

**Form ADV Part 2A: *Firm Brochure***

**Item 1 – Cover Page**

**Elite Retirement Planning, LLC**

1860 SE Princeton Dr.

Grimes, IA 50111

515-278-4110

<https://eliteretirementplanning.com>

Date of Disclosure Brochure: March 2020

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This disclosure brochure provides information about the qualifications and business practices of Elite Retirement Planning, LLC doing business under the name Elite Retirement Planning (also referred to as we and us throughout this disclosure brochure). If you have any questions about the contents of this disclosure brochure, please contact Julie Wagner at 515-278-4110. The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Elite Retirement Planning is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm's information on this website by searching for Elite Retirement Planning, LLC, Elite Retirement Planning or our firm's CRD number 297942.

\*Registration as an investment adviser does not imply a certain level of skill or training.

## Item 2 – Material Changes

Since filing our last update to this brochure in March 2019, we have made the following material changes.

- James Weiss is no longer affiliated with our firm and all references to Mr. Weiss have been removed. Loren Merkle is now the 100% controlling Manager and direct owner of Elite Retirement Planning, LLC. The following related companies have changed their legal names.
  - Weiss-Merkle Financial, LLC is now Merkle Retirement Planning, LLC
  - WMF Holdings, Inc. is now MRP Holdings, Inc.
  - WMF Insurance, LLC is now MRP Insurance, LLC
  - WMF Real Estate, LLC is now Merkle Real Estate, LLC
- Revisions were made to Item 5 describing our fee arrangements through the AE Wealth Management Program. The following has been added.
  - We do not adjust the overall Program fee depending on selected Model Managers. Therefore, the fee charged to your Account will be the same regardless of selected Model Managers. This results in varying compensation received by Elite Retirement Planning resulting from our Model Manager selection criteria. In other words, differences in fee rates assessed by Model Managers are retained by our firm and not passed along to clients. This creates a conflict of interest to recommend Model Managers that charge lower fees because we will benefit in the form of a higher overall fee retained by our firm. For example, if we select a Model Manager that charges 0.10% we earn a higher overall fee compared to selecting a Model Manager that charges 0.40%. In an attempt to control for this conflict of interest, we base our decision to recommend Model Managers on objective criteria such as prior investment performance, investment strategies offered and the total-ity of investment advisory services available.
  - Model Manager charge of 0.10% and 0.40%. Has been revised to 0.10% and 0.55%.
  - The annual fee schedule was updated from 2.0% for an account value under \$1,000,000 to 1.75% for an account value under \$1,000,000.
  - Fees for financial planning were reduced from \$400 an hour to \$350 an hour.
  - The fixed fee charge changed from a \$1,000 minimum to \$5,000 maximum to \$500 minimum to \$10,000 maximum.
- Revisions were made to Item 6 describing minimum investment amounts. The minimum required to open an account has been changed from \$100,000 to \$250,000.
- Updates were made to Item 12 explaining we do not allow clients to direct the brokerage plat-forms used. All accounts managed through Elite Retirement Planning programs must be estab-lished with either TD Ameritrade through their Institutional Platform, or National Financial Ser-vices, LLC through the Fidelity Institutional Wealth Services Program (“Fidelity”).

- Contact information was changed from Abby Huntrods to Julie Wagner.
- The following were added to Item 14 Client Referrals and Other Compensation.
  - The firm can receive bonus payments from an insurance company for selling a targeted number of annuities during a specified period of time which creates a conflict of interest.
  - Supervised persons can be compensated for obtaining prospective clients through marketing initiatives

We will ensure that you receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after our firm's fiscal year ends. Our firm's fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. At that time, we will also offer or provide a copy of the most current disclosure brochure. We will also provide other ongoing disclosure information about material changes as necessary.

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## **Item 4 – Advisory Business**

Elite Retirement Planning is a registered investment adviser firm located in Grimes, Iowa. The firm is a limited liability company (LLC) formed under the laws of the State of Iowa.

Elite Retirement Planning is owned by MRP Holdings, Inc., a holding company formed under the laws of the State of Iowa. MRP Holdings, Inc. also owns MRP Insurance, LLC, an insurance agency.

Loren Merkle is the sole Direct Owner of MRP Holdings, Inc. which owns 100% of Elite Retirement Planning, LLC, MRP Insurance, LLC and Merkle Retirement Planning, LLC. See *Item 10 – Other Financial Activities and Affiliations* for more information.

Full details of the education and business background of Loren Merkle is provided at *Item 19 – Requirements for State-Registered Adviser* of this Disclosure Brochure.

Elite Retirement Planning was formed in June 2018 and filed its initial application to become registered as an investment adviser in July 2018.

### **Introduction**

The investment advisory services of Elite Retirement Planning are provided to you through an appropriately licensed and qualified individual who is an investment adviser representative of Elite Retirement Planning (referred to as your investment adviser representative throughout this brochure).

As a client of Elite Retirement Planning your investment adviser representative will also serve as an insurance agent under our affiliated insurance agency MRP Insurance, LLC. This means your investment adviser representative, acting as an insurance agent, will recommend you place your assets in insurance products and annuities when he or she believes it is in your best interest to do so. These insurance products and annuities pay commissions to MRP Insurance and your investment adviser representative in his or her separate capacity as an insurance agent. This presents a conflict of interest to your investment adviser representative as they could have a financial incentive to recommend you place your assets in either insurance products or an advisory account depending on which would pay them more.

Elite Retirement Planning has taken steps to manage this conflict of interest by requiring that each investment adviser representative (i) only recommend insurance and annuities when in the best interest of the client and without regard to the financial interest of Elite Retirement Planning and its investment adviser representative or MRP Insurance and its insurance agents, (ii) not recommend insurance and/or annuities which result in your investment adviser representative acting as an insurance agent and/or Elite Retirement Planning or MRP Insurance receiving unreasonable compensation related to the recommendation and (iii) disclose in writing to a client any material conflicts of interest related to insurance or annuity recommendations.

### **Description of Advisory Services**

The following are descriptions of the primary advisory services of Elite Retirement Planning. Please understand that a written agreement, which details the terms of the service, must be signed by you and Elite Retirement Planning before we can provide you the services described below.

### **Financial Planning & Consulting Services**

Elite Retirement Planning offers financial planning services, which involve preparing a written financial plan covering specific or multiple topics. We provide full written financial plans, which can address the following topics:

- ☐ Asset Allocation,
- ☐ Budgeting,
- ☐ Estate Planning,
- ☐ Investment Planning,
- ☐ Retirement Planning,
- ☐ Risk Management, and
- ☐ Other Topics or Areas of Concern for the Client.

When providing financial planning and consulting services, our role is to find ways to help you understand your overall financial situation and help you set financial objectives.

We also offer consultations in order to discuss financial planning issues when you do not need a written financial plan. We offer “as-needed” consultations, which are limited to consultations in response to a particular investment or financial planning issue raised or request made by you. Under an “as-needed” consultation, it will be incumbent upon you to identify those particular issues for which you are seeking advice or consultation on.

Our financial planning and consulting services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You have the sole responsibility for determining whether to implement the financial planning and consulting recommendations.

To the extent that you would like to implement any of our investment recommendations through Elite Retirement Planning or retain Elite Retirement Planning to actively monitor and manage your investments, you must execute a separate written agreement with Elite Retirement Planning for our Asset Management Services.

### **Asset Management Services through AE Wealth Management Program**

Elite Retirement Planning offers asset management services, which involves Elite Retirement Planning providing you with continuous and ongoing supervision over your specified accounts.

Elite Retirement Planning has entered into an agreement with AE Wealth Management, LLC (“AEWM”), an SEC registered investment adviser, to provide asset management services to clients through the AE Wealth Management sponsored Direct Asset Management Services Wrap Fee Program (“Program”). In addition to serving as sponsor of the Program platform, AEWM also serves as “Sub-Adviser” to our firm.

The Program provides clients with the opportunity to participate in the asset management services available to Elite Retirement Planning through AEWM. Through the Program, AEWM provides services as Sub-Adviser to Elite Retirement Planning and our clients, which include:

- ☐ Makes available model managers, portfolio managers, strategists and third-party money managers on the platform (referred to as “Model Managers”)
- ☐ Access to AEWM's reporting systems, client relationship management systems and workflow systems

Elite Retirement Planning will assist you with the establishment of an AEWM advisory account that will utilize one or more services of AEWM. You will receive continuous investment advice based on your needs and circumstances. Elite Retirement Planning will be responsible for understanding the financial condition and investment objective of the client.

You must appoint our firm as your investment adviser of record on specified Accounts (collectively, the "Account"). The Account consists only of separate Account(s) through either the TD Ameritrade Institutional Platform, or the Fidelity Institutional Wealth Program (collectively referred to as Fidelity) under your name. See *Item 12 – Brokerage Practices* for more information. TD Ameritrade, or Fidelity, as qualified custodian, maintains physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account. See *Item 15 – Custody* for more information.

The Account is managed based on your financial situation, investment objectives and risk tolerance. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objectives and whether you wish to impose or modify existing investment restrictions. We will initiate contact with you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are available to consult with you on the status of your Account. You have the ability to impose reasonable restrictions on the management of your Accounts, including the ability to instruct us not to purchase certain securities.

Accounts through the Program will be managed using one or more strategies developed either by Elite Retirement Planning; one or more Model Managers; or a combination of strategies developed by both Elite Retirement Planning and one or more Model Managers. As part of the Program, you will give us and AEWM discretion to select Model Managers to design and determine model portfolios for your assets when and if appropriate based on your individual needs.

Clients participating in the Program will grant Elite Retirement Planning discretionary authority with respect to investment and advisory services provided to Program clients. Additionally, each client will grant AEWM full discretionary authority to (i) invest and reinvest the assets in the Program and (ii) retain Model Managers with respect to all or a part of account assets. This means AEWM will have trading authority on your account which is necessary to trade investments recommended by Elite Retirement Planning and/or Model Managers.

Although we review the performance of Model Managers, we are only able to select the investment managers approved by AEWM and thus available through the Program. Therefore, we have a conflict of interest because we do not recommend Model Managers to you if the investment manager is not available through the Program.

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

Conflicts can arise in the allocation of investment opportunities among Accounts that we manage. We allocate investment opportunities appropriate for your Account(s) and other Accounts advised by our firm among such Accounts equitably and consistent with the best interests of all Accounts involved, 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 can not lawfully use or disclose, we have no obligation to disclose the information to any client or use it for any client's benefit.

We will provide you with a copy of AEWM's wrap-fee program disclosure brochure which contains a detailed description of AEWM and the Program

#### Administrative Services Provided by Orion Advisor Services, LLC and Advyzon

To help manage accounts through the Program, AEW and Elite Retirement Planning utilize Orion Advisor Services, LLC (referred to as “Orion”) technology platforms. The technology platforms of Advyzon are also used to assist in managing accounts through the Program. These administrative services allow us to perform functions like support data reconciliation, performance reporting, fee calculation and billing, client database maintenance, quarterly performance evaluations, and other functions related to the administrative tasks of managing client accounts. Due to this arrangement Orion and Advyzon will have access to client accounts and information but will not serve as an investment adviser to Elite Retirement Planning clients. AEW pays Orion a fee on a per-account basis for their services. Elite Retirement Planning pays Advyzon on a per-account basis for their services.

#### **Elite Retirement Planning Wrap Fee Program**

Elite Retirement Planning offers asset management services, which involves Elite Retirement Planning providing you with continuous and ongoing supervision over your specified accounts through our Elite Retirement Planning Wrap Fee Program (the “ERP Program”).

You must appoint our firm as your investment adviser of record on specified Accounts (collectively, the “Account”). The Account consists only of separate Account(s) held by TD Ameritrade Clearing, Inc. as qualified custodian through the TD Ameritrade Institutional Program (collectively referred to as TD Ameritrade) under your name. TD Ameritrade, as qualified custodian, maintains physical custody of all funds and securities of the Account, and you retain 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 your 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 on a discretionary or non-discretionary basis as agreed upon with you.

We will need to obtain certain information from you to determine your financial situation and investment objectives. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objectives and whether you wish to impose or modify existing investment restrictions; We will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are available to consult with you relative to the status of your Account. You have the ability to impose reasonable restrictions on the management of your Accounts, including the ability to instruct us not to purchase certain securities.

It is important that you understand that we manage investments for other clients and can give them advice or take actions for them or for our personal Accounts that is different from the advice we provide to you or actions taken for you. We are not obligated to buy, sell or recommend to you any security or other investment that we can buy, sell or recommend for any other clients or for our own Accounts.

Conflicts can arise in the allocation of investment opportunities among Accounts that we manage. We allocate investment opportunities appropriate for your Account(s) and other Accounts advised by our firm among such Accounts equitably and consistent with the best interests of all Accounts involved. 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 can not lawfully use or disclose, we have no obligation to disclose the information to any client or use it for any client's benefit.



### Discretionary Authority to Select Unaffiliated, Third-Party Investment Advisers

We will have discretionary authority to select for your Accounts one or more specific unaffiliated, third-party investment advisers. Third-party investment advisers can be selected to serve either as a signal-provider or as a sub-adviser to your Account. When selected as a signal-provider, the third-party investment adviser will develop and provide us with model investment portfolios and recommendations for when to buy and sell investments. This means we will trade your Account to implement and make all trades in your Account.

When a third-party investment adviser is selected as a sub-adviser, the third-party investment adviser will have trading authority on your account to manage the Account or a portion of the assets of the Account. In this regard, the third-party investment adviser selected by our firm will have discretionary authority on your Account to place trades and make changes to the Account or the portion of your Account the Sub-Adviser is authorized to manage.

We conduct due diligence of the recommended third-party investment adviser selected and used for the ERP Program. Moreover, we monitor the performance of all third-party investment advisers with respect to the third-party investment advisers' model portfolio performance and/or management of the designated assets of all ERP Program accounts relative to appropriate peers and/or benchmarks

We will be available to answer questions clients have regarding any portion of the client's Account managed by a third-party investment adviser or managed using model portfolios provided by a third-party investment adviser. We act as the communication conduit between the client and the third-party investment adviser. The recommendation of third-party investment adviser, or other products and funds will be done on either a discretionary or non-discretionary basis with the specific terms outlined in your Advisory Agreement. When a client authorizes us to have the ability to select a third-party investment adviser or other products and funds on a discretionary basis, we have the authority to select and terminate third-party investment advisers, products or funds without the client's specific approval.

You will receive from us a copy of each third-party investment adviser's Form ADV Part 2A that is selected by us for your Account.

### Administrative Services Provided by Advyzon

To help manage accounts through the ERP Program, Elite Retirement Planning utilizes the technology platform of Advyzon to assist in managing accounts through the ERP Program. Administrative services allow us to do things like support data reconciliation, performance reporting, fee calculation and billing, client database maintenance, quarterly performance evaluations, and other functions related to the administrative tasks of managing client accounts. Due to this arrangement Advyzon will have access to client accounts and information but will not serve as an investment adviser to Elite Retirement Planning clients. We pay Advyzon a fee on a per-account basis for their services.

The preceding is intended to be a summary of the ERP Program. ERP Program clients will receive a copy of our Form ADV Part 2A: *Appendix 1 Wrap Fee Program Brochure* which provides complete details of the ERP Program.

### **Courtesy Account Services**

Upon discretion and final approval by Elite Retirement Planning, some clients will be allowed to establish a Courtesy Account through TD Ameritrade or Fidelity and appoint Elite Retirement Planning as the in-

vestment adviser to the account. While our firm will be listed as an investment adviser on a courtesy account; courtesy accounts do not receive ongoing supervision and monitoring services like the services provided through the AE Wealth Management Program or Elite Retirement Planning Wrap Fee Program described above.

Our advice under this service is limited in that we only provide advice on existing/legacy holdings, available money market funds and other mutual funds that can be used instead of holding client funds in cash-only positions. If requested by the client, we can include courtesy account holdings in our performance and position reports. A client can direct Elite Retirement Planning to execute a trade by either purchasing or selling individual securities as well.

Through this service, the client will provide Elite Retirement Planning trading authorization on the account, but Elite Retirement Planning will make trade implementations strictly on a non-discretionary basis. This means clients are responsible for initiating all purchase and sale decisions of general securities; clients will be solely responsible for approving all purchase and sale instructions; and clients must instruct Elite Retirement Planning to make changes within the account. Clients with courtesy accounts, and not Elite Retirement Planning or any of our employees, will have the primary responsibility for the performance and monitoring of all securities that are purchased for, or held, in the courtesy account.

### **Newsletters**

Elite Retirement Planning prepares monthly general, and informational newsletters. Newsletters are always offered on an impersonal basis and do not focus on the needs of a specific individual. Newsletters are provided to clients and prospective clients for no charge.

### **Workshops**

Elite Retirement Planning provides in person or online webinar workshops taught monthly throughout the year. Seminar topics focus on retirement planning issues and other general financial planning topics. Seminars are always offered on an impersonal basis and do not focus on the individual needs of participants. Seminars are offered to clients and prospects at no cost.

### **Limits Advice to Certain Types of Investments**

Elite Retirement Planning can provide investment advice on the following types of investments:

- ☐ Mutual Funds
- ☐ Exchange Traded Funds (ETFs)
- ☐ Exchange-listed Securities
- ☐ Securities Traded Over-the-Counter
- ☐ Foreign Issues
- ☐ Warrants
- ☐ Corporate Debt Securities
- ☐ Commercial Paper
- ☐ Certificates of Deposit
- ☐ Municipal Securities
- ☐ Variable Annuities
- ☐ Variable Life Insurance
- ☐ US Government Securities
- ☐ Options Contracts on Securities
- ☐ Options Contracts on Commodities \*
- ☐ Futures Contracts on Tangibles
- ☐ Futures Contracts on Intangibles
- ☐ Interests in Partnerships Investing in Real Estate

- ☐ Interests in Partnerships Investing in Oil and Gas Interests
- ☐ Securities Properly Exempted from Registration
- ☐ Hedge Funds
- ☐ Non-Traded Real Estate Investment Trusts (REITs)
- ☐ Business Development Companies

We provide advice on the products previously listed and we reserve the right to offer advice on any investment product that is suitable for each client's specific circumstances, needs, goals and objectives.

It is not our investment strategy to time the market, but we can increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We can modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to *Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss* for more information.)

### **Tailor Advisory Services to Individual Needs of Clients**

Elite Retirement Planning advisory services are provided based on your individual needs. For example, when we provide asset management services, you are given the ability to impose restrictions on the Accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

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

When managing client Accounts through our firm's Asset Management Services program, we most often manage a client's Account in accordance with one or more investment models developed either internally by our firm or developed externally by Model Managers. When client Accounts are managed using models, investment selections are based on the underlying model and we do not develop customized (or individualized) portfolio holdings for each client. The determination to use a particular model or models is always based on each client's individual investment goals, objectives and mandates.

### **Participation in a Wrap Fee Program**

Elite Retirement Planning offers asset management services provided through the AE Wealth Management Program which is a wrap fee program sponsored by AE Wealth Management and not Elite Retirement Planning. We also offer asset management services through the Elite Retirement Planning Wrap Fee Program which is sponsored by our firm.

AE Wealth Management will provide you with the corresponding wrap fee program brochure when you enroll in a program). A wrap fee program is defined as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which can include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions. A non-wrap fee program is one where all transaction charges in an account are billed to the client, separately from the advisory fees. When a fee is charged to a client for services described in this brochure, we will receive a portion of the fee charged.

### **Client Assets Managed by Elite Retirement Planning**

The amount of client assets managed by Elite Retirement Planning totaled \$141,261,258 as of March 16, 2020. \$141,261,258 is managed on a discretionary basis

## **Item 5 – Fees and Compensation**

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding our firm's services along with descriptions of each service fee and compensation arrangements. The fees and other terms will be outlined in the agreement between you and Elite Retirement Planning.

Elite Retirement Planning believes our annual fees are reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee can be higher than that charged by other investment advisers offering similar services/programs.

### **Fees for Financial Planning & Consulting**

Elite Retirement Planning provides financial planning services under an hourly fee arrangement. An hourly fee of \$350 per hour is charged by Elite Retirement Planning for financial planning services provided under this arrangement. Before commencing financial planning services, Elite Retirement Planning provides an estimate of the approximate hours needed to complete the requested financial planning services. If Elite Retirement Planning anticipates exceeding the estimated number of hours required, Elite Retirement Planning will contact you to receive authorization to provide additional services. Any unpaid hourly fees are due immediately upon completion and delivery of the financial plan.

Elite Retirement Planning also provides financial planning services under a fixed fee arrangement. A mutually agreed upon fixed fee is charged for financial planning services under this arrangement. There is a range in the amount of the fixed fee charged by Elite Retirement Planning for financial planning services. The minimum fixed fee is generally \$500 and the maximum fixed fee is generally no more than \$10,000. The amount of the fixed fee for your engagement is specified in your financial planning agreement with Elite Retirement Planning. Upon completion and delivery of the financial plan, the fixed fee is considered earned by Elite Retirement Planning and any unpaid amount is immediately due.

It is our customary practice to waive or significantly lower the financial planning fee for our Asset Management Services clients.

Either you or Elite Retirement Planning can terminate the financial planning services upon providing the other party notice of termination. You can terminate immediately upon providing Elite Retirement Planning with notice. Elite Retirement Planning can terminate the services by providing you with written notice effective 30 days after you receive the written notice.

In the event that you terminate the financial planning services at any time prior to presentment of the written plan by providing notice to Elite Retirement Planning, there will be no penalty or fees due. After presentment of the initial financial plan, you will pay Elite Retirement Planning a pro-rated fixed fee equivalent to the percentage of work completed by Elite Retirement Planning as determined by Elite Retirement Planning.

Fees are due upon your receipt of the invoice sent directly to you. The billing notice will detail the formula used to calculate the fee and the time period covered.

All fees paid to Elite Retirement Planning for financial planning and consulting services are separate and distinct from the commissions charged by a broker-dealer or asset management fees charged by an investment adviser to implement such recommendations. There are fees and expenses charged by mutual funds to their shareholders if you invest in mutual funds due in part connection with recommendations made by our firm. These fees and expenses are described in each mutual fund's prospectus. These fees can include

a management fee, other fund expenses and a possible distribution fee (known as 12b-1 fees). If the mutual fund also imposes sales charges you will pay an initial or deferred sales charge.

Elite Retirement Planning and our supervised persons do **not** accept or receive compensation based on the sale of securities or other investment products such as asset-based sales charges or service fees from the sale of mutual funds.

### **Fees for Asset Management Services through AE Wealth Management Program**

Asset management services clients through the AE Wealth Management Program (the “Program”) are charged a specified fee for investment advisory and execution services based on the level of assets under management. Program fees will be calculated and deducted from your account by AEWM with our portion of the overall fee paid directly by AEWM to our firm.

Annual fees are billed in arrears (at the end of the billing period) on a calendar monthly basis and calculated based on the fair market value of your account as of the last business day of the current billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in arrears at the same time as the next full billing period’s fee is billed.

The standard schedule for the Program is as follows.

<u>Account Value</u>	<u>Annual Fee</u>
Over \$1,000,000	1.50%
Under \$1,000,000	1.75%

This is **not** a “blended” annual fee schedule in which each tier of assets is charged a different rate under the annual fee schedule creating the effect of a blended fee rate used at the time of billing. Under our fee schedule described above, only one rate is charged against all of the client’s assets under management in this program.

AEWM retains 30 basis points (.30%) to 45 basis points (.45%) of the fee charged. The portion of the fee retained by AEWM is split between AE Wealth Management and your account qualified custodian. The portion paid to your account custodian is for the transaction costs imposed by the qualified custodian.

For some “Model Managers”, their fee is included in the .45% retained directly by AEWM and others receive a fee separate in addition to the .30% retained by AEWM. For the second category of Model Managers, the portion of the fee retained by Model Managers ranges between 0.10% and 0.55% of the Annual Fee.

We do not adjust the overall Program fee depending on selected Model Managers.

The fee charged to your Account will be the same regardless of selected Model Managers. This results in varying compensation received by Elite Retirement Planning resulting from our Model Manager selection criteria. In other words, differences in fee rates assessed by Model Managers are retained by our firm and not passed along to clients. This creates a conflict of interest to recommend Model Managers that charge lower fees because we will benefit in the form of a higher overall fee retained by our firm. For example, if we select a Model Manager that charges 0.10% we earn a higher overall fee compared to selecting a Model Manager that charges 0.55%. In an attempt to control for this conflict of interest, we base our decision to recommend Model Managers on objective criteria such as prior investment performance, investment strategies offered and the totality of investment advisory services available.

The specific fee charged to each client is negotiable based on the investment adviser representative providing the services, the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the potential for additional account deposits, the relationship of the client with the investment adviser representative, Model Managers used, and the total amount of assets under management for the client.

Asset management services continue in effect until terminated. You can terminate the services by providing Elite Retirement Planning with notice. Elite Retirement Planning can terminate the services by providing you with written notice effective 30 days after you receive the written notice. Any prepaid, unearned fees will be refunded by Elite Retirement Planning to you. Fee refunds will be determined on a pro rata basis using the number of days services are actually provided during the final period.

To have Program fees deducted from your account, you must authorize the qualified custodian(s) of your account to deduct fees from your account and pay such fees directly to AE Wealth Management.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

In addition, you will incur certain charges imposed by third parties other than Elite Retirement Planning in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges, IRA and qualified retirement plan fees, and miscellaneous expenses imposed by the qualified custodian(s) of your account. Management fees charged by Elite Retirement Planning are separate and distinct from the fees and expenses charged by investment company securities that are recommended to you. A description of these fees and expenses are available in each investment company security's prospectus. Elite Retirement Planning does not receive any portion of such third-party expenses or fees.

Elite Retirement Planning and our supervised persons do **not** accept or receive compensation based on the sale of securities or other investment products such as asset-based sales charges or service fees from the sale of mutual funds.

#### **Fees for Asset Management Services through the ERP Wrap Fee Program**

Elite Retirement Planning Wrap Fee Program (the "ERP Program") clients are charged a specified fee for investment advisory and brokerage/custodian services based on the level of assets under management. ERP Program fees will be calculated and deducted from your Account by Elite Retirement Planning.

Annual fees are billed in arrears (at the end of the billing period) on a calendar monthly basis and calculated based on the fair market value of your account as of the last business day of the current billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in arrears at the same time as the next full billing period's fee is billed.

The following is the ERP Program standard schedule.

<u>Account Value</u>	<u>Annual Fee</u>
Over \$1,000,000	1.50%
Under \$1,000,000	1.75%

This is **not** a “blended” annual fee schedule in which each tier of assets is charged a different rate under the annual fee schedule creating the effect of a blended fee rate used at the time of billing. Under our fee schedule described above, only one rate is charged against all of the client’s assets under management in this program.

The specific fee charged to each client will vary and is also negotiable based on the investment adviser representative providing the services, the type of client, the complexity of the client’s situation, the potential for additional account deposits, the relationship of the client with the investment adviser representative, third-party investment advisers used, and the total amount of assets under management for the client.

Asset management services continue in effect until terminated. You can terminate the services by providing Elite Retirement Planning with notice. Elite Retirement Planning can terminate the services by providing you with written notice effective 30 days after you receive the written notice. Any prepaid, unearned fees will be refunded by Elite Retirement Planning to you. Fee refunds will be determined on a pro rata basis using the number of days services are actually provided during the final period.

Our primary method for collecting advisory fees is to have fees deducted from your Account. On an exception basis, when approved by our firm, you can pay our firm upon receipt of a billing notice sent directly to you.

If fees are deducted from your account, you must authorize TD Ameritrade to accept instructions from Elite Retirement Planning to deduct fees from your Account and pay such fees directly to Elite Retirement Planning. Our firm will send you a billing statement prior to the time that fee deduction instruction is sent to the qualified custodian(s) of your account. The billing statement will detail the formula used to calculate the fee and the time period covered.

You should review your TD Ameritrade account statements received and verify that appropriate investment advisory fees are being deducted. TD Ameritrade will not verify the accuracy of the investment advisory fees deducted.

In addition, you will commonly incur certain charges imposed by third parties other than Elite Retirement Planning in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges, IRA and qualified retirement plan fees, and miscellaneous expenses imposed by the qualified custodian(s) of your account. Management fees charged by Elite Retirement Planning are separate and distinct from the fees and expenses charged by investment company securities that are recommended to you. A description of these fees and expenses are available in each investment company security’s prospectus. Elite Retirement Planning does not receive any portion of such third-party expenses or fees.

Elite Retirement Planning and our supervised persons do **not** accept or receive compensation based on the sale of securities or other investment products such as asset-based sales charges or service fees from the sale of mutual funds.

This preceding is intended to be a summary of the ERP Program fee policies and arrangements. ERP Program clients will receive a copy of our Form ADV Part 2A: Appendix 1 Wrap Fee Program Brochure which provides complete details of the ERP Program.

### **Fees for Courtesy Account Services**

Clients are charged for our Courtesy Account Services based on a percentage of assets held in the Courtesy Accounts. We generally do not create tiered schedules for this service, but instead charge a flat percentage fee based on the entire value of Courtesy Accounts.

The fee charged to accounts will not exceed 10 basis points (0.10%) annually on the total assets held in Courtesy Accounts.

The actual fee charged to each client is negotiable based on factors such as the client's financial situation and circumstances and the amount of assets under management in our other programs. The exact fee for services will be agreed upon and disclosed in the agreement for services prior to services being provided. At our discretion, we can waive our annual fee and provide the service on a complimentary basis.

Annual fees are billed in arrears (at the end of the billing period) on a calendar monthly basis and calculated based on the fair market value of your account as of the last business day of the current billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in arrears at the same time as the next full billing period's fee is billed.

Our primary method for collecting advisory fees is to have fees deducted from your Account. On an exception basis, when approved by our firm, you can pay our firm upon receipt of a billing notice sent directly to you.

If fees are deducted from your account, you must authorize the custodian to accept instructions from Elite Retirement Planning to deduct fees from your Account and pay such fees directly to Elite Retirement Planning. Our firm will send you a billing statement prior to the time that fee deduction instruction is sent to the qualified custodian(s) of your account. The billing statement will detail the formula used to calculate the fee and the time period covered.

You should review the account statements received directly from your qualified custodian and verify that appropriate investment advisory fees are being deducted. The qualified custodian will not verify the accuracy of the investment advisory fees deducted.

Transaction fees and other brokerage expenses charged by the custodian will be billed directly to you. We do not receive any portion of such fees and expenses. In addition, you can incur certain charges imposed by third parties other than us in connection with investments made through the account, including but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges, variable annuity fees and surrender charges, and IRA and qualified retirement plan fees. Fees charged by us are separate and distinct from the fees and expenses charged by third-parties. We do not receive any portion of such fees. A description of these fees and expenses are available in each investment company security's prospectus.

Each qualified custodian (for example TD Ameritrade or Fidelity) has different account fees, execution charges and execution capabilities. Clients using the custodian selected by us can pay higher account-related fees and execution charges than if we had selected another custodian. Your qualified custodian will maintain custody of all funds and securities.

Services continue in effect until terminated. You can terminate the services by providing Elite Retirement Planning with notice. Elite Retirement Planning can terminate the services by providing you with written notice effective 30 days after you receive the written notice. Any prepaid, unearned fees will be refunded by Elite Retirement Planning to you. Fee refunds will be determined on a pro rata basis using the number of days services are actually provided during the final period.



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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's Account. *Item 6* is not applicable to this Disclosure Brochure because we do not charge or accept performance-based fees.

## **Item 7 – Types of Clients**

Elite Retirement Planning provides investment advice to the following types of clients:

- ☐ Non-high net worth individuals
- ☐ High net worth individuals
- ☐ Corporations
- ☐ Small businesses

You are required to execute a written agreement with Elite Retirement Planning specifying the particular advisory services in order to establish a client arrangement with Elite Retirement Planning.

### **Minimum Investment Amounts Required**

Elite Retirement Planning requires a minimum of \$250,000 in order to open an Account. To reach this Account minimum, clients can aggregate all household Accounts. Exceptions can be granted to family members and long-standing clients and referrals.

AEWM will have minimum account and minimum fee requirements in order to participate in their program. AEWM will disclose its minimum account size and fees in its Form ADV Part 2A Disclosure Brochure and Appendix 1.

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

### **Primary Method of Analysis**

Elite Retirement Planning primarily uses the following method of analysis in formulating investment advice:

**Fundamental** – 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 can be wrong and could therefore lead to an unfavorable investment decision.

### **Investment Strategies**

Elite Retirement Planning uses the following investment strategies when managing client assets and/or providing investment advice:

Long term purchases. Investments held at least a year.

Value Investing. We primarily follow a value-investing strategy that attempts to acquire at reasonable valuations publicly traded businesses that can deliver sustainable excess returns. We focus on a long-only strategy. Long term strategies are designed to identify and select investments to be held for multiple years. We will also invest in value oriented special situations with shorter expected holding periods.

Value Investing can be described as a strategy of selecting stocks that trade for less than their intrinsic values. Value investors typically seek stocks of companies that they believe the market has undervalued. They believe the market overreacts to good and bad news, resulting in stock price movements that do not correspond with the company's long-term fundamentals. The result is an opportunity for value investors to profit by buying when the price is deflated. Often, value investors select stocks with lower-than-average price-to-book or price-to-earnings ratios and/or high dividend yields. The risks associated with value-investing include incorrectly analyzing and overestimating the intrinsic value of a business, concentration risk, under performance relative to major benchmarks, macro-economic risks, investing in value traps i.e. businesses that remain perpetually undervalued, and lost purchasing power on cash holdings in the case of inflation.

Tactical asset allocation. Allows for a range of percentages in each asset class (such as Stocks = 40-50%). The ranges establish minimum and maximum acceptable percentages that permit the investor to take advantage of market conditions within these parameters. Thus, a minor form of market timing is possible, since the investor can move to the higher end of the range when stocks are expected to do better and to the lower end when the economic outlook is bleak.

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 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.

### **Primarily Recommend One Type of Security**

We do not primarily recommend one type of security to clients. Instead, we recommend any product that is suitable and in the best interest of each client relative to that client's specific circumstances and needs. Please refer to the details previously provided in *Item 4 – Advisory Business* of this brochure.

### **Risk of Loss**

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there are varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

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

- 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.
- 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 you held common stock, or common stock equivalents, of any given issuer, you would be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company Risk. When investing in stock positions, there is always a 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 can be reduced.
- 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.
- Options Risk. Options on securities can 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.
- ETF and Mutual Fund Risk – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the 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. You will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

## **Item 9 – Disciplinary Information**

*Item 9* is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

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

Elite Retirement Planning is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading adviser, a banking or thrift institution, an Accountant or Accounting firm, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships. Our representatives will sell other products or provide services outside of their role as investment adviser representatives with us.

### **AE Wealth Management**

As described in *Item 4 – Advisory Business* and *Item 5 – Fees and Compensation*, Elite Retirement Planning has formed a relationship with an independent, SEC registered investment adviser, AE Wealth Management.

In July 2019, AE Wealth Management agreed to provide Elite Retirement Planning a forgivable loan of \$217,000. The loan was provided in order to assist Elite Retirement Planning with transitioning the investment adviser representatives of Elite Retirement Planning from their former service provider to AE Wealth Management.

The loan is forgivable over three years as long as Elite Retirement Planning's relationship with AE Wealth Management continues and to the extent we retain most of our client assets in the AE Wealth Management program.

The receipt of a loan from AE Wealth Management presents a conflict of interest in that Elite Retirement Planning has a financial incentive to maintain its relationship with AE Wealth Management and continue recommending AE Wealth Management to clients. To the extent Elite Retirement Planning recommends you use AE Wealth Management for its sub-advisory services, Elite Retirement Planning will only do so if Elite Retirement Planning believes that it is in your best interest based on the services, quality of programs, and benefits provided through by AE Wealth Management.

### **Insurance Agent**

In a capacity separate from Elite Retirement Planning your investment adviser representative will also serve as an insurance agent under the affiliated insurance agency MRP Insurance, LLC. When acting as an insurance agent, your investment adviser representative can recommend insurance and/or annuity products that pay commissions to the insurance agent which vary depending upon the product recommended. Consequently, your investment adviser representative of Elite Retirement Planning has an economic incentive to recommend the insurance and annuity products with a higher commission rate, which is a conflict of interest.

The receipt of commissions on insurance products also presents a conflict of interest because it can create an incentive for your investment adviser representative to place your assets in insurance products rather than advisory accounts, depending on which pays more. The commissions for a fixed index annuity is greater initially than the annual investment advisory fee in most situations. Consequently, the advice rendered to you could be biased and creates a conflict of interest. You are under no obligation to implement any insurance or annuity transaction through your investment adviser representative.

Elite Retirement Planning will utilize the services of Advisors Excel, a third-party insurance marketing organization ("IMO") to select the appropriate product. Advisory Excel is an affiliate of AE Wealth Management and our decision to work with AE Wealth Management is significantly based on our IMO relationship with Advisors Excel.

Advisors Excel, as IMO, offers special incentive compensation while our investment adviser representative acts in their separate capacity as insurance agents, if they meet certain overall sales goals by placing annuities and/or other insurance products through the IMO. The receipt of commissions and additional incentive compensation itself creates a conflict of interest. This conflict is mitigated by fully disclosing the conflict through a separate disclosure that will be given to the advisory client prior to the sale outlining the commission rate or amount of insurance commission that the investment adviser firm and/or supervised person will receive from the insurance company for such purchase. The disclosure will also include the reasoning used in determining how much to allocate to fixed index annuities versus advisory accounts. Clients are not required to purchase any insurance products through us in our separate capacity as insurance agents. The purpose of the IMO is to assist us to find the insurance company that best fits the client's situation.

Advisors Excel Wealth Management provides marketing assistance and business development tools to acquire new clients, technology with the goal of improving the client experience and our firm's efficiency, back office and operations support to assist in the processing of our insurance (through Advisors Excel) and investment services (Advisors Excel Wealth Management) for clients, business succession planning, business conferences and incentive trips for our firm. Although some of these services can benefit a client, other services obtained by us from Advisors Excel such as marketing assistance, business development and incentive trips will not benefit an existing client.

The firm can also receive bonus payments from an insurance company for selling a targeted number of annuities during a specified period of time which creates a conflict of interest.

Elite Retirement Planning has taken steps to manage these conflicts of interest by requiring that each investment adviser representative (i) only recommend insurance and annuities when in the best interest of the client and without regard to the financial interest of Elite Retirement Planning and its investment adviser representative, (ii) not recommend insurance and/or annuities which result in investment adviser representative and/or Elite Retirement Planning receiving unreasonable compensation related to the recommendation, and (iii) disclose in writing to a client any material conflicts of interest related to insurance or annuity recommendations. The disclosure will be given to the advisory client prior to the sale outlining the commission rate or amount of insurance commission that the investment adviser firm and/or supervised person will receive from the insurance company for such purchase. The disclosure will also include the reasoning used in determining how much to allocate to fixed index annuities versus advisory accounts.

### **Real Estate Ownership**

Loren Merkle is also affiliated with Merkle Real Estate, LLC, a company owned by MRP Holdings, Inc. Merkle Real Estate, LLC owns one real estate property. This property is a commercial office building

where both Elite Retirement Planning, MRP Insurance, LLC and Merkle Retirement Planning, LLC are located. Clients do not invest in Merkle Real Estate, LLC.

### **Merkle Retirement Planning, LLC**

Merkle Retirement Planning, LLC is a separate limited liability company owned by MRP Holdings, Inc. Merkle Retirement Planning, LLC does not provide services to clients, but instead is used as a marketing name held out to the public for the collective companies owned by MRP Holdings, Inc. Elite Retirement Planning clients will not enter a written agreement with Merkle Retirement Planning, LLC and advisory fees are never paid to Merkle Retirement Planning, LLC. Merkle Retirement Planning must disclose on advertising and client correspondence that investment advisory services are offered through Elite Retirement Planning, LLC.

### **Third-Party Investment Advisers**

We recommend and select third-party investment advisers through our ERP Wrap Fee Program. Please refer to the prior disclosures in Item 4 and Item 5. Full details of our third-party investment adviser selection process and arrangements are provided in the Form ADV Part 2A: Appendix 1 Wrap Fee Program Brochure, a copy of which is provided to all ERP Wrap Fee Program clients.

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

### **Code of Ethics Summary**

An investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Elite Retirement Planning has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. Elite Retirement Planning's Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors and investment adviser representatives are classified as supervised persons. Elite Retirement Planning requires its supervised persons to consistently act in your best interest in all advisory activities. Elite Retirement Planning imposes requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of Elite Retirement Planning. If you wish to review the Code of Ethics in its entirety, you can send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

Elite Retirement Planning or supervised persons of the firm can buy or sell for their personal accounts, investments identical to those recommended to clients. This can create a conflict of interest. It is the express policy of Elite Retirement Planning that all persons supervised in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. As is required by our internal procedures manual, Elite Retirement Planning and its supervised persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, supervised persons). Any supervised person not observing our policies is subject to sanctions up to and including termination.

## **Item 12 – Brokerage Practices**

Clients are under no obligation to act on the financial planning recommendations of Elite Retirement Planning. If the firm assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in your best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- ☐ Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments)
- ☐ Certain soft dollar products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services)
- ☐ Financial strength, stability and responsibility
- ☐ Reputation and integrity
- ☐ Ability to maintain confidentiality

We exercise due diligence to make certain that best execution is obtained for our clients when implementing any transaction by considering the back-office services, technology and pricing of services offered.

At least annually, we will review alternative custodians in the marketplace for comparison to the currently used custodian, evaluating criteria such as overall expertise, cost competitiveness, and financial condition.

### **TD Ameritrade & Fidelity**

Currently, we require the use of either TD Ameritrade or Fidelity. The primary factor in recommending TD Ameritrade and Fidelity is due to our participation in the AE Wealth Management program. Due to this arrangement, we will recommend that you establish brokerage accounts with either TD Ameritrade through their Institutional Platform, or National Financial Services, LLC through the Fidelity Institutional Wealth Services Program ("Fidelity").

TD Ameritrade, Inc. ("TD Ameritrade") and Fidelity are both members of FINRA/SIPC. TD Ameritrade and Fidelity are both independent (and unaffiliated) SEC-registered broker-dealers and are recommended by Elite Retirement Planning to maintain custody of clients' assets and to effect trades for their accounts. Elite Retirement Planning is independently owned and operated and not affiliated with either TD Ameritrade or Fidelity.

Both TD Ameritrade and Fidelity provides us with access to their institutional trading and custody services, which are typically not available to retail investors. These services are available to independent investment advisers at no charge to them so long as the independent investment advisers maintain a minimum amount of assets with the custodian.

These benefits include, but are not limited to: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk; access to block trading which provides the ability to aggregate securities transactions and allocate the appropriate shares to client accounts; access to an electronic communications network for client order entry and account information; and access to mutual funds that

require significantly higher minimum initial investments or are generally only available to institutional investors.

TD Ameritrade and Fidelity also make available to us other products and services that benefit our firm but do not benefit clients' accounts. These other products and services assist us in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmation and account statements); provide research, pricing information and other market data; facilitate payment of the firm's fees from its clients' accounts; and assist with back-office functions; record keeping and client reporting. Many of these services are used to service all or a substantial number of our accounts, including accounts not maintained at a recommended custodian. TD Ameritrade and Fidelity are also providing other services intended to help our firm manage and further develop our business enterprise. These services commonly include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing.

### **Directed Brokerage**

Clients should understand that not all investment advisers require the use of a particular broker/dealer or custodian. Some investment advisers allow their clients to select whichever broker/dealer the client decides. By requiring clients to use a particular broker/dealer, Elite Retirement Planning may not achieve the most favorable execution of client transactions and the practice requiring the use of specific broker/dealers can cost clients more money than if the client used a different broker/dealer or custodian. For compliance and operational efficiencies, Elite Retirement Planning has decided to require our clients to use broker/dealers and other qualified custodians determined by Elite Retirement Planning.

### **Block Trading Policy**

We can elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when Elite Retirement Planning believes such action will prove advantageous to clients. If and when we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. The process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that can be obtained when orders are placed independently.

Elite Retirement Planning uses the average price allocation method for transaction allocation. Under this procedure Elite Retirement Planning will calculate the average price and transaction charges for each transaction included in a block order and assign the average price and transaction charge to each allocated transaction executed for the client's account.

If and when we determine to aggregate client orders for the purchase or sale of securities, including securities in which Elite Retirement Planning or our associated persons can invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* Neither we nor our associated persons receive any additional compensation as a result of block trades.

## **Item 13 – Review of Accounts**

### **Account Reviews and Reviewers**

Underlying investments held in client accounts are reviewed on an on-going basis with reviews conducted at least weekly by the third-party money managers. All investment management accounts are reviewed



with each client at least annually by your investment adviser. While the calendar is the main triggering factor, reviews can also be conducted at your request. Account reviews will include review of the third-party money manager serving as signal provider or sub-adviser, investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by your investment adviser representative with reviews performed in accordance with your investment goals and objectives.

### **Statements and Reports**

For our asset management services, you are provided with transaction confirmation notices and regular monthly Account statements in writing directly from the qualified custodian. Additionally, Advyzon, as a co-adviser, will provide you with additional written position or performance reports quarterly and upon request. Additional written position or performance reports for the ERP Wrap Fee Program are available on an on-demand basis.

You are encouraged to always compare any reports or statements provided by us, a sub-adviser or third-party money manager against the account statements delivered from the qualified custodian. When you have questions about your account statement, you should contact our firm and the qualified custodian preparing the statement.

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

Elite Retirement Planning does not directly or indirectly compensate any person for client referrals. Our investment adviser representatives, acting in their separate capacity as insurance agents, receive commissions and other incentive awards for the recommendation/sale of annuities and other insurance products. While our investment adviser representatives put the interest of the clients first as a part of the firm's fiduciary duty, clients should be aware that the receipt of commission and additional compensation itself creates a conflict of interest. Due to the capacity the investment adviser is acting in, as an insurance agent, this can impact the insurance products they select when making recommendations.

Advisors Excel provides Elite Retirement Planning bonus compensation based on the amount of annuity sales during a specific period of time which is a conflict of interest. They also provide indirect compensation by providing marketing assistance and business development tools to acquire new clients, technology with the goal of improving the client experience and our firm's efficiency, back office and operations support to assist in the processing of our insurance (through Advisors Excel) services for clients, business succession planning, business conferences and incentive trips for our firm. Although some of these services can benefit a client, other services obtained by us from Advisors Excel such as marketing assistance, business development and incentive trips will not benefit an existing client and is a conflict of interest.

The firm can receive bonus payments from an insurance company for selling a targeted number of annuities during a specified period of time which creates a conflict of interest.

At times, we will receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are the result of informal expense sharing arrangements in which product sponsors will underwrite costs incurred for marketing such as client appreciation events, advertising, publishing, and seminar expenses. Receipt of these travel and marketing expense reimbursements are dependent upon specific sales quotas, the product sponsor reimbursements are made by those sponsors for which sales have been made or for which it is anticipated sales will be made. This creates a conflict of interest in that there

is an incentive to recommend certain products and investments based on the receipt of this compensation instead of what is in the best interest of our clients. We attempt to control for this conflict by always basing investment decisions on the individual needs of our clients.

Elite Retirement Planning and our supervised persons do not accept or receive compensation based on the sale of securities. Supervised persons can be compensated for obtaining prospective clients to through marketing initiatives.

Please see *Item 5 - Fees and Compensation*, *Item 10 - Other Financial Industry Activities and Affiliations* and *Item 12 - Brokerage Practices*, for additional discussion concerning other compensation.

### **Item 15 – Custody**

Custody, as it applies to investment advisers, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

According to this definition, Elite Retirement Planning does **not** have custody of client funds or securities for AE Wealth Management Wrap Fee Program accounts.

For ERP Wrap Fee Program accounts, we are deemed to have limited custody of client funds and securities whenever we are given the authority to have fees deducted directly from client accounts. This is the only form of custody Elite Retirement Planning will ever maintain. When fees are deducted from an account, Elite Retirement Planning is responsible for determining the fee and delivering instructions to the custodian. At the same time Elite Retirement Planning instructs the custodian to deduct fees from your account; Elite Retirement Planning will send you an invoice itemizing the fee. Itemization will include the formula used to calculate the fee and the time period covered by the fee.

For all of our managed accounts, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Elite Retirement Planning or AEWM. When clients have questions about their account statements, they should contact Elite Retirement Planning or the qualified custodian preparing the statement.

### **Item 16 – Investment Discretion**

When providing asset management services, Elite Retirement Planning maintains trading authorization over your Account and can provide management services on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction. You will also give Elite Retirement Planning discretionary authority to select (hire and fire) third-party investment advisers to serve as Model Managers and Sub-Advisers.

You will have the ability to place reasonable restrictions on the types of investments that can be purchased in your Account. You can also place reasonable limitations on the discretionary power granted to Elite Retirement Planning so long as the limitations are specifically set forth or included as an attachment to the client agreement.

## Item 17 – Voting Client Securities

Elite Retirement Planning does not vote proxies on behalf of clients. It is your responsibility to vote all proxies for securities held in your account(s). You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us. You will have the ultimate responsibility for making all proxy-voting decisions.

## Item 18 – Financial Information

This *Item 18* is not applicable to this brochure. Elite Retirement Planning does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, Elite Retirement Planning has not been the subject of a bankruptcy petition at any time.

## Customer Privacy Policy Notice

**Commitment to Your Private Information:** Elite Retirement Planning has developed a policy of protecting the confidentiality and security information we collect about our clients. We do not, and will not, share nonpublic personal information about you (“Information”) with unaffiliated third parties without your consent, except for the specific purposes described below. This notice has been provided to you to describe the Information we gather and the situations under which we need to share it.

**Why We Collect and How We Use Information.** We limit the collection and use of Information within our firm and our affiliated companies (i.e. companies that own or are under common ownership with Elite Retirement Planning, LLC) to only those individuals associated or employed with us that must have information to provide financial services to you. Such services include maintaining your accounts, processing transaction requests, providing financial planning, financial advisory, and other services described in our Form ADV.

**How We Gather Information.** We get most Information directly from you when you provide us with information from any of the following sources:

- ☐ Applications or forms (for example: name, address, social security number, birth date, assets, income, financial history)
- ☐ Transactional activity in your account (for example: trading history and account balances)
- ☐ Information services and consumer reporting sources (for example: to verify your identity or to assess your credit history)
- ☐ Other sources with your consent (for example: your insurance professional, attorney, or accountant)

**How We Protect Information.** Our employees and affiliated persons are required to protect the confidentiality of Information and to comply with our stated policies. They can access Information only when there is an acceptable reason to do so, such as to service your account or provide you with financial ser-

vices. Employees who violate our Privacy Policy are subject to disciplinary action, up to and including termination from employment with us. We also maintain physical, electronic, and procedural safeguards to protect information, which comply with applicable SEC, state, and federal laws.

**Sharing Information with Other Companies Permitted Under Law.** We do not disclose Information obtained in the course of our practice except as required or permitted under law. Permitted disclosures include, for instance, providing information to unrelated third parties who need to know such Information in order to assist us with providing services to you. Unrelated third parties include broker/dealers, unaffiliated third-party investment advisers, mutual fund companies, insurance companies, and the custodian with whom your assets are held. In such situations, we stress the confidential nature of information being shared.

**Former Customers.** Even if we cease to provide you with financial products or services, our Privacy Policy will continue to apply to you and we will continue to treat your nonpublic information with strict confidentiality.