

**Item 1: Cover Page**

April 19, 2021

***Brochure for Richard P. Slaughter Associates, Inc.***

***Contact Information:***

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**Websites and Social Media:**

[www.slaughterinvest.com](http://www.slaughterinvest.com)  
[www.rpsplanadvisors.com](http://www.rpsplanadvisors.com)  
[www.linkedin.com/company/richard-p--slaughter-associates-inc-](http://www.linkedin.com/company/richard-p--slaughter-associates-inc)  
[twitter.com/slaughterinvest](https://twitter.com/slaughterinvest)  
[www.linkedin.com/company/rps-retirement-plan-advisors](http://www.linkedin.com/company/rps-retirement-plan-advisors)

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***This brochure provides information about the qualifications and business practices of Richard P. Slaughter Associates, Inc. If you have any questions about the contents of this brochure, please contact us at 512-918-0000, 800-821-5610, or [invest@slaughterinvest.com](mailto:invest@slaughterinvest.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.***

***Additional information about our firm is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).***

***Registration as a Registered Investment Advisor does not imply a certain level of skill or training.***

## **Item 2: Material Changes**

The material changes in this brochure from the last annual updating amendment of Richard P. Slaughter Associates, Inc. on March 14, 2021 are described below. Material changes relate to Richard P. Slaughter Associates, Inc.'s policies, practices or conflicts of interests.

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Not Applicable

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#### **Item 4: Advisory Business**

Richard P. Slaughter Associates, Inc. was established on January 2, 1991. We are a fee-only Registered Investment Advisor that serves clients throughout the United States and the world.

In addition, we offer 401(k) plan consulting services as a 3(38) fiduciary under the business name RPS Retirement Plan Advisors.

Our firm's shareholders are:

- Darby S. Armont
- Kimberly K. Breedlove
- Jana L. Hovey
- Laura J. Martin
- A. Michele Newhouse
- A. Michele Nowell
- Virginia M. Pañeda
- James A. Sherrard
- Barbara C. Slaughter
- Brooks C. Slaughter (principal owner)
- Kirsten E. Slaughter
- Robert M. Tabor

We offer Wealth Management in the form of discretionary and nondiscretionary managed account services, investment advice through consultations on an hourly basis and 401(k) plan consulting services. Services rendered depend upon your needs and wants.

We specialize in active asset management, comprehensive financial planning and 401(k) consulting. We also advise on matters such as mortgages, real estate, insurance, tax planning and estate planning, and the selection of other advisors, including private fund managers.

For discretionary managed accounts, we are responsible for hands-on decision making for your investment portfolio. You sign a limited power of attorney that grants us trading authority at your independent custodian and authorizes us to make changes to your portfolio without consulting you in advance.

For nondiscretionary managed accounts, we are responsible for providing you with recommendations on your portfolio. You may either maintain the trading authority to make changes to your own portfolio, or you may place restrictions on some parts of your account while authorizing us to be responsible for hands-on decision making and trading on the rest of the account.

For both discretionary and nondiscretionary managed accounts, the brokerage firm that custodies your assets (your "custodian") will execute transactions and send trade confirmations and account statements directly to you in a timely manner, and will send duplicate trade confirmations and statements to us. You will cover any transaction costs if applicable.

For hourly consulting, we may negotiate the terms of the agreement to meet the needs of both parties.

Our managed account and hourly consulting services are tailored to your individual needs based on your risk tolerance, investment time horizon, and financial goals. We determine this information through conversations, information gathering and questionnaires. You may impose restrictions on investing in specific securities or specific types of securities.

In addition, we publish articles and newsletters, and offer education opportunities to our clients.

Under business name RPS Plan Advisors, we offer Discretionary Investment Management Service, Non-Discretionary Investment Advisory Services and/or Retirement Plan Consulting Services to employer-sponsored

retirement plans and their participants. Depending on the type of the Plan and the specific arrangement with the Sponsor, we may provide one or more of these services.

**Discretionary Investment Management Services** are designed to allow the Plan fiduciary to delegate responsibility for managing, acquiring and disposing of Plan assets that meet the requirements of ERISA. If the Plan is subject to ERISA, we will perform these services as an “investment manager” as defined under ERISA Section 3(38) and as a “fiduciary” to the Plan as defined under ERISA Section 3(21). Specifically, the Sponsor may determine that we perform the following services:

- Selection, monitoring and replacement of designated investment alternatives
- Creation and maintenance of model asset allocation portfolios
- Selection, monitoring and replacement of qualified default investment alternatives

**Non-Discretionary Fiduciary Services** include participant investment advice. We will meet with Plan participants, upon reasonable request, to collect information necessary to identify the Plan participant’s investment objectives, risk tolerance, time horizon, etc. and provide recommendations to assist the Plan participant with creating a portfolio using the Plan’s DIAs or Models, if available. The Plan participant retains sole discretion over the investment of his/her account.

**Retirement Plan Consulting Services** are designed to allow our IARs to assist the Sponsor in meeting his/her fiduciary duties to administer the Plan in the best interests of Plan participants and their beneficiaries. Retirement Plan Consulting Services are performed so that they would not be considered “investment advice” under ERISA. The Sponsor may elect for our IARs to assist with any of the following services:

- Administrative Support
- Service Provider Support
- Investment Monitoring Support
- Participant Services

### **Potential Additional Retirement Services**

In providing Retirement Plan Services, we and our IARs may establish a client relationship with one or more Plan participants or beneficiaries. IARs may, when requested by a Plan participant or beneficiary, arrange to provide services to that participant or beneficiary through a separate agreement. In providing optional services, we may offer employers and employees information on other financial and retirement products or services offered by us and our IARs. We do not solicit wealth management business from Plan participants or beneficiaries.

As of December 31, 2020, we managed:

- \$943,500,738 on a discretionary basis, and
- \$11,948,059 on a nondiscretionary basis.

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

### **Specifically in regard to Wealth Management Accounts:**

For managed accounts, we are compensated for our services by billing you for a percentage of the value of your assets under management as of the last business day of each quarter. Fees are payable quarterly in advance. We receive payment for these fees by deducting them from your account. At your request, you may pay us by check instead.

When payment is made from your account: (1) you provide written authorization permitting fees to be paid directly from your account held by an independent custodian; (2) we record the amount of the fee, the value of your assets on which the fee is based, and the manner in which the fee was calculated; and (3) we subsequently notify the custodian of the amount of the management fee to be deducted from your account. **Please Note:** the custodian must agree to send you a quarterly statement indicating all amounts disbursed from the account, including the amount of management fees paid to us.

Our firm and its employees do not accept or receive commissions, compensation or markups for the sale of securities or other investment products.

The standard fee schedule for discretionary managed accounts is as follows:

<u>Total Asset Value</u>	<u>Annualized Fee</u>
On the first \$1,000,000	1.25%
On the next \$1,000,000	1.00%
On the next \$3,000,000	0.75%
On the next \$5,000,000	0.65%
On the next \$10,000,000	0.55%
On the next \$20,000,000	0.45%
On amounts greater than \$40,000,000	0.35%
Minimum Quarterly Household Fee: \$3,125.00	

The Schedule shown and the fees ultimately paid by client exclude commissions and any fees charged by the broker/dealer and/or outside manager as well as brokerage commissions and advisor fees charged on mutual funds, hedge funds, exchange traded funds, money market funds, options and real estate.

### **Negotiable fees**

Our investment advisory fee is negotiable at our sole discretion, depending upon objective and subjective factors including but not limited to: the amount of assets to be managed; portfolio composition; the scope and complexity of the engagement; the anticipated number of meetings and servicing needs; related accounts; future earning capacity; anticipated future additional assets; the professional(s) rendering the service(s); prior relationships with our firm and/or its representatives, and negotiations with the client. Certain legacy clients may have accepted different pre-existing service offerings from our firm and may therefore receive services under different fee schedules than as set forth above. As a result of these factors, similarly situated clients could pay different fees, the services to be provided by us to any particular client could be available from other advisers at lower fees, and certain clients may have fees different than those specifically set forth above. This includes other fee schedules where break points and management fee percentages may be different. Additionally, assets may or may not have been excluded from billing, aggregated with the client's other accounts, or given a percentage discount based on negotiated fee schedules and the amount of work being performed for the client. **Our Chief Compliance Officer, Brooks Slaughter, remains available to address any questions that a client or prospective client may have regarding the above fee determination.**

### **Brokerage Transaction Costs**

Because our clients have the ability to choose their broker-dealer/custodian, related transaction costs, including but not limited to ticket charges will vary across different broker-dealers. Although the transaction fees paid by our clients to their broker-dealer/custodian shall be evaluated by us and accordingly comply with our duty to assist our clients in obtaining best execution, a client may pay a transaction fee that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine, in good faith, that the transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of execution capability, transaction rates, and responsiveness. Please see additional information on brokerage practices in Item 12.

### **Associated Margin Costs and Conflicts**

From time to time and when appropriate for a given client, we may recommend the use of margin. If a client determines to use margin to purchase assets that we will manage, we would include the entire market value of the margined assets when computing our advisory fee. This would present a conflict of interest because it would result in an increased advisory fee and cause the client to incur additional costs, such as margin interest assessed on fees that are added to the client's margin balance. An additional conflict of interest would arise if we have an economic disincentive to recommend that the client terminate the use of margin.

Either party (we or you) reserves the right to terminate the advisory agreement effective at the end of any month by sending a letter via trackable means at least fifteen days before the termination date to the last address of record. For managed accounts that terminate prior to the end of a quarter, the client will receive a refund of the unearned portion

of the fee on a prorated basis. We reserve the right to revise existing fee arrangements subject to 30 days' prior written notice to clients. We reserve the right to negotiate special fees/discounts.

For hourly consulting, we are compensated for our services at a rate of \$225 per hour plus expenses. You may pay these fees by check, either as an up-front retainer or as we send bills to you. We typically ask for an up-front retainer in the amount of 50% of the estimated work. Hourly billing is done monthly, quarterly, or as work is completed, depending upon the scope of the work. These fees and payment arrangements are negotiable.

**Specifically in regard to 401(k) plan consulting through RPS Retirement Plan Advisors:**

Fees for the Retirement Plan Services are negotiable and vary based upon the nature, scope and frequency of our services as well as the size and complexity of the plan. Fees are negotiable and are billed in arrears rather than in advance of the quarter. The billing schedule may include a flat plan support fee, a per participant fee, a project fee and/or an asset-based fee.

Typically, Sponsors instruct the Plan's recordkeeper or custodian to automatically deduct our Fees from the Plan account; however, in some cases a Sponsor may request that we send invoices directly to the Sponsor or recordkeeper/custodian.

Sponsors receiving Retirement Plan Services may pay more than or less than a client might otherwise pay if purchasing the Retirement Plan Services separately or through another service provider. There are several factors that determine whether the costs would be more or less, including, but not limited to, the size of the Plan, the specific investments made by the Plan, the number of or locations of Plan participants, services offered by another service provider, and the actual costs of Retirement Plan Services purchased elsewhere. In light of the specific Retirement Plan Services offered by us, the Fees charged may be more or less than those of other similar service providers.

In determining the value of the Account for purposes of calculating any asset-based Fees, Advisor will rely upon the valuation of assets provided by Sponsor or the Plan's custodian or recordkeeper without independent verification. Unless we agree otherwise, no adjustments or refunds will be made in respect of any period for (i) appreciation or depreciation in the value of the Plan account during that period or (ii) any partial withdrawal of assets from the account during that period. If the Agreement is terminated by us or by Sponsor, we will refund certain Fees to Sponsor to the extent provided in Section 8 of the Agreement. Unless we agree otherwise, all Fees shall be based on the total value of the assets in the account without regard to any debit balance.

All Fees paid to us for Retirement Plan Services are separate and distinct from the fees and expenses charged by mutual funds, variable annuities and exchange-traded funds to their shareholders. These fees and expenses are described in each investment's prospectus. These fees will generally include a management fee, other expenses, and possible distribution fees. If the investment also imposes sales charges, a client may pay an initial or deferred sales charge. The Retirement Plan Services we provide may, among other things, assist the client in determining which investments are most appropriate to each client's financial condition and objectives and to provide other administrative assistance as selected by the client. Accordingly, the client should review both the fees charged by the funds, the fund manager, the Plan's other service providers and the fees charged by us to fully understand the total amount of fees to be paid by the client and to evaluate the Retirement Plan Services being provided.

In the event we receive any third-party payments or subsidies in connection with our Retirement Plan Services, we will disclose such fees to Sponsors in accordance with ERISA and Department of Labor regulations.

No increase in the Fees will be effective without prior written notice.

Either party (we or the client) may terminate the agreement by providing 30 days prior written notice to the other party. If the Investment Consulting Agreement is terminated by either the client or us effective as of a date which is not the end of a calendar quarter, the client will pay a pro rata portion of the fees based on the actual number of days elapsed. It should be noted that in our consulting capacity, we act as both the pension consultant and the money manager, although we do not charge any additional fees for money management.

## **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, as neither our firm nor our employees currently accept performance-based fees or engage in side-by-side management.

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

We generally provide investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Pension and profit sharing plans
- Trusts, estates, or other charitable organizations
- Corporations or other businesses not listed above

In order to open and maintain a Wealth Management managed account, we impose a minimum quarterly household fee equivalent to a household size of \$1,000,000. We reserve the right to open accounts below these minimums.

Our Retirement Plan Services are available to clients that are sponsors or other fiduciaries to plans, including 401(k), 457(b), 403(b) and 401(a) plans. Plans include participant-directed defined contribution plans and defined benefit plans. Plans may or may not be subject to ERISA. We do not require a minimum asset amount for Retirement Plan Consulting Services.

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

Investing in securities involves risk of loss that you should be prepared to bear. We strongly encourage you to consider the following when opening an account: only commit those funds that can be invested on a long-term basis of at least 3 - 5 years; volatility can be expected when investing; and as diversification is very important, certain asset classes may require larger investments to achieve diversification without excessive commissions.

We use the following methods of analysis in formulating investment advice: fundamental analysis and technical analysis. Fundamental analysis values securities by examining a company's financials and operations and considering only those variables directly related to a company rather than the overall state of the market. Technical analysis uses past trends to predict future trends in security price movement. Researcher subjectivity, unforeseen events and undisclosed data are all material risks that could affect the outcomes of these methods of analysis.

We use the following investment strategies in managing your assets: long term purchases, short term purchases, short sales, margin transactions and options writing including covered options, uncovered options or spreading strategies.

Long term purchases are securities held more than one year, and this is the strategy we most commonly employ. Short term purchases, or securities held one year or less, is a strategy we use less but may find necessary if a security's full potential is realized sooner than planned, in the event of unforeseen market or client circumstances, or to manage interest rate risk for fixed income securities. Our long and short term strategies typically utilize stocks, mutual funds, ETFs, real estate and bonds. All of these investment types carry the risk of loss of principal, although the degree of risk varies with each type of investment. Other risks include price volatility, business risk, interest rate risk, and loss of purchasing power.

Short sales borrow a security from a broker and sell it with the understanding that it must later be bought back and returned to the broker. It is a highly risky technique that attempts to profit from the falling price of a stock. We discourage it and do not use it as a general investment strategy, but some of our clients do instruct us to execute short sales in their accounts. Short sales can also occur when clients are exercising employee stock options prior to their employer delivering the shares.

Margin transactions borrow money from a broker, and interest is assessed on the loan. It is a risky technique, as a drop in the market or your account value can result in the broker demanding immediate repayment of the loan. We also discourage this practice and do not use it as a general investment strategy, but some of our clients do instruct us to execute margin transactions in their accounts.

Options writing gives the investor the choice to buy or sell a security at a specific price by a specific time. It involves increased risk and may be appropriate for experienced investors in certain situations. There are various types of options, which carry varied risk levels:

- A covered option is an option contract backed by underlying shares, which the investor can have the option to either buy or sell. This is one of the less risky options strategies, and we sometimes use it to move a client out of overweighted positions over time.
- An uncovered option is an option contract that is not backed by the underlying asset, which the investor can have the option to buy or sell. It carries more risk than a covered option.
- Spreading strategies are a technique of buying and selling futures and options contracts at the same time to attempt to profit from price changes, and we employ it for income generation for some clients. (Futures are commodities or securities contracted for delivery at a stated future date at a specified price.)

## **Item 9: Disciplinary Information**

This item is not applicable, as we have no legal or disciplinary events to disclose.

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

Our firm's President and Chief Compliance Officer, Brooks C. Slaughter, also serves as the Managing Limited Partner and Chief Compliance Officer of an affiliated state registered investment adviser, Slaughter Strategic Investment Management Ltd., d/b/a Strategic Investment Management ("SIM"). Also, certain of our firm's owners are owners of SIM, including: Brooks Slaughter, Barbara Slaughter, and Kirsten Slaughter. Additionally, James Sherrard holds dual roles with our firm and SIM in his capacity as a trader for both entities. SIM is registered with the state of Texas and the state of Louisiana and provides both discretionary and non-discretionary investment advisory services on an asset fee basis. Our firm currently provides SIM with office space and shared operations support. SIM generally provides investment services to limited types of clients with lower account balances than is typical for our firm.

**Conflict of Interest:** The recommendation by us or our representatives that a client seek investment advisory services from SIM presents a conflict of interest, as we could have an incentive to make such a recommendation based on fees received from that client, rather than on a particular client's need. Our firm and its representatives from time to time refer current clients to SIM to receive investment advisory services. Clients are reminded that they are not under any obligation to pursue investment advisory services from SIM. Neither RPSAI nor SIM receive any compensation for referrals made between the firms. **Our firm's Chief Compliance Officer, Brooks Slaughter, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

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

We have a written Code of Ethics that governs the professional behavior of our employees. The Code of Ethics addresses standards of conduct and compliance with laws, protection of material nonpublic information, personal securities trading, initial public offerings and private placements, reporting violations, educating employees about the Code of Ethics, advisor review and enforcement, and recordkeeping. We will supply a copy of the Code of Ethics to any client or prospective client upon request.

Some employees of our firm are also clients of our firm and SIM, and therefore may own securities that we recommend to our clients. We believe this is a strength since employees are willing to make the same investments they recommend to clients. The interests of non-employee clients take precedence over the interests of employee clients in any potential conflict of interest. To this end, we impose certain trading restrictions upon ourselves and persons associated with us in connection with securities that are traded for both our clients and ourselves, and employees are required to have duplicate trade confirmations sent to our firm for all of their brokerage accounts.

In fulfilling our obligation to seek "best execution" for our clients, we assess aggregate versus individual trade orders and use the method that is most beneficial to them, as permitted by the client's brokerage. In aggregate or "block" trading, each client's account that is included in an order receives the average share price for all shares bought or sold for that particular security on that trading day, and no client benefits over the others. Both employee

and non-employee client accounts may participate together in block trades. Since we must contact nondiscretionary clients before trading in their accounts, discretionary account trades will occur before or at the same time as nondiscretionary account trades when both account types are included in a block trade. We will attempt to contact nondiscretionary clients in a timely manner to determine if they would like to participate in the trade. Commissions for block trades are the same as commissions for trades that are placed on an individual basis.

## **Item 12: Brokerage Practices**

### **Directed Brokerage**

We are not a registered representative of any broker-dealer (“broker” or “custodian”) and we do not receive any fees, commissions or shared earnings from any broker. We do not know the factors a particular client will use to select a broker or custodian.

The broker you choose to custody your account is at your discretion and not ours, but we may recommend a broker if it is both beneficial to you and we have the ability to work with the broker. We base these determinations upon factors such as: reasonable commissions for the services provided, quality of execution, overall services for the price, the delivery of monthly or quarterly statements to clients, the ability to trade discretionary accounts with a limited power of attorney, the electronic delivery of client account information to us on a daily basis and other related factors.

We may recommend that you establish your brokerage accounts with one or more of the following firms from whom we receive daily account data feeds in order to custody your assets and facilitate trades in your accounts: Charles Schwab & Co., Inc. (“Schwab”) or TD Ameritrade, Inc. (“TD Ameritrade”). We are independently owned and operated and not affiliated with these brokers.

At the present time, the brokers provide to us or allow: data feeds to update client portfolios on our computers, electronic trading, copies of client statements, and telephone and web access. This helps us monitor and manage client accounts more efficiently. Neither we nor our clients pay any direct compensation for these services, as compensation is built into the brokers’ cost of doing business.

These brokers also provide us with access to their institutional trading, operations and custody services, which are typically not available to their retail investors who do not have an investment advisor such as ourselves. These services generally are available to independent investment advisors on an unsolicited basis and at no charge so long as a certain level of assets is maintained with the broker. These institutional services include research, brokerage, custody, discounted commissions and pricing, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in their custody, these brokers generally do not charge separately for custody but are compensated by account holders through commissions, profits on money markets, or other transaction-related fees for securities trades that are executed through them or that settle into their accounts.

Different brokers generally have different commission rates, so choosing one rather than the others may cost you more money in commissions. There might also be additional costs attributed to securities transactions other than trade commissions. For example, on over-the-counter securities transactions, there is sometimes a mark-up to the “market maker” or securities dealer the broker uses, as well as the commission charged by the broker.

Regarding the conditions under which we aggregate the purchase or sale of securities for various client accounts, please see Item 11.

### **Research and Other Soft Dollar Benefits**

RPSAI does not participate in any soft dollar arrangements. We do not receive products or services other than execution from a broker-dealer or third-party for generating commissions. We do receive additional economic benefits described in Item 14.

### **Brokerage for Client Referrals**

We were formerly under an agreement with Charles Schwab & Co., Inc., an independent and unaffiliated broker-dealer (“Schwab”), to receive referrals from the Schwab Advisor Network™ (“the Service”). Our participation in

this program for new referrals terminated on December 29, 2006, but we continue to pay the Participation Fee described below for clients referred to us via the Service prior to that date.

The Service was designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of and unaffiliated with our firm. They do not supervise us and have no responsibility for our management of clients' portfolios or our other advice or services. We pay Schwab fees for clients who were referred to us through the Service. Our former participation in the Service may raise potential conflicts of interest described below.

We pay Schwab a Participation Fee on all referred clients' accounts that are maintained in custody at Schwab and a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. This fee is a percentage of the fees the client owes to us or a percentage of the value of the assets in the client's account, subject to a minimum Participation Fee. We pay Schwab the Participation Fee for so long as the referred client's account remains in custody at Schwab. It is billed to us quarterly and may be increased, decreased or waived by Schwab from time to time. It is paid by us and not by the client.

We generally pay Schwab a Non-Schwab Custody Fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from Schwab. This Fee does not apply if the client was solely responsible for the decision not to maintain custody at Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees we generally would pay in a single year. Thus, we might have an incentive to recommend that client accounts be held in custody at Schwab.

The Participation and Non-Schwab Custody Fees are based on assets in accounts of our clients who were referred by Schwab and those referred clients' family members living in the same household. Thus, we might have incentives to encourage household members of clients referred through the Service to maintain custody of their accounts at Schwab.

For accounts of our clients maintained in custody at Schwab, Schwab does not charge the client separately for custody but receives compensation from our clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab. Schwab also receives a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades executed through broker-dealers other than Schwab. Schwab's fees for trades executed at other broker-dealers are in addition to the other broker-dealer's fees.

Thus, we may have an incentive to cause trades to be executed through Schwab rather than another broker-dealer. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than trades for our other clients. Thus, trades for accounts custodied at Schwab may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

Participants referred via this service are not required to utilize Schwab, as discussed earlier in this Item 12.

As noted in Items 7 and 10, we provide investment management, phones, internet, computer technology, office space and shared operations to Strategic Investment Management ("SIM"). In addition, RPSAI and SIM may refer clients to one another.

For clients to whom we provide Retirement Plan Services, when appropriate based on the needs of each plan, we may recommend that a plan use a certain retirement plan platform or service provider (such as a recordkeeper, administrator or broker-dealer).

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

For those clients to whom we provide managed account services, account reviews are conducted on an ongoing basis by our firm's Principals and/or representatives. All investment supervisory clients are advised that it remains their responsibility to advise us of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with us on an annual basis.

We may conduct account reviews on an other-than-periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.

Wealth Management clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian or the client accounts. We may also provide a written periodic report summarizing account activity and performance or real-time web/portal access.

For clients to whom we provide Retirement Plan Services, we will contact you at least once a year to review the services being provided. It is important that you discuss any changes in the Plan's demographic information, investment goals, and objectives with us. Plans may receive written reports directly from us based upon the services being provided, including any reports evaluating the performance of Plan investment manager(s) or investments.

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

### **Charles Schwab & Co., Inc.**

Charles Schwab & Co., Inc. Advisor Services provides RPSAI with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For RPSAI client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to RPSAI other products and services that benefit RPSAI but may not benefit its clients' accounts. These benefits may include national, regional or RPSAI specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of RPSAI by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist RPSAI in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of RPSAI's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of RPSAI's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to RPSAI other services intended to help RPSAI manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to RPSAI by independent third parties. Charles Schwab & Co., Inc. Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to RPSAI. RPSAI is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

### **TD Ameritrade, Inc.**

RPSAI participates in the institutional advisor program (the "Program") offered by TD Ameritrade. TD Ameritrade offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. RPSAI receives some benefits from TD Ameritrade through its participation in the Program.

As part of the Program, RPSAI may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between RPSAI's participation in the Program and the investment advice it gives to its clients, although RPSAI receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving RPSAI participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have RPSAI's fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to RPSAI by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by RPSAI's related persons. Some of the products and services made available by TD Ameritrade through the Program may benefit RPSAI but may not benefit its client accounts. These products or services may assist RPSAI in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help RPSAI manage and further develop its business enterprise. The benefits received by RPSAI or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, RPSAI endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by RPSAI or its related persons in and of itself creates a conflict of interest and may indirectly influence RPSAI's choice of TD Ameritrade for custody and brokerage services.

Charles Schwab & Co., Inc. ("Schwab") or TD Ameritrade, Inc. ("TD Ameritrade") also provide other services intended to help us manage and further develop our business enterprise. These services include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, these brokers sometimes sponsor our company events, such as our annual charity golf tournament and our Continuing Professional Education (CPE) courses that we provide for professionals such as Certified Public Accountants ("CPAs"), attorneys, financial services professionals and insurance professionals. It is our understanding certain other advisors receive similar benefits.

Charles Schwab & Co., Inc. ("Schwab") or TD Ameritrade, Inc. ("TD Ameritrade") may also arrange, discount and/or pay for such benefits from independent third parties on our behalf. The benefits we receive include research as well as software and other technology that: provide access to client account data, such as trade confirmations and account statements; facilitate trade execution and allocation of aggregated trade orders for multiple client accounts; provide proprietary and third party research, pricing information and other market data; facilitate payment of our management fees from our clients' accounts; and assist with operational functions, recordkeeping and client reporting.

While we do not have any established arrangements for giving or receiving gifts, we do sometimes give or receive gifts that have economic value. These include lunches, dinners, event or venue tickets, presents, gift cards and gift baskets, plants, flowers and memorial donations given to and received from some clients, colleagues and vendors for special occasions, holidays, tokens of appreciation and expressions of sympathy.

In order to prevent conflicts of interest, all gifts given by our firm valued at \$100 or more must first be approved by our Chief Compliance Officer ("CCO"). For gifts received, in accordance with our firm's gift receiving policy employees are permitted to keep gifts valued at \$100 or less and are not required to report them. Gifts valued at over \$100 must be promptly reported to the CCO and entered into our Gift Log. The CCO will then either approve or deny these gifts at his discretion. If an employee is not sure of a gift's value, the CCO will make this determination. Any suspected violation or attempted violation of these rules must be reported to the CCO immediately.

## **Item 15: Custody**

Our firm shall have written authorization granting it the ability to have its advisory fee for each Wealth Management client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction

confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts.

For Wealth Management clients, our firm will provide a quarterly report summarizing account composition, performance, the fee charged by the firm, the time period covered by the fee, the formulae used to calculate the fee, and the amount of assets under management. Our firm will also provide the broker-dealer/custodian with written notice of the amount of the advisory fee to be deducted from the respective client's account.

**Please Note:** To the extent that our firm provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by our firm with the account statements received from the account custodian. **Please Also Note:** The account custodian does not verify the accuracy of our firm's written quarterly reports or periodic account statements.

Our firm provides other services on behalf of its clients that require disclosure at ADV Part 1, Item 9. In particular, certain clients have signed standing letters of authorization that permit the qualified custodian to rely upon instructions from our firm to transfer client funds to "third parties." In accordance with the guidance provided in the SEC Staff's February 21, 2017 Investment Adviser Association No-Action Letter, the affected accounts are not subjected to an annual surprise examination.

We will not serve as a custodian for Plan assets in connection with the Retirement Plan Services. Sponsor is responsible for selecting the custodian for Plan assets. We may be listed as the contact for the Plan account held at an investment sponsor or custodian. Sponsor for the Plan will complete account paperwork with the outside custodian that will provide the name and address of the custodian. The custodian for Plan assets is responsible for providing the Plan with periodic confirmations and statements. We recommend that Sponsor reviews the statements and reports received directly from the custodian or investment sponsor.

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

When providing Wealth Management Services described herein, we may accept discretionary authority to manage securities on behalf of clients. Please see Item 4 for any limitations you may place on this authority.

Before we assume discretionary authority, you must execute a Limited Power of Attorney that we submit to the broker who custodies your assets. Once the broker has reviewed and accepted this document, they grant us the authority to place trades in your account at our discretion. You may revoke this authority at any time by contacting us or by contacting the custodian directly.

When providing Retirement Plan Services described herein, we may exercise discretionary authority or control over the investments specified in the Agreement. We perform these services to the Plan as a fiduciary under ERISA Section 3(21) and investment manager under ERISA Section 3(38). We are legally required to act with the degree of diligence, care and skill that a prudent person rendering similar services would exercise under similar circumstances. This discretionary authority is specifically granted to us by Sponsor, as specified in the Agreement (*see also, Item 4 above*).

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

We do not vote proxies for our managed account clients; however, as part of our managed account and hourly consultation services, upon request we offer advice on how clients should vote their proxies. Clients may contact us by phone, mail, fax or video conference with questions about a particular solicitation. All proxy materials are to be sent directly from the custodian or transfer agent to the client at their address of record.

We have no authority or responsibility to vote any security held by the Plan or the related proxies. That authority is reserved by the Sponsor or trustee of the Plan.

**Item 18: Financial Information**

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

In light of the COVID-19 coronavirus and historic decline in market values, RPSAI has elected to participate in the CARES Act's Paycheck Protection Program ("PPP") to strengthen its balance sheet. RPSAI intends to use this loan predominantly to continue payroll for the firm and may ultimately seek loan forgiveness per the terms of the PPP. Due to this and other measures taken internally, RPSAI has been able to operate and continue serving its clients.

**Item 19: Requirements for State-Registered Advisors**

This item is not applicable to our firm as we are an SEC registered advisor, not a state-registered advisor.

## **Item 1: Cover Page**

### ***Brochure Supplement for: The Richard P. Slaughter Associates, Inc. Investment Committee:***

Darby Armont, James Sherrard, Brooks Slaughter, and Bob Tabor

### ***and CERTIFIED FINANCIAL PLANNER™ Professionals and Advisory Staff:***

Darby Armont, Beth Chelton, Mari Erb, Jana Hovey, Virginia Malavé Pañeda, James Sherrard, Brooks Slaughter, Chris Snyder, Bob Tabor, and Phil Webb

#### ***Contact Information:***

##### **Richard P. Slaughter Associates, Inc.**

##### **Austin, Texas Physical Address:**

13809 Research Blvd., Suite 905

Austin, TX 78750

Phone: 512.918.0000

Toll Free: 800.821.5610

##### **Richard P. Slaughter Associates, Inc.**

##### **Austin, Texas Mailing Address:**

13809 N. Hwy. 183, Suite 905

Austin, TX 78750

#### **Additional Phone Numbers:**

RPS Retirement Plan Advisors

Local: 512.593.6156

Toll Free: 866.493.4386

#### **Websites and Social Media:**

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

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

[www.linkedin.com/company/richard-p--slaughter-associates-inc](http://www.linkedin.com/company/richard-p--slaughter-associates-inc)

[twitter.com/slaughterinvest](https://twitter.com/slaughterinvest)

[www.linkedin.com/company/rps-retirement-plan-advisors](http://www.linkedin.com/company/rps-retirement-plan-advisors)

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***This brochure supplement provides information about our firm that supplements the Richard P. Slaughter Associates, Inc. brochure. You should have received a copy of that brochure. If you did not, or if you have any questions about the contents of this supplement, please contact Richard P. Slaughter Associates, Inc.***

***Additional information about the persons listed above is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).***

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

### **Investment Committee:**

**Darby Suggs Armont, MBA, CFA, CFP®**

**Year of Birth:** 1975

**Education:**

B.A. in English, The University of Texas at Austin

M.B.A., The University of Texas at Austin

**Janus:**

Supervisor, May 1999 – April 2001

**Richard P. Slaughter Associates, Inc.:**

Executive Vice President of Wealth Management and Business Strategy

Joined RPSAI in May 2001

**James Allen Sherrard, CFP®**

**Year of Birth:** 1988

**Education:**

Bachelor's degree in Personal Financial Planning, Texas Tech University

**Pioneer Natural Resources Company:**

Information Technology Intern, during summers June 2006 – September 2009

**Lubbock National Bank:**

Part Time Teller, during spring and fall January 2008 – December 2010

Lead Teller, December 2010 – December 2011

**Strategic Investment Management:**

Investment Analyst & Technology Strategist

Joined SIM in January 2012

**Richard P. Slaughter Associates, Inc.:**

Investment Analyst & Technology Strategist

Joined RPSAI in September 2015

**Brooks Collier Slaughter, MBA, CFP®**

**Year of Birth:** 1964

**Education:**

B.S. in Electrical Engineering, The University of Texas at Austin

M.B.A., University of Houston-Clear Lake

**Richard P. Slaughter Associates, Inc.:**

President, CEO, Chairman of the Board and Chief Compliance Officer

Joined RPSAI in August 1992

**Strategic Investment Management:**

Managing Partner and Chief Compliance Officer

Joined SIM in December 2003

**Robert Miles Tabor, AWMA, AIF®**

**Year of Birth:** 1970

**Education:**

Attended The University of Texas at Austin, Accounting

**Richard P. Slaughter Associates, Inc.:**

Senior Advisor and Executive Vice President of Marketing

Joined RPSAI in January 1998

**CERTIFIED FINANCIAL PLANNER™ Professionals and Advisory Staff:**

**Darby Suggs Armont, MBA, CFA, CFP®**

See information on previous page

**Lafe Blobaum**

**Year of Birth: 1980**

**Education:**

B.S. in Mass Communications, North Central University

CFP® Certification Program at The University of Texas at San Antonio

**Lifeforce Films:**

Owner, March 2008 – December 2016

**Mason Jar Films:**

Production Lead, August 2016 – August 2019

**PhotoHouse Films:**

Production Lead, January 2018 – August 2019

**Richard P. Slaughter Associates, Inc.:**

Associate Financial Planner

Joined RPSAI in September 2019

**Beth Chelton, CPA, CFP®**

**Year of Birth: 1969**

**Education:**

Bachelor's degree in Accounting, St. Thomas University, Houston, TX

**Sentinel Trust Company, LBA:**

Head of Operations, April 2002 – June 2018

**Silicon Valley Bank:**

Sr. Financial Risk and Controls Manager, July 2018 – October 2019

**Richard P. Slaughter Associates, Inc.:**

Senior Compliance and Project Specialist

Joined RPSAI in December 2019

**Mari Elizabeth Erb, CPFA, AIF®, CFP®**

**Year of Birth: 1995**

**Education:**

Bachelor's degree in Personal Financial Planning, Kansas State University

**Hibbett Sporting Goods:**

Assistant Manager, September 2013 – May 2015

**Quality Renovations:**

Construction Worker, May 2015 – August 2015

**Ahearn:**

Concierge, August 2015 – May 2017

**Demming Financial Services Corp.:**

Intern, May 2017 – August 2017

**Bath & Body Works:**

Associate, August 2015 – December 2017

**Thread:**

Assistant Manager, February 2016 – May 2018

**Richard P. Slaughter Associates, Inc.:**

Retirement Service Specialist

Joined RPSAI in July 2018

**Josh Gideon, MS, CFP®, AWMA®, AAMS®**

**Year of Birth:** 1988

**Education:**

B.A. in Business, Southwestern University

M.S. in Personal Financial Planning from College for Financial Planning

**Schwab:**

Financial Consultant Oct 2011 – Dec 2019

**Richard P. Slaughter Associates, Inc.:**

Financial Planner

Joined RPSAI in January 2020

**Jana Lynn Hovey, MBA, CFP®**

**Year of Birth:** 1970

**Education:**

B.S. in Advertising, The University of Texas at Austin

M.B.A., Concordia University Texas

**Janus:**

Investment Specialist May 1999 – Apr 2001

**Richard P. Slaughter Associates, Inc.:**

Financial Planning Coordinator

Joined RPSAI in September 2001

**Virginia Malavé Pañeda, CFP®, AIF®**

**Year of Birth:** 1969

**Education:**

B.A. in Multinational Organizational Studies, St. Mary's University

**Richard P. Slaughter Associates, Inc.:**

Special Consultant

Joined RPSAI in January 2005

**James Allen Sherrard, CFP®**

See information on previous page

**Brooks Collier Slaughter, MBA, CFP®**

See information on previous page

**Chris Snyder, CFP®**

**Year of Birth:** 1987

**Education:**

B.S. in Finance, Oregon State University

**Richard P. Slaughter Associates, Inc.:**

Financial Planner

Joined RPSAI in April 2021

**Robert Miles Tabor, AWMA, AIF®**

See information on previous page

**Philip Lee Webb, AIF®, CPFA**

**Year of Birth:** 1970

**Education:**

Attended Northlake Community College, Accounting and Business

**Richard P. Slaughter Associates, Inc.:**

Senior Plan Advisor

Joined RPSAI in November 2013

**The minimum qualifications for the professional designations listed on the previous pages are as follows.**

**CFP® certification:**

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

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, previously administered in 10 hours over a two-day period and currently administered in 6 hours over a one-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**AWMA® designation:**

Enrollees on track to receive the Accredited Wealth Management Advisor<sup>SM</sup> designation will gain advanced, yet practical knowledge about these critical aspects of the financial services industry: asset management, allocation, and selection; investment performance and strategies; and taxation of investment products. The course also includes training in investment for retirement, strategies for small business owners, and the management of deferred compensation plans. In addition, instruction will cover insurance, estate planning, asset protection, and tax reduction issues.

The College for Financial Planning® awards the ACCREDITED WEALTH MANAGEMENT ADVISOR<sup>SM</sup> AND AWMA® designation to students who:

- successfully complete the program;
- pass the final examination; and

- comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions. Applicants must also disclose of any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct. Conferment of the designation is contingent upon the College for Financial Planning's review of matters either self-disclosed or which are discovered by the College that are required to be disclosed.

Students must sign and return the Code of Ethics forms within six months of passing the final exam. Failure to complete and submit the forms within this time frame may result in termination of the individual's candidacy. If an individual wishes to apply for authorization to use the Marks in the future, he or she may be required to fulfill the initial designation requirements in place at the time of passing the exam.

Successful students receive a certificate and are granted the right to use the designation on correspondence and business cards for a two-year period.

Continued use of the AWMA® designation is subject to ongoing renewal requirements. Every two years individuals must renew their right to continue using the AWMA® designation by:

- completing 16 hours of continuing education;
- reaffirming to abide by the Standards of Professional Conduct, Terms and Conditions, and self-disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct; and
- paying a biennial renewal fee.

### **Certified Public Accountant (CPA):**

CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the Texas State Board of Public Accountancy (TSBPA) requires the following education, experience and testing requirements for licensure as a CPA in the State of Texas:

- Education requirements state that an applicant must hold a baccalaureate or graduate degree conferred by a board-recognized institution of higher education, and complete at least 150 semester hours in board-recognized courses, including an accounting concentration as determined by Board rule.
- Ethics requirements state that applicants for the CPA examination complete a Board-approved four-semester-hour ethics course taken at a recognized educational institution.
- Work Experience requirements state that applicants have one year of full-time non-routine accounting work experience under the direct supervision of a licensed CPA. Non-routine accounting work involves the use of independent judgement, applying professional accounting knowledge and skills to select, correct, organize, interpret and present real-world data as accounting entries reports, statements and analyses extending over a diverse range of tax, accounting, assurance and control situations.
- Successful passage of the Uniform CPA Examination. The CPA Exam is comprised of four sections: Auditing and Attestation, Business Environment and Concepts, Financial Accounting and Reporting, and Regulation.
- Successful passage of the Texas Rules of Professional Conduct examination.

Continuing Education: In order to maintain a CPA license, the TSBPA requires the completion of 40 hours of continuing professional education (CPE) each year (or 120 hours over a three-year period) and the completion of a four-credit-hour board approved ethics course every two years.

### **Accredited Asset Management Specialist (AAMS):**

Accredited Asset Management Specialist (AAMS) is a professional designation awarded by the College for Financial Planning (CFP) to financial professionals who successfully complete a self-study program, pass an exam, and agree to comply with a code of ethics. The program provides advisors with fundamental financial knowledge of asset management and investments. The designation is also listed by FINRA, which is a private, self-regulatory organization that regulates certain aspects of the securities industry.

Individuals who hold the AAMS® designation have completed a course of study encompassing investments, insurance, tax, retirement, and estate planning issues. Additionally, individuals must pass an end-of-course examination that tests their ability to synthesize complex concepts and apply theoretical concepts to real-life situations.

All designees have agreed to adhere to Standards of Professional Conduct and are subject to a disciplinary process.

Designees renew their designation every two-years by completing 16 hours of continuing education, reaffirming adherence to the Standards of Professional Conduct and complying with self-disclosure requirements.

### **Accredited Investment Fiduciary® (AIF®):**

The AIF designation certifies that the recipient has specialized knowledge of fiduciary standards of care and their application to the investment management process. To receive the AIF designation, individuals must complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the AIF Code of Ethics. In order to maintain the AIF designation, the individual must annually renew their affirmation of the AIF Code of Ethics and complete six hours of continuing education credits. The certification is administered by the Center for Fiduciary Studies, LLC (a Fiduciary360 (fi360) company).

### **Chartered Financial Analyst® (CFA®) charter:**

The Chartered Financial Analyst® (CFA®) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

#### *High Ethical Standards*

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

#### *Global Recognition*

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment.

#### *Comprehensive and Current Knowledge*

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA charter, visit [www.cfainstitute.org](http://www.cfainstitute.org).

**Certified Plan Fiduciary Adviser (CPFA):**

Federal law regulates standards of conduct for those who manage qualified retirement plans. Plan advisers who sell and service these plans must act in accordance with these basic fiduciary principles. The Certified Plan Fiduciary Adviser (CPFA) credential demonstrates an adviser's knowledge of, expertise in, and commitment to working with retirement plans. Plan advisers who earn their CPFA demonstrate the expertise required to act as a plan fiduciary or help plan fiduciaries manage their roles and responsibilities.

The CPFA credential is issued by NAPA (National Association of Plan Advisors), and to earn it candidates must pass the CPFA examination. This exam includes 75 multiple choice questions for which a candidate will have 3 hours to complete. To maintain the CPFA credential, 10 hours of continuing education is required each year.

**Item 3: Disciplinary Information**

This item is not applicable, as there are no legal or disciplinary events to disclose.

**Item 4: Other Business Activities**

As noted in Item 10 of the Brochure for Richard P. Slaughter Associates, Inc., Brooks C. Slaughter is an employee of both Richard P. Slaughter Associates, Inc. and Strategic Investment Management. Brooks' primary employment is with Richard P. Slaughter Associates, Inc.

Please also see sections 7 and 12 of RPSAI's brochure noted above for additional information on Strategic Investment Management.

**Item 5: Additional Compensation**

Please see Items 12 and 14 of the Brochure for Richard P. Slaughter Associates, Inc. for information on economic benefits other than the standard compensation package provided to employees of RPSAI.

**Item 6: Supervision**

The Chief Compliance Officer (CCO) of Richard P. Slaughter Associates, Inc. (RPSAI) is President, CEO and Chairman of the Board Brooks Slaughter. Brooks' contact phone number is 512-918-0000 or 800-821-5610.

The CCO will administer RPSAI's compliance policies and procedures. He will utilize the assistance of the Compliance Officer in areas including, but not limited to, the following:

- Monitoring rules and regulations that apply to Registered Investment Advisors (RIAs)
- Monitoring for any compliance policies or procedures changes that are needed within the company
- Keeping RPSAI's written compliance policies and procedures up to date
- Making annual and amendment filings, as applicable, with the proper regulatory agencies
- Educating RPSAI employees about the company's compliance policies and procedures
- Monitoring for any breaches of compliance policies or procedures

The RPSAI investment committee formulates the investment advice given to clients. All of our firm's advisors are required to give advice within these parameters, in accordance with the compliance policies and procedures noted above.

**Item 7: Requirements for State-Registered Advisors**

This item is not applicable to our firm as we are an SEC registered advisor, not a state registered advisor.