periodic report summarizing account activity and performance.

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

The Yanker Group receives an economic benefit from LPL Financial in reimbursement for marketing related expenses.

The Yanker Group and employees may receive additional compensation from product sponsors. However, such compensation may not be tied to the sales of any products. Compensation may include such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings with investment advisor representative, client workshops or events, marketing events or advertising initiatives, including services for identifying prospective clients. Product sponsors may also pay for, or reimburse The Yanker Group for the costs associated with, education or training events that may be attended by The Yanker Group employees and investment advisor representatives and for The Yanker Group sponsored conferences and events.

Such gifts represent a conflict of interest however IARs of The Yanker Group have a fiduciary duty to act in the client's best interest.

The Yanker Group has agreements in place to pay solicitors a portion of advisory fees. The Yanker Group does not directly or indirectly compensate any person who is not a supervised person for client referrals.

#### **Item 15 – Custody**

The Yanker Group does not have actual or constructive custody of client funds. LPL Financial will serve as the qualified custodian of client assets on behalf of The Yanker Group.

LPL Financial as the qualified custodian sends statements at least quarterly to clients showing all disbursements in an account including the amount of the advisory fees paid to advisor, the value of client assets upon which advisor's fee was based, and the specific manner in which advisor's fee was calculated. The Yanker Group urges clients to carefully review the statements provided by the qualified custodian.

Clients provide authorization to LPL Financial permitting advisory fees to be deducted by a separate written agreement. LPL Financial calculates the advisory fees and deducts them from client's account every quarter. The Yanker Group does not have the ability to directly deduct fees or increase the fee amount agreed upon between a client and LPL Financial.

#### **Item 16 - Investment Discretion**

The client can determine to engage The Yanker Group to provide investment advisory services on a discretionary basis. Prior to The Yanker Group assuming discretionary authority the client shall



be required to execute an *Investment Advisory Agreement*, naming The Yanker Group as the client's attorney and agent in fact, granting The Yanker Group full authority to buy and/or sell the type and amount of securities on behalf of a client, or otherwise effect investment transactions.

The Yanker Group does not have discretionary authority to determine the broker or dealer to be used for a purchase or sale of securities for a client's account or the commission rates to be paid to a broker or dealer for a client's securities transaction.

Clients who engage The Yanker Group on a discretionary basis may, at any time, impose restrictions, **in writing**, on The Yanker Group discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the use of margin, etc.).

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

The Yanker Group does not vote client proxies but third party money managers selected or recommended by our firm may vote proxies for clients. Clients will otherwise receive their proxies or other solicitations directly from their custodian. Clients may contact The Yanker Group at (866) 941-2275 to discuss any questions they may have with a particular solicitation.

#### **Item 18 – Financial Information**

The Yanker Group may have discretion over client funds as indicated in the advisory agreement.

The Yanker Group does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance or otherwise have actual or constructive custody of client funds.

There are no financial conditions that are reasonably likely to impair the firm's ability to meet contractual commitments to clients. At no time has The Yanker Group been the subject of a bankruptcy petition.