



**Foundational Retirement Solutions, LLC  
A Registered Investment Advisor**

**Firm Brochure**

**Form ADV Part 2A**

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Carlsbad, CA 92008**

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This brochure provides information about the qualifications and business practices of Foundational Retirement Solutions, LLC, a registered investment advisor. If you have any questions about the contents of this brochure, please contact us at 949.359.0035. 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 Foundational Retirement Solutions, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may search this site by our identifying number known as a CRD number. The CRD number for Foundational Retirement Solutions, LLC is 288564.

Registration with the SEC or any state securities authority 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 for more information on the qualification of our firm and its employees.

## Item 2: Material Changes

Foundational Retirement Solutions, LLC ("FRS") amends its disclosure brochure on at least an annual basis. To receive a copy of our most recent brochure at any time during the year, please call Foundational Retirement Solutions, LLC at 949.359.0035, and a copy will be sent to you. You may also obtain a copy of the most current brochure and additional information on our firm from [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) under Investment Adviser Search.

FRS filed its last annual update to this brochure on March 1, 2019. FRS continues to conduct its business activities and provide investment advisory services in substantially the same manner as described in the last update to the brochure. The ensuing is only a list of changes since the last update that are or may be considered material. It does not identify every change to the Brochure since the last update. In addition, there have been minor word enhancements and clarifications throughout the brochure.

- The address and phone number for FRS on the cover page was updated.
- Item 5 was updated to clarify that FRS' sub-advisory fee, which is part of the total fee charged by a Fund to its investors, is generally paid to FRS by the Trustee on a quarterly basis. In addition, sections titled Retirement Plan Consulting and Direct Asset Management Fees and Hourly and Fixed Fee Consulting Services were removed as these services are not currently offered by FRS.
- Item 7 was modified to clarify that FRS only provides advisory services to collective investment trusts and other pooled investment vehicles.
- With respect to Item 8, reference to certain types of investment analysis not currently used by FRS in providing advisory services were removed from this section.
- Language was added to Item 10 to disclose that GRPAA, under common control with FRS, makes available office space to FRS. In addition, that the participating advisors whom are members of GRPAA, have access to, and promote, the CITs and other pooled investment vehicles sub-advised by FRS.
- In Item 10, Envestnet Retirement Solutions was replaced with Sageview Advisors as a third-party consultant FRS may use for quantitative and qualitative investment expertise
- Item 13 was updated to disclose that FRS monitors and reviews CITs and other pooled investment vehicles it sub-advises, as applicable, on at least a quarterly basis.
- Item 16 was updated to disclose that FRS only provides investment advisory services to a CIT or other pooled investment vehicle on a non-discretionary basis and that any recommendation to engage or terminate a third-party investment manager or advisor must be approved by the Trustee.
- Item 19 was deleted as FRS is currently registered with the SEC.

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## Item 4: Advisory Business

Foundational Retirement Solutions, LLC (“FRS” or “Advisor”) is registered as an investment advisor with the United States Securities and Exchange Commission. FRS is organized as a limited liability company under the laws of the state of Delaware. The owner of Foundational Retirement Solutions, LLC is William R. Chetney. William R. Chetney is CEO and principal advisor and **Jeffrey D. Kayajanian is the Chief Compliance Officer.**

William Chetney is Founder of GRP Advisor Alliance (“GRPAA”), a firm providing specialized services to more than 500 retirement plan advisors, 25,000 retirement plans, and more than two million participants. The organization brings together many of the nation’s most experienced retirement plan professionals to create programs and services that positively impact the millions of Americans with retirement plans.

Mr. Chetney was President of LPL Financial Retirement Partners, a division of LPL Financial (“LPL”) following its 2010 acquisition of National Retirement Partners (“NRP”), a registered broker dealer and investment advisor. In this role, he was responsible for leading the firm’s retirement business and providing tools, services, and technology solutions to 5,000 participating advisors with 25,000 plans.

Before joining LPL, Mr. Chetney, who has 20 years’ experience in the retirement plan business, was the NRP founder, President, and Chief Executive Officer. He was responsible for the strategic supervision of NRP’s member firms’ network, acquisitions, member firm relationships, and product development. NRP grew from his advisory practice 401(k) Advisors USA, which served institutional clients with over \$1.5 billion in assets.

With our dynamic and experienced team, FRS provides the following investment advisory and management services to individuals, pension and profit-sharing plans, trusts, corporations, and other business entities:

### I. Manager Selection

FRS or affiliated Investment Advisory Representative (“IAR”) primarily provides these investment management services as a sub- advisor to certain pooled investment vehicles. Such pooled investment vehicles are typically organized as collective investment trusts (each, a “Trust”) by an unaffiliated third-party trustee (“Trustee”). The Trustee can establish different funds with differing investment objectives (each, a “Fund”) and to appoint an investment adviser with respect to the Funds. Where applicable, the Trustee hires and appoints Advisor to assist in implementing the glidepath models for the Funds, as provided by other unaffiliated investment adviser(s), and to manage the Funds in accordance with the established investment objectives.

In addition, the Advisor provides investment advice by allocating assets to other third-party investment advisers and managers and the selection, termination, monitoring and review of such advisers and managers.

Sponsors of certain qualified retirement plans (each, a “Plan”) invest assets of the Plan into the Funds. The Plan is a qualified employee benefit plan intended to comply with all applicable federal laws and regulations, including the Internal Revenue Code of 1986, as amended, and the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended.

Each pooled investment vehicle is managed in accordance with its investment objectives, guidelines and restrictions and is not tailored to the individualized needs of any particular Plan, Fund shareholder or Fund investor, and an investment in such a vehicle does not, in and of itself, create an advisory relationship between the shareholder or investor and the Advisor.

The Advisor may employ many different calculations, processes, and screening techniques to arrive at specific manager allocations for the Funds within the array of managers and investments being analyzed and considered. The Advisor may also retain third-party firms to provide additional information, tools, and insights to meet their obligations.

#### **Assets Under Management/Advisement**

As of May 6, 2020, FRS advises \$0.00 on a discretionary basis and approximately \$52,000,000.00 on a non-discretionary basis.

FRS does not participate in wrap fee programs.

### **Item 5: Fees and Compensation**

The following is a description of how we are compensated for the advisory services that we provide to our clients:

#### **I. Manager Selection**

FRS' actual advisory fees, minimum fees and minimum account sizes may be negotiated and may vary from the schedules below due to a variety of factors, including the circumstances of a client, specific investment strategies mandated by a client, account size, and/or as otherwise may be agreed with specific clients. As a result, FRS may offer certain clients lower fees than other clients. FRS' sub-advisory fees for services to the Funds generally are as follows:

<b>General Investment Strategy Categories</b>	<b>Annual Sub-Advisory Fee Rates</b>
Target Date Funds	0.00% – 0.15%
Multi DCIO Funds	0.00% – 0.15%
Individual Mandate Funds	0.00% – 0.10%
Index Funds	0.00% – 0.10%

FRS' sub-advisory fee, which is part of the total fee charged by a CIT to its investors, are generally paid to FRS by the Trustee on a quarterly basis.

#### **II. Other Fees**

FRS will invest assets with other managers and advisers, and in other collective investment funds, including mutual funds, ETFs, and other managed products or partnerships in clients' portfolios. Investors in the funds may be charged for the services by the underlying fund managers and providers of these products, in addition to the fees paid to FRS. The fees and expenses charged may be separate and distinct from the fee charged by FRS. These fees and expenses are described in each fund's prospectus or offering memorandum. These fees will generally include a management fee, other fund expenses and a possible distribution fee.

Accordingly, the investors in the funds should review not only the applicable fee charged by FRS but also other fees charged by the funds and the underlying managers and advisors to fully understand the total amount of fees being.

FRS and its supervised person do not accept compensation for the sale of securities or other investment products, including asset based charges or service fees from the sale of mutual funds.

## **Item 6: Performance Based Fees and Side by Side Management**

FRS does not charge fees based on a share of capital gains or on capital appreciation of the assets of a client and therefore does not simultaneously manage performance based and non-performance based accounts.

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

We provide advisory services to collective investment trusts and other pooled investment vehicles.

FRS does not impose a minimum account size to open or maintain an account.

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

The Advisor primarily uses fundamental analysis with limited technical analysis in evaluating other managers and advisors for its services. The primary investment strategies utilized are passive (index) and actively managed by asset allocation through other managers and collective investment funds. Managers and collective Funds utilized are diversified to minimize the risk associated with the capital markets. The Advisor's strategies do not involve frequent trading.

The following details the type of analysis IARs use to formulate recommendations:

- Third-party Investment Managers and/or Mutual Funds: Advisor reviews the experience and track record of the third-party investment manager and/or mutual fund in an attempt to determine if the investment manager or investment advisor has demonstrated an ability to invest successfully over a period of time and in different economic conditions. IARs also look at the underlying assets in the manager's fund in an attempt to determine if there would be significant overlap in the underlying investments held by the pooled investment vehicle sub-advised by FRS. A risk of all funds and other securities is that past performance does not guarantee future results.

### **Risks for all forms of analysis**

The FRS securities analysis methods rely on the assumption that third-party information providers utilized by FRS provide accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Any investment or investment strategy involves some risk of loss an investor in a pooled investment vehicle should be prepared to bear. Examples may include:

Interest-rate Risk	Fluctuations in interest rates may cause investment values to fluctuate. For example, market values of bonds typically decline when interest rates rise, because the rising rate makes the existing bond yields less attractive.
Market Risk	External factors independent of a security's particular underlying circumstances may impact its value. The value of a security, bond or mutual fund may drop in reaction to tangible and intangible events and conditions, such as a political or social event or an economic condition.
Inflation Risk	Inflation means a dollar today may buy more than a dollar next year. When inflation is present, purchasing power typically decreases as the rate of inflation increases.
Currency Risk	Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. Also known as exchange rate risk, these risks may be present in international mutual funds for example.
Reinvestment Risk	The risk that future proceeds from investments may be reinvested at a potentially lower rate of return is reinvestment risk. This risk primarily relates to fixed income securities.
Business Risk	Risks associated with a particular industry or a specific company may impact the value of investments.
Liquidity Risk	Liquidity means the ability to readily convert an investment into cash. Assets with many purchasers are generally more liquid. For example, Treasury Bills are highly liquid, while real estate properties are less so.
Financial Risk	A company with excessive borrowing or that takes significant business risks to generate profit is typically at a greater risk of financial difficulty or failure.
Accuracy of Public Information	The Advisor selects other managers, in part, on the basis of information and data filed by the managers as well as other sources. Although the Advisor evaluates all such information and data and sometimes seeks independent corroboration when it's considered appropriate and reasonably available, the Advisor is not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not available.
Investments in Non-U.S. Investments	<p>From time to time, the Advisor may recommend investment managers investing in non-U.S. securities, which will give rise to risks relating to political, social and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and foreign issuers and markets are subject. Such risks may include: political or social instability, the seizure by foreign governments of company assets, acts of war or terrorism, withholding taxes on dividends and interest, high or confiscatory tax levels, and limitations on the use or transfer of portfolio assets. Enforcing legal rights in some foreign countries is difficult, costly and slow, and there are sometimes special problems enforcing claims against foreign governments.</p> <p>Foreign securities and other assets often trade in currencies other than the U.S. dollar. Changes in currency exchange rates will affect the fund's asset value, the value of dividends and interest earned, and gains and losses realized on the sale</p>

	<p>of investments.</p> <p>Non-U.S. securities, commodities and other markets may be less liquid, more volatile and less closely supervised by the government than in the United States. Foreign countries often lack uniform accounting, auditing and financial reporting standards, and there may be less public information about the operations of issuers in such markets.</p>
Other Investment Manager and Fund of Funds Risk	<p>The investment performance of a portfolio that is managed by another investment adviser, or included within a fund-of-funds is affected by the investment performance of the underlying securities and funds which the manager chooses or in which the portfolio invests. The ability to achieve the investment objective depends on the ability of the chosen manager or underlying funds, as applicable, to meet their investment objectives and on Advisor's decisions regarding the allocation of assets among the underlying managers and funds. The chosen manager or portfolio may allocate assets to an underlying fund or asset class that underperforms other funds or asset classes. There can be no assurance that the investment objective of the manager, portfolio or any underlying fund will be achieved. When a manager or the portfolio invests in underlying funds, investors are exposed to a proportionate share of the expenses of those underlying investments in addition to the expenses of manager or the portfolio. Through its investments in underlying funds, the portfolio is subject to the risks of the underlying funds' investments.</p>

Investors in a collective investment fund, like the Funds, should carefully review the fund's prospectus, offering document or Trust agreement, as applicable, and any corresponding investment management agreement for additional information on investment strategies and risks. Investing in securities involves a risk of loss that clients should be prepared to bear.

### Item 9: Disciplinary Information

Neither Advisor nor its employees have been the subject of any disciplinary actions.

### Item 10: Other Financial Industry Activities and Affiliations

William R. Chetney is the Advisor and a control owner of FRS.

William R. Chetney and other IARs of FRS are independently licensed insurance agents. FRS does not offer insurance products. FRS clients do not have an obligation to purchase insurance products through William R. Chetney or other IARs of FRS.

William R. Chetney is the control owner of GRPAA, an association of retirement plan focused advisors. GRPAA makes available office space to FRS. The participating advisors of GRPAA, who have access to, and promote, the CITs and other pooled investment vehicles sub-advised by FRS, pay annual dues to participate in the group as well as the services provided. These services include study groups, conferences, financial wellness and business support. The services provided by GRPA do not carry over to FRS. GRPAA members do not have an obligation to obtain services from FRS.



FRS may engage the services of third-party consultants, including, but not limited to, Sageview Advisors, for quantitative and qualitative investment expertise and glide path. The services that the third-party consultants provide are to support delivery of FRS services. FRS clients do not incur additional expense related to the services that third parties provide to FRS. FRS clients are not obligated to obtain services from the third-party vendors that FRS utilizes.

FRS and its management are not registered, nor is an application pending to register, as a broker dealer or a registered representative of a broker dealer.

FRS and its management are not registered, nor is an application pending to register, as a futures commission merchant, commodity pool operator, or commodity trading advisor, or an associated person of the foregoing entities.

FRS does not select Sageview Advisors or other third-party consultants. The trustee of the collective investment trusts selects FRS and the third-party consultants.

FRS does not recommend or select other investment advisors separate from the advisory services discussed above.

FRS will ensure that before selecting other advisors, the other advisors are properly licensed or registered as an investment advisor.

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

- A. FRS has established a Code of Ethics which applies to all associated IARs. An investment advisor is considered a fiduciary. As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. FRS has a fiduciary duty to all clients. FRS' fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. FRS always requires all IARs to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws. Upon employment or affiliation and at least annually thereafter, all IARs will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. FRS and IARs must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.
- B. If FRS or an IAR recommends to clients, or buys or sells for client accounts, securities in which FRS or an IAR has a material financial interest (excluding an interest as a shareholder of an SEC-registered, open-end investment company), FRS must describe its practice and discuss the conflicts of interest it may present.

Neither FRS nor a related person recommends to clients, or buys or sells for client accounts, securities in which we or an IAR has a material financial interest.

- C. If FRS or an IAR invests in the same securities (or related securities, e.g., warrants, options or futures) that FRS or an IAR recommends to clients, FRS is required to describe its practice and discuss the conflicts of interest this may present and generally how FRS addresses the conflicts that may arise in connection with personal trading.

IARs may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, IARs will place client interests ahead of our own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

- D. If FRS or an IAR recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that client or an IAR buys or sells the same securities for FRS' (or the related person's own) account, FRS is required to describe its practice and discuss the conflicts of interest it may present. We are also required to describe generally how we address conflicts that arise.

IARs may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this potential conflict of interest, FRS' related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. If related persons' accounts are included in a block trade, our related persons will always trade personal accounts last.

## Item 12: Brokerage Practices

In consideration of the FRS' business model, this section is nonapplicable as FRS will not maintain relationships with custodial broker dealers.

12A(1): Research and Other Soft Dollar Benefits: FRS does not maintain relationships with custodial broker dealers and therefore does not engage in research and other soft dollar benefits.

12A(2): Brokerage for Client Referrals: FRS does not maintain relationships with custodial broker dealers and therefore does not engage in brokerage for client referrals.

12A(3): Directed Brokerage: FRS does not maintain relationships with custodial broker dealers and therefore does not engage in directed brokerage activity.

12B: Aggregation of Trades: FRS does not maintain relationships with custodial broker dealers and therefore does not engage in trade aggregation.

### **Item 13: Review of Accounts**

FRS monitors and reviews CITs and other pooled investment vehicles it sub-advises, as applicable, on at least a quarterly basis. Reviewers may include members of the portfolio management team, including **Jeffrey Kayajanian**, (the Chief Compliance Officer) or his designee. Reviews of an account occur at differing frequencies and for differing purposes depending on the type of client and account. All reviews use the similar factors and comprehensive criteria such as, but not limited to overall market changes and changes in the investment objectives. Reviews will be evidenced in writing.

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

FRS does **not** engage in activity with non-clients to gain economic benefits including sales awards or other prizes.

### **Item 15: Custody**

Advisor does not have custody of client assets. Assets of the funds sub-advised by FRS are held at the applicable custodian. Advisor shall not act as custodian for any assets in the client's account and shall not take possession of cash and/or securities of the Client's account. Advisor shall not be liable to Client for any act, conduct or omission by custodian.

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

Advisor only provides investment advisory services to a CIT or other pooled investment vehicle on a non-discretionary basis. Any recommendation to engage or terminate a third-party investment manager or advisor must be approved by the Trustee.

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

Advisor does not vote proxies.

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

As an investment advisory firm that maintains discretionary authority, FRS is required to disclose any financial condition that would be likely to impair the ability to meet FRS' contractual and fiduciary obligations to clients. FRS does not exercise discretionary authority in client accounts. FRS has no such financial conditions to report. FRS is not and has not been the subject of a bankruptcy proceeding. FRS will not require or solicit prepayment of more than \$1,200.00 in fees per client, six months or more in advance.