

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

**RubinBrown Advisors, LLC**

One North Brentwood Suite 1100  
St. Louis, MO 63105

Telephone: 314-678-3608  
Email: [debbie.maret@rubinbrown.com](mailto:debbie.maret@rubinbrown.com)  
Web Address: [www.rubinbrownadvisors.com](http://www.rubinbrownadvisors.com)

08/27/2021

This brochure provides information about the qualifications and business practices of RubinBrown Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 314-678-3608 or [debbie.maret@rubinbrown.com](mailto:debbie.maret@rubinbrown.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.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about RubinBrown Advisors, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 116909.

## **Item 2      Material Changes**

This Firm Brochure dated 08/30/2021 is our Annual Update. We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of May 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE, or we will provide you with our revised Brochure that will include a summary of those changes in this Item.

There have been no material changes to this brochure since our most recent filing on 8/30/2020.

### **Item 3      Table of Contents**

Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
Item 5	Fees and Compensation	10
Item 6	Performance-Based Fees and Side-By-Side Management	17
Item 7	Types of Clients	17
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	18
Item 9	Disciplinary Information	20
Item 10	Other Financial Industry Activities and Affiliations	20
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	22
Item 12	Brokerage Practices	23
Item 13	Review of Accounts	27
Item 14	Client Referrals and Other Compensation	28
Item 15	Custody	29
Item 16	Investment Discretion	30
Item 17	Voting Client Securities	30
Item 18	Financial Information	30

## **Item 4      Advisory Business**

RubinBrown Advisors, LLC is a SEC-registered investment adviser with its principal place of business located in St. Louis, Missouri. Additional offices are located in Denver, Colorado, Kansas City, MO, Leawood, KS and Chicago, IL. RubinBrown Advisors, LLC began conducting business in 2002.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- RubinBrown, LLP, Owner

RubinBrown Advisors, LLC offers the following advisory services to our clients:

### **Investment Advisory Services**

Rubin Brown Advisors will:

1. Design an investment policy that reflects the client's current financial condition, long term needs and risk tolerance.
2. Assist in developing an appropriate strategic asset allocation to achieve the client's objectives.
3. Assist the client in selecting suitable investment products and/or money managers to implement their asset allocation.
4. Periodically assess the ongoing performance of the client's portfolio based on the client's objectives, and helping the client determine any necessary adjustments to their investment policy.
5. Based on our supervision, recommend changes to the asset allocation and/or replacement of investment products or money managers where appropriate. For example, a change in the characteristics supporting the initial decision to select the product or investment manager; any changes in a manager; or, whether the product or manager continues to meet the requirements for inclusion in the client's portfolio.

Depending on the best interests of the client, RubinBrown Advisors will either provide ongoing management services itself and, if needed, will recommend the use of independent third party advisers, or will recommend the use of third party service platform providers, as described below.

### **Advice provided directly by RubinBrown Advisors:**

#### **Management by RubinBrown Advisors:**

RubinBrown Advisors will design a portfolio consisting of mutual funds, exchange-traded funds ("ETFs"), and/or third party managers to run a separately managed account ("SMA") of stock or bonds, and an officer will review and suggest changes to that portfolio on at least a semi-annual basis or as market conditions and client needs dictate. Accounts will be managed on a non-discretionary basis; in other

words, we will contact the client and obtain the client's permission prior to placing any trade in the client's portfolio.

For those clients with legacy objectives focused on charitable giving, we often recommend the use of and help establish a Donor Advised Fund sponsored by one of the custodians we utilize, such as Charles Schwab & Co. Inc., TD Ameritrade, Fidelity Charitable Gift Fund, or SEI Private Trust Company. WE do not typically provide ongoing and continuous advice on the investment within the Donor Advised Fund.

RubinBrown Advisors' investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-traded funds ("ETFs")
- Mutual fund shares
- Investments held by the client at the start of the advisory relationship.
- Separately Managed Accounts ("SMAs")
- Certificates of deposit
- Investment elections within variable life insurance
- Investment elections within variable annuities

Because some types of investments involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

We have recommended to some clients the use of a fixed annuity through an unaffiliated insurance company. These annuities are commission free products for clients of registered investment advisors versus being sold by a broker-dealer.

### **Third Party Investment Advisers/Separately Managed Accounts ("SMAs")**

When consistent with the needs of the client (typically in situations where management of individual fixed income investments is appropriate), RubinBrown Advisors will suggest the use of one or more independent investment advisers. The client will enter into a separate agreement with these independent advisers. RubinBrown Advisors will periodically review the performance of these advisers and recommend changes based on the performance of the independent investment adviser and the need for direct management of individual fixed income investments in the client's overall asset allocation. Any decision to hire, fire, or reallocate assets to an independent investment adviser is made by the client based as RubinBrown Advisors does not have the discretionary authority to do so.

### **Advice provided through third-party platform:**

#### **Portfolio Management through the SEI Asset Management Program:**

*RubinBrown Advisors, LLC used this method of advice when first starting in 2002 and several years thereafter, and many of those clients continue to be served in this manner. New clients are not set up using this service.*

RubinBrown Advisors manages client portfolios through the SEI Asset Management Program (the "Program"). In this program, SEI provides advisory services to RubinBrown Advisors (but not to the client) involving the structure and design of asset allocation portfolios comprised solely of mutual funds advised by SEI. SEI also advises RubinBrown Advisors with respect to reallocation and rebalancing of investments within such asset allocation programs.

The Program is designed as followed:

RubinBrown Advisors will determine the client's current financial situation, financial goals and attitudes towards risk through various analyses and questionnaires. This process will help RubinBrown Advisors review the client's situation and enable RubinBrown Advisors to recommend an initial asset allocation based on the client's specific needs and goals. In determining the initial allocation to be used, RubinBrown Advisors will use several model portfolios of no-load mutual funds provided to RubinBrown Advisors by SEI. RubinBrown Advisors will, if appropriate, suggest modifications to these models to more adequately address the client's individual needs. The client can place reasonable restrictions on the nature of the funds held in the portfolio or the allocation among the various classes, and RubinBrown Advisors will assist the client in understanding and evaluating the potential impact of these restrictions on the model portfolios.

Once the client's asset allocation has been established, the portfolio will be implemented using the mutual funds advised by SEI. SEI Investments Management Corporation selects the investment managers of the underlying mutual funds.

SEI utilizes institutional investment management firms. The fund managers are monitored by SEI to ensure that their investment styles and performance remain consistent with the objectives of the mutual funds.

Accounts will be monitored quarterly and, when appropriate, RubinBrown Advisors will suggest a reallocation of the portfolio based on changing economic conditions or changes in the client's individual circumstances.

As economic or market changes occur, SEI will make a quarterly review of its model allocations and will potentially recommend changes in these model allocations to RubinBrown Advisors. SEI will automatically reallocate all client holdings in model portfolios unless instructed to do otherwise by RubinBrown Advisors. If RubinBrown Advisors does not contact SEI prior to the first Friday of the month following the end of each calendar quarter, SEI will take RubinBrown Advisors' silence as a direction from RubinBrown Advisors to make the recommended reallocations. SEI will not make any ongoing recommendations concerning portfolios which deviate from SEI's models ("custom portfolios"). RubinBrown Advisors is responsible for all reviews and must instruct SEI to make any changes to such portfolios.

Clients can also instruct SEI to automatically rebalance the client's account if the allocation among the underlying mutual funds deviates from the prescribed quarterly allocation by greater than a 2% variance. For the tax-managed models, the variance is 3%. Rebalancing occurs monthly, with no transaction fees.

Should the client's individual situation change, the client should notify RubinBrown Advisors, who will assist the client in revising the current portfolio and/or reevaluate their financial situation to determine if a different model portfolio would be appropriate to the client's new situation.

#### **Consulting through the SEI Managed Accounts Program:**

*RubinBrown Advisors, LLC used this method of advice when first starting in 2002 and several years thereafter, and many of those clients continue to be served in this manner. New clients are not set up using this service.*

RubinBrown Advisors participates in the Managed Accounts Program (the Program) sponsored by SEI Investments Management Corporation (SIMC). To participate in the Program, RubinBrown Advisors, SIMC and each investor execute a tri-party agreement (hereinafter, a Managed Account Agreement) providing for the management of certain investor assets in accordance with the terms thereof. Pursuant to a Managed Account Agreement, the investor appoints RubinBrown Advisors as its investment adviser to assist the investor in selecting an asset allocation strategy, which would include a percentage of investor assets allocated to designated portfolios of separate securities (each, a Separate Account Portfolio) and include a percentage of assets allocated to a portfolio of mutual funds sponsored by SIMC or an affiliate thereof. The investor appoints SIMC to manage the assets in each Separate Account Portfolio in accordance with a strategy selected by the investor together with the Adviser. SIMC has the ability to delegate its responsibility for selecting particular securities to one or more portfolio managers. The Program seeks to provide a globally diversified portfolio in order to meet an investor's long-term goals.

RubinBrown Advisors provides recommendations regarding a client's asset allocation strategy and the choice of portfolio managers within the program. Upon the client's approval of a recommended manager change, RubinBrown Advisors will instruct SEI to implement the agreed upon changes.

The Managed Accounts Program offers the Integrated Equities Portfolio option. Under this option, an SIMC "Integration Manager" coordinates and implements the equity securities selections of the Separate Account Portfolio managers with the goals of providing clients with enhanced tax management, additional diversification and the simplicity of one equity account.

Clients who elect to use Separate Account Portfolios should review the disclosure documents of the various managers of the Separate Account Portfolios to determine what types of investments will be included in the Separate Account Portfolio(s) selected by the client.

#### **Consulting through Newport Group Securities, Inc.:**

RubinBrown Advisors also offers advisory services in association with Newport Group Securities, Inc. ("Newport"), an investment adviser firm not affiliated with RubinBrown Advisors. This service is offered to qualified retirement plans and non-qualified retirement plans. Newport will review client-specific information provided by RubinBrown Advisors and will prepare input to an investment proposal presented by RubinBrown Advisors based on the client's needs. RubinBrown Advisors will review this

initial proposal with the client over a series of meetings in which the client's allocation and manager selection will be determined.

Newport will recommend to RubinBrown Advisors and the client the use of mutual funds with whom Newport has entered into a sub-management agreement. RubinBrown Advisors will manage the portfolio of recommended mutual funds on a non-discretionary basis, and will review and suggest changes to that portfolio on a quarterly basis or as market conditions and client needs dictate. Newport will monitor the performance of all mutual funds that it recommends to RubinBrown Advisors' clients and will make recommendations to RubinBrown Advisors and the client with respect to the selection and retention of the mutual funds.

The mutual fund managers will correspond to the proposed asset classes and investment styles of each client. Mutual funds are selected by Newport after an extensive evaluation and due diligence process that focuses on quantitative factors such as historical performance and volatility, and qualitative factors such as the mutual fund company's reputation and approach to investing. Newport and RubinBrown Advisors will recommend mutual funds that are most appropriate for the client's individual circumstances.

Program clients will open a brokerage account with a brokerage firm that has contracted with Newport to provide brokerage, clearing and custody of securities purchased for the clients account and receive a monthly statement from the broker/custodian providing a detailed list of holdings with valuations and account activity as well as confirmations of all security transactions from the clearing firm. Newport will typically recommend the use of Fidelity Investments or Charles Schwab ("Schwab") to individual clients. The selection of the custodian for pension and profit sharing plans will be up to the plan trustees. Program clients should refer to Newport's disclosure document for any policy they have regarding selection of brokers, aggregation of trades, etc.

### **RETIREMENT PLAN SPONSOR SERVICES**

We also provide several advisory services separately or in combination to retirement plan sponsors. While the primary clients for these services will be pension, profit sharing and 401(k) plans. Retirement Plan Sponsor Services are comprised of four distinct services. Clients are able to choose to use any or all of these services.

#### **Investment Policy Statement Preparation (hereinafter referred to as "IPS"):**

We will meet with the client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Our firm then prepares a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

#### **Selection of Investment Vehicles:**

We assist plan sponsors in constructing an appropriate lineup of investment options for plan participants to choose from. We will then review various mutual funds (both index and managed) to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS and any other restrictions imposed by



various service providers.

*Monitoring of Investment Performance:*

We monitor client investments continually, based on the procedures and timing intervals delineated in the Investment Policy Statement. Although our firm is not involved in any way in the purchase or sale of these investments, we supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

*Employee Communications:*

For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we also provide periodic educational support and investment workshops designed for the plan participants when the plan sponsor engages our firm to provide these services. The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

**FINANCIAL PLANNING**

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives. Financial planning is provided to investment advisory clients as part of their ongoing fee. In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax and spending and planning for past, current and future years.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, basic estate planning documents (i.e. trusts, wills, powers of attorney, etc.), review estate tax, asset protection plans, etc.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards

risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, but not hire us to provide ongoing advice, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or financial advisor/broker. Implementation of financial plan recommendations is entirely at the client's discretion.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. Recommendations are of a generic nature, however, we will provide specific recommendations to potential clients

#### **CONSULTING SERVICES**

Clients can also receive investment advice on a more focused basis. This service includes advice on only an isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client.

Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

#### **AMOUNT OF MANAGED ASSETS**

As of 5/31/2021, RubinBrown Advisors, LLC's was actively managing \$2,570,287,552 on a non-discretionary basis, \$7,887,997 on a discretionary basis and has Assets Under Advisement of \$134,445,831.

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

#### **Advice provided directly by RubinBrown Advisors:**

##### **Management by RubinBrown Advisors:**

Fees are typically charged as a percentage of assets. The maximum annual fee for this service is 1.00% of assets under management.

Clients can negotiate lower fees based on the complexity of the client's situation; the amount of assets to be placed under management; anticipated future additional assets; related accounts; portfolio style; account composition; reports; and other factors.

Annual asset-based fees charged range from 1.00% to 0.10%. There are clients who have negotiated a flat quarterly fee, either percentage or dollar amount. Fees to be paid by the client are stipulated in their investment advisory agreement. Client's who hire RubinBrown Advisors, LLC as a result of their advisor being hired by the firm continue to pay the same fees they paid to their prior investment adviser firm, provided they do not exceed our maximum.

Fees will be billed quarterly, in arrears. The value used for asset-based fees is the value of the client's account on the last day of the previous quarter.

**Third Party Investment Advisers:**

Clients should review the disclosure documents and advisory agreements of recommended independent investment advisers to determine what their fee schedules are. Fees paid to independent investment advisers are separate and distinct from advisory fees paid to RubinBrown Advisors. RubinBrown Advisors will include assets managed by a recommended independent investment adviser in calculating the RubinBrown Advisors' fees, as described above.

**Advice provided through third party platforms:**

**Portfolio Management through the SEI Asset Management Program:**

Please see the section about "Management by RubinBrown Advisors" for the fees charged by RubinBrown Advisors as part of these services.

There is a \$150,000 minimum account size required for this service. Clients will be invoiced in arrears at the end of each calendar quarter based upon the quarter end values (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's account during the previous quarter.

SEI will receive certain fees and expenses charged by mutual funds to their shareholders, as well as administrative/custodial fees for servicing the account.

**Consulting through the SEI Managed Accounts Program:**

Please see the section about "Management by RubinBrown Advisors" for the fees charged by RubinBrown Advisors as part of these services.

The fees payable to SIMC are as follows:

Integration Fee charged to Integrated Equities Portfolios (not including fixed income of mutual fund assets):

First \$499,999	0.15%
Above \$500,000	0.05%

**U.S. Equity Tax/Transition:**

0.85% for the first \$1,000,000

0.80% for the next \$2,000,000

0.75% for the next \$2,000,000

**U.S. Large / Mid Cap and Developed International:**

0.90% for the first \$500,000

0.85% for the next \$500,000

0.80% for the next \$1,000,000

0.75% for the next \$3,000,000

**U.S. Small Cap and REITs:**

1.10% for the first \$500,000

1.05% for the next \$500,000

1.00% for the next \$1,000,000

0.95% for the next \$3,000,000

**International Emerging Equity:**

1.25% for the first \$500,000

1.20% for the next \$500,000

1.15% for the next \$1,000,000

1.10% for the next \$3,000,000

**Core Fixed Income and Active Municipal Bond:**

0.65% for the first \$500,000

0.60% for the next \$500,000

0.56% for the next \$1,000,000

0.54% for the next \$3,000,000

0.50% for the next \$5,000,000

0.45% above \$10,000,000

**Laddered Municipal and Taxable Bond:**

0.30% for the first \$500,000

0.27% for the next \$500,000

0.25% for the next \$1,000,000

0.20% for the next \$3,000,000

0.19% for the next \$5,000,000

0.18% above \$10,000,000

Additional discounts can apply to portfolios of \$5 million and above when multiple portfolio managers and/or mutual funds sponsored by SIMC or an affiliate are combined. There are no additional Brokerage fees. All brokerage costs are included in the fees payable to SIMC. SIMC is the co-sponsor of this program, and files a Form ADV Part 2A Appendix for this option.

An alternative option, which does not wrap the brokerage fees into the asset management fee, is available. The asset management fees for the U.S. Equity accounts are decreased by 0.05%. The fees for the fixed income accounts are the same for both program options; additional brokerage fees do not apply for fixed income.

## **Consulting through Newport Group Securities, Inc.**

### **Fees payable to RubinBrown Advisors:**

Fees are typically charged as a percentage of assets. The maximum annual fee for this service is 1.00% of assets under management.

Clients can negotiate lower fees based on the complexity of the client's situation; the amount of assets to be placed under management; anticipated future additional assets; related accounts; portfolio style; account composition; reports; and other factors.

Annual asset-based fees charged range from 1.00% to 0.10%. There are clients who have negotiated a flat quarterly fee. Fees to be paid by the client are stipulated in their investment advisory agreement. Client's who hire RubinBrown Advisors, LLC as a result of their advisor being hired by the firm continue to pay the same fees they paid to their prior investment adviser firm, provided they do not exceed our maximum.

Fees will be billed quarterly, in arrears. The value used for asset-based fees is the value of the client's account on the last day of the previous quarter.

50% of these fees will be paid to Newport. Clients who engaged Newport prior to 2011 will continue to pay a different fee schedule.

Newport requires a minimum annual fee of \$7,500 for this service.

Fees charged by RubinBrown Advisors and Newport do not include brokerage or custody fees or fees of the sub-managers or the management fees charged by mutual funds.

## **GENERAL INFORMATION**

***Termination of the Advisory Relationship:*** Unless otherwise stated above, a client agreement can be canceled at any time, by either party, for any reason upon receipt of written notice. Upon termination of any account, any earned, unpaid fees will be due and payable. In calculating any fees due, we will pro rate the amount due according to the number of days in the billing period up to the date of notice.

***Limited Negotiability of Advisory Fees:*** Although RubinBrown Advisors has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

Certain related clients (i.e. extended family members, etc.) have negotiated their family accounts be grouped for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, are offered to family members and friends of associated persons of our firm.

**Mutual Fund Fees:** All fees paid to RubinBrown Advisors for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. RubinBrown Advisors does not recommend funds that impose sales charges. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

**SEI Wrap Fee Programs for Separately Managed Accounts:** Clients participating in separately managed account programs are charged various program fees in addition to the advisory fee charged by our firm. Such fees can include the investment advisory fees of the independent advisers, which are charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions can be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by SEI, the amount of portfolio activity in the client's account, and other factors, the wrap fee have the potential to exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that are charged to clients.

**Additional Fees and Expenses:** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

**John Hancock or Fidelity:** If authorized by the client, John Hancock or Fidelity, qualified plan service providers, will send an invoice to the client, directly debit RubinBrown Advisors' advisory fee from the client's custodial account, and forward the fee to RubinBrown Advisors.

**Newport Group:** The clients remit payment in one the four ways described below

- Newport will automatically deduct the fee from their account and forward on payment to RubinBrown Advisors.
- The client will remit payment to Newport who will then forward on RubinBrownAdvisors' payment.
- The client will remit payment to the plan's recordkeeper, who will then forward on RubinBrown Advisors' payment.

- The client will remit payment to RubinBrown Advisors who will forward Newport their portion of the payment.

**SEI:** RubinBrown Advisors' clients are required to authorize the custodian to deduct from their account and pay to RubinBrown Advisors, the management fee for each calendar year quarter. Where all of a client's assets are held at SEI, SEI will send to clients a quarterly statement showing the amount of the management fee debited, the account value on which the fee is based, and how the fee was calculated (based on the fee schedule outlined in the clients investment advisory agreement). Clients are responsible for verifying fee computations, since custodians are not typically asked to perform this task. SEI will send clients a monthly statement showing all amounts paid from the account, including all management fees paid by the custodian to RubinBrown Advisors.

In situations where RubinBrown Advisors' is also managing assets custodied outside of SEI, RubinBrown Advisors will send clients a quarterly feebill showing the amount of the management fee due, the account value on which the fee is based, and how the fee was calculated. After the feebill is sent to the client, RubinBrown Advisors will instruct SEI to debit the accounts for payment to RubinBrown Advisors.

**Schwab Institutional:** RubinBrown Advisors send clients a quarterly feebill showing the amount of the management fee due, the account value on which the fee is based, and how the fee was calculated. As the feebill is sent to the client, RubinBrown Advisors will instruct Charles Schwab to debit the accounts for payment to RubinBrown Advisors.

**TD Ameritrade Institutional:** RubinBrown Advisors sends clients a quarterly feebill showing the amount of the management fee due, the account value on which the fee is based, and how the fee was calculated. As the feebill is sent to the client, RubinBrown Advisors will instruct TD Ameritrade to debit the accounts for payment to RubinBrown Advisors.

**Pershing:** RubinBrown Advisors prepares a quarterly feebill showing the amount of the management fee due, the account value on which the fee is based, and how the fee was calculated. Clients whose accounts are custodied at Pershing as a result of their advisor joining RubinBrown Advisors in 2017 are not sent fee bills as their prior advisor did not send fee bills to them. These clients can request a fee bill be provided to them. RubinBrown Advisors will instruct Pershing to debit the accounts for payment to RubinBrown Advisors.

**Third Party Investment Manager Expenses:** Fees paid to RubinBrown Advisors for investment advisory services are separate and distinct from the fees and expenses charged by the independent investment manager's fee for that entity's advisory/ management services. These manager fees are directly debited by the custodian, upon the managers' direction.

**Bundled Advisory and Tax Preparation Fees:** In certain circumstances, RubinBrown Advisors have negotiated a bundled fee to high-net worth individual clients to include the advisory services of RubinBrown Advisors and personal tax return preparation by RubinBrown LLP.

**ERISA Accounts:** RubinBrown Advisors is deemed to be a fiduciary to advisory clients that are employee benefit plans (ERISA section 3(21)) or individual retirement accounts ("IRAs") pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, RubinBrown Advisors will only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset RubinBrown Advisors' advisory fees or other service fees (i.e. retirement plan recordkeeping, etc.).

**Advisory Fees in General:** Clients should note that similar advisory services are available from other registered (or unregistered) investment advisers for similar or lower fees.

**Payment of Fees:** All fees are billed quarterly in arrears.

**Limited Prepayment of Fees:** Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

#### **RETIREMENT PLAN SPONSOR SERVICES**

Our fees for Retirement Plan Sponsor Services are based on a percentage of assets under advisement, are typically charged as a percentage of assets. The maximum annual fee for this service is 1.00% of assets under management.

Clients can negotiate lower fees based on the complexity of the client's situation; the amount of assets to be placed under management; anticipated future additional assets; related accounts; portfolio style; account composition; reports; and other factors.

Annual asset-based fees charged range from 1.00% to 0.10%. There are clients who have negotiated a flat quarterly fee. Fees to be paid by the client are stipulated in their investment advisory agreement. Client's who hire RubinBrown Advisors, LLC as a result of their advisor being hired by the firm continue to pay the same fees they paid to their prior investment adviser firm, provided they do not exceed our maximum.

Fees will be billed quarterly, in arrears. The value used for asset-based fees is the value of the client's account on the last day of the previous quarter.

#### **FINANCIAL PLANNING FEES**

RubinBrown Advisors, LLC's Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client. RubinBrown Advisors, LLC prepares financial plans for many of our prospective clients, and are not charged for this service as the client is considering our ongoing investment advisory services.



Some clients, however, wish to pay for us to do a stand alone financial plan. Fees for this service are negotiated at the onset of the engagement. There are several methods for which the fee for a plan is calculated and charged. Fees can be charged as follows:

- Rate-per-hour, ranging from **\$428** to **\$170** per hour. Although the length of time it will take to provide a Financial Plan will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship. Hourly rates are based on the experience of the individual. Hourly rates can be negotiated by the client.
- Fixed fee basis, typically ranging from **\$1,500** to **\$3,000**, depending on the specific arrangement reached with the client.

Fees for financial planning services will be outlined in the client agreement.

**Financial Planning Fee Offset:** RubinBrown Advisors, LLC reserves the discretion to reduce or waive the hourly fee and/or the minimum fixed fee if a financial planning client chooses to engage us for our Portfolio Management Services.

The client is billed after the work is completed.

#### **CONSULTING SERVICES FEES**

RubinBrown Advisors, LLC's Consulting Services fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client. Methods for determining the fee for consulting services include:

- Rate-per-hour, ranging from **\$428** to **\$170** per hour. Although the length of time it will take to provide a Financial Plan will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship. Hourly rates are based on the experience of the individual. Hourly rates can be negotiated by the client.
- Fixed fee basis, which are negotiated and set prior to the start of the engagement.

The client is billed based on the terms of the engagement. For example, engagements that are expected to last for 12-months or longer, are typically billed quarterly in arrears.

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

RubinBrown Advisors, LLC does not charge performance-based fees.

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

RubinBrown Advisors, LLC provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Foundations, endowment funds and charitable organizations
- Pension and profit sharing plans, including pensions, 401(k), 403(b), deferred compensation and non-qualified (other than plan participants).

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

### **METHODS OF ANALYSIS**

RubinBrown Advisors uses third party research providers to provide a list of active mutual funds and provide ongoing monitoring of these investment products. Additionally, RubinBrown Advisors has created an investment committee to oversee these research consultant(s), and supplement the list of mutual funds as needed. The research company(ies) and RubinBrown Advisors, LLC use the following methods of analysis in selecting and monitoring actively managed mutual funds/third party money managers:

#### **Quantitative Criteria:**

- Fund asset size/Assets managed
- Risk adjusted returns
- Style and style consistency
- Performance versus peer group
- Performance versus benchmarks
- Consistency of performance
- Expenses and fees
- Minimum performance history
- Upside capture/downside capture
- Use of leverage

#### **Qualitative Criteria:**

- Is the fund/manager registered with the SEC?
- Custodians and/or brokers utilized
- Do the managers invest in the fund?
- Outside professionals utilized, lawyers and auditors
- Is there an independent board of directors?
- How are the assets valued?
- Are there any redemption restrictions or limitations?
- Manager tenure and experience
- Investment philosophy and consistency

A risk of using these investment products, as in all securities investments, past performance does not guarantee future results. A manager who has been successful is not always successful in replicating that success in the future. In addition, as we do not control the underlying investments in the fund, managers of different funds held by the client can purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager will deviate from the stated investment mandate or strategy of the fund, which could make the fund less suitable for the client's portfolio.

***Third-Party Manager Analysis:*** RubinBrown Advisors and/or outside research consultants examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest

over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment.

A risk of investing with a third-party manager who has been successful in the past is that they are not always successful in replicating that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager deviates from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, it is possible for us to miss the absence of internal controls necessary to prevent business, regulatory or reputational deficiencies.

***Index Funds and ETF's:*** RubinBrown Advisors uses index funds and/or ETF's in some assets classes. Factors included in determining appropriate index funds or ETF's are transaction fees, management fees and tracking error.

A risk of investing with index funds or index ETF's is that past performance is not always indicative of future performance. In addition, as we do not control the underlying investments in index funds or ETF's, there is also a risk that an index fund or index ETF will deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, it is possible for us to miss the absence of internal controls necessary to prevent business, regulatory or reputational deficiencies.

***Risks for all forms of analysis:*** Securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data is not always correct, there is always a risk that inaccurate or misleading information could compromise our analysis.

## ***INVESTMENT STRATEGIES***

We use the following strategies in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

***Strategic Asset Allocation:*** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of equity securities, fixed income, and cash suitable to the client's investment goals and risk tolerance. Our asset allocation strategy is based on Modern Portfolio Theory, which holds that, because risk is an inherent part of higher reward, a risk-averse investor can construct a portfolio to optimize or maximize expected return based on a given level of market risk.

A risk of asset allocation is that the client does not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of equity securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be

appropriate for the client's goals.

**Tax Loss Harvesting:** When appropriate to the needs of the client, we will help the client determine which securities should be sold to minimize capital gains tax liability in the current year. Tax loss harvesting is typically used to realize losses to offset capital gains already realized. In some circumstances we will recommend the sale of a mutual fund to avoid a capital gain distribution that would result in a greater capital gain than selling the fund before the record date.

When we harvest losses for clients we typically purchase a security similar in nature, but not substantially identical, to the security we sold for tax loss harvesting to maintain the clients overall exposure in the asset class. We will then liquidate the replacement security and re-purchase the original security that was sold after a waiting period of at least 30 days to avoid a wash sale.

Clients who use tax loss harvesting will pay the additional transaction costs associated with selling and replacing the securities used for this purpose. One risk of tax loss harvesting is the possibility that the security being sold will outperform the replacement security over the holding period of the replacement security.

Margin lending can be used on occasion based on a particular set of circumstances for the client, but margin is not something utilized to implement an investment strategy. Margin is often used to assist the client in short-term cash/lending needs.

Additionally, certain investment products (primarily ETFs) that are recommended to the client for purchase in their portfolio utilize investment strategies such as short-selling and leverage.

**Clients using third-party asset managers should review the managers' disclosure documents for information on the methods of analysis and investment strategies used by these managers.**

No investment strategy can assure a profit or avoid a loss.

## **Item 9      Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

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

RubinBrown Advisors is a wholly owned subsidiary of RubinBrown LLP, an accounting and tax firm. Tom Tesar is an equity partner/owner of RubinBrown LLP. Steve Wisniewski, Kevin McGrew, Joe Goltermann and John Russo are Partners of RubinBrown LLP.

RubinBrown LLP recommends RubinBrown Advisors to accounting and tax clients in need of advisory services. RubinBrown Advisors has recommended RubinBrown LLP to advisory clients in need of accounting and tax services.

Accounting services provided by RubinBrown LLP are separate and distinct from the advisory services of RubinBrown Advisors, and are provided for separate and typical compensation. RubinBrown LLP's accounting services do not include the authority to sign checks or otherwise disburse funds from any RubinBrown Advisors advisory client's investment accounts, managed by RubinBrown Advisors. While fees charged by RubinBrown LLP are often separate and distinct from those charged by RubinBrown Advisors, many high net worth individual clients have negotiated a bundled fee to include advisory services by RubinBrown Advisors as well as personal tax preparation by RubinBrown LLP.

This presents a conflict of interest in that Rubin Brown Advisors has an incentive to recommend that its clients use the accounting and tax services of RubinBrown LLP. To address this conflict, it is the policy of Rubin Brown Advisors that it will only recommend the use of Rubin Brown, LLP when that recommendation is consistent with the best interests of the client.

RubinBrown Advisors is affiliated with RubinBrown Financial Services, an insurance agency. RubinBrown Advisors does not receive commissions from securities or insurance products and there are no referral fee arrangements between RubinBrown Advisors and any of these affiliates for these recommendations. No RubinBrown Advisors client is obligated to use any affiliate for any services.

While RubinBrown Advisors and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and has the potential to affect the judgment of these individuals when making recommendations.

Clients should be aware that the receipt of additional compensation by RubinBrown Advisors and its management persons or employees creates a conflict of interest that has the potential to impair the objectivity of our firm and these individuals when making advisory recommendations. RubinBrown Advisors endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;

- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. RubinBrown Advisors, LLC and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

RubinBrown Advisors, LLC's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information cannot be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. Requests for a copy can be made to [debbie.maret@rubinbrown.com](mailto:debbie.maret@rubinbrown.com), or by calling us at 314-678-3608.

RubinBrown Advisors, LLC and individuals associated with our firm are prohibited from engaging in principal transactions.

RubinBrown Advisors, LLC and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and individuals associated with our firm oftentimes buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) oftentimes have an interest or position in a certain security(ies) which are also recommended to a client.

## **Item 12 Brokerage Practices**

RubinBrown Advisors does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

### ***Portfolio Management by RubinBrown Advisors:***

Portfolio Management clients direct RubinBrown Advisors as to the broker-dealer/custodian to be used for all transactions in a client's account. In directing the use of a particular broker, clients should recognize that RubinBrown Advisors cannot ensure that best execution is received in non- investment company securities and that there is the potential for discrepancies in transaction charges among clients.

RubinBrown Advisors recommends any of several broker-dealers, custodians, insurance companies (annuity providers) and/or mutual fund complexes to portfolio management and consulting clients. Among the factors considered in recommending these firms are each firm's reputation, fees, ability to provide quality execution services, ability to provide any specialized services a client requires, and RubinBrown Advisors' experience with these firms.

As a matter of policy and practice, RubinBrown Advisors does not block client trades and, therefore, we implement client transactions separately for each account. Consequently, certain client trades are executed before others, at a different price and/or transaction charge. Additionally, our clients do not receive volume discounts available to advisers who block client trades.

### **Portfolio Management through the SEI Management Program:**

In order to be eligible for the SEI Management Program, clients are required to use SEI Financial services, an NASD registered broker dealer, for the placement of all trades. Therefore, RubinBrown Advisors, through its recommendation of the SEI Management Program, is recommending SEI Financial Services as the broker-dealer to be used.

SEI Trust Company, a subsidiary of SEI Corporation, acts as the transfer agent and custodian for SEI Management Program accounts. RubinBrown Advisors' client accounts are required to be maintained at SEI Trust Company in order to participate in the SEI Management Program.

### ***SEI Managed Accounts Program and Newport Program:***

Clients should review the disclosure documents of SIMC and Newport and the portfolio managers chosen for information on brokerage selection practices in these accounts.

### ***TD Ameritrade Institutional:***

RubinBrown Advisors, LLC participates in the institutional customer program offered by TD Ameritrade Institutional, a division of TD Ameritrade, Inc., Member FINRA/SIPC/NFA ("TD Ameritrade"), an

unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers services to independent investment advisers which include custody of securities, trade execution, clearance and settlement of transactions. RubinBrown Advisors, LLC receives some benefits from TD Ameritrade through our participation in the program.

RubinBrown Advisors, LLC participates in TD Ameritrade's Institutional customer program and we are able to recommend TD Ameritrade to our clients for custody and brokerage services. There is no direct link between our firm's participation in the program and the investment advice we give to our clients, although we receive economic benefits through our 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): duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; the ability to have advisory 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 RubinBrown Advisors by third party vendors. TD Ameritrade does currently, but could also pay for business consulting and professional services received by RubinBrown Advisors related persons.

Some of the products and services made available by TD Ameritrade through the program have the potential to benefit RubinBrown Advisors but not necessarily benefit our client accounts. These products or services assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by RubinBrown Advisors through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by RubinBrown Advisors or our related persons in and of itself creates a potential conflict of interest and could influence our recommendation of TD Ameritrade for custody and brokerage services.

RubinBrown Advisors also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that not necessarily offered to any other independent investment advisers participating in the program. Specifically, the Additional Services include:

- Morningstar Workstation subscription: the software is used to provide us with data regarding the mutual fund and ETF investments used in client portfolios. This data is used in the preparation of client reviews and can be used in the ongoing monitoring of the investments in client portfolios.

TD Ameritrade provides the Additional Services to our firm in its sole discretion and at its own expense, and RubinBrown does not pay any fees to TD Ameritrade for the Additional Services. RubinBrown Advisors and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services. RubinBrown Advisors receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to our firm, TD



Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, our client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with RubinBrown Advisors, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, this presents a potential incentive to recommend to our clients that the assets under management by us be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. RubinBrown Advisors' receipt of Additional Services does not diminish our duty to act in the best interests of our clients, including seeking best execution of trades for client accounts.

Please see Item 14 regarding our participation in TD Ameritrade's AdvisorDirect program.

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

RubinBrown Advisors often recommends that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although we recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. RubinBrown Advisors is independently owned and operated and not affiliated with Schwab.

Schwab provides RubinBrown Advisors with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, 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 its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to our firm other products and services that benefit RubinBrown Advisors but not directly benefit our clients' accounts. Many of these products and services are used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that

- i. provide access to client account data (such as trade confirmations and account statements);
- ii. facilitate trade execution and allocate aggregated trade orders for multiple client accounts;

- iii. provide research, pricing and other market data;
- iv. facilitate payment of our fees from clients' accounts; and
- v. assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help us manage and further develop our business enterprise. These services include:

- i. compliance, legal and business consulting;
- ii. publications and conferences on practice management and business succession; and
- iii. access to employee benefits providers, human capital consultants and insurance providers.

Through Schwab a number third-party vendors are made available for the different types of services rendered to RubinBrown Advisors. Schwab Institutional discounts 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 our firm. Schwab Institutional provides other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, we take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which creates a potential conflict of interest.

***Pershing, LLC:***

Pershing, LLC ("Pershing"), a FINRA registered broker-dealer, member SIPC, is another custodian recommended to maintain custody of clients' assets and to effect trades for their accounts, through Pershing Advisor Solutions, LLC ("PAS"). Although we recommend that clients establish accounts at Pershing, it is the client's decision to custody assets with Pershing. RubinBrown Advisors is independently owned and operated and not affiliated with Pershing.

Pershing Advisor Solutions, LLC ("PAS"), makes available to our firm products and services that benefit RubinBrown Advisors but not directly benefit our clients' accounts. Many of these products and services are used to service all or some substantial number of our client accounts, including accounts not maintained at Pershing. These services are generally available to independent investment advisers at no charge to them provided certain minimums are met within a specific period of time.

Through PAS clients can access one-stop access to private banking solutions through BNY Mellon through the Pershing platform.

**ADDITIONAL COMPENSATION**

**SEI:** Through its strategic partnerships with SEI and Newport, RubinBrown Advisors receives access through either or both of these firms to free regional and national industry conferences, research services, access to academic papers in the field of investments, software support, access to SEI funds, access to SEI separate account managers (which generally require significantly higher

minimum initial investments or are generally available only to institutional investors), opportunities for investment in initial offerings of SEI funds and access to advisor support services. SEI may reimburse RubinBrown Advisors for qualified marketing and/or business development expenses incurred by RubinBrown Advisors, but RubinBrown Advisors does not currently receive any such payments. RubinBrown Advisors is not required to invest client assets in SEI funds or to recommend SEI or Newport separate account managers to any client.

## **Item 13      Review of Accounts**

### **Portfolio Management by RubinBrown Advisors:**

**Reviews:** While the underlying securities within clients' portfolios are continually monitored, these accounts are reviewed at least semi-annually by an officer of RubinBrown Advisors. Client meetings will be conducted by RubinBrown Advisors at least annually. More frequent reviews are triggered by material market, economic or political events, or by changes in the client's circumstances, or at a client's request.

**Reports:** Clients will receive reviews prepared by RubinBrown Advisors at least annually, with many clients receiving reports as frequently as quarterly, in addition to, regular statements from their custodian and/or broker provided on at least a quarterly basis.

### **SEI Management Program, SEI Managed Accounts Program and Newport Program:**

**Reviews:** While the underlying securities within clients' portfolios are continually monitored, the accounts will be reviewed at least semi-annually by an officer of RubinBrown Advisors. Client meetings will be conducted by RubinBrown Advisors at least annually. Please review the disclosure documents of SIMC and Newport any recommended managers for more information on account reviews. More frequent reviews are triggered by material market, economic or political events, or by changes in the client's circumstances, or at a client's request.

**Reports:** RubinBrown Advisors clients participating in these programs receive review reports prepared by RubinBrown Advisors, or the subadvisor on at least an annual basis, in addition to, monthly statement, but at least quarterly statements from the account custodian.

### **Pension Consulting Services**

**Reviews:** RubinBrown Advisors, LLC will review the client's Investment Policy Statement (IPS) whenever the client advises us of a change in circumstances regarding the needs of the plan. RubinBrown Advisors, LLC will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Such reviews occur on semi-annual basis.

**Reports:** These client accounts will receive reports as contracted for at the inception of the advisory relationship.

### **Consulting by RubinBrown Advisors:**

**Reviews:** Accounts will be reviewed as contracted for at the start of the advisory relationship.

**Reports:** Clients who want regular reports must contract for this at the start of the advisory relationship.

### **Financial Planning Services**

**REVIEWS:** While reviews occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

**REPORTS:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

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

### **CLIENT REFERRALS**

Our firm can pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

### **TD Ameritrade:**

As mentioned in Item 12, RubinBrown Advisors potentially receives client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, RubinBrown Advisors was selected to participate in AdvisorDirect based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with RubinBrown Advisors and there is no employee or agency relationship between them. TD Ameritrade has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD Ameritrade does not supervise RubinBrown Advisors and has no responsibility for RubinBrown Advisors' management of client portfolios or RubinBrown Advisors' other advice or services. RubinBrown Advisors pays TD Ameritrade an on-going fee for each successful client referral. For referrals that occurred through AdvisorDirect before April 10, 2017, this fee is a percentage (not to exceed 25%) of the advisory fee that the client pays to Advisor ("Solicitation Fee"). For referrals that occurred through AdvisorDirect on or after June 9, 2017 the Solicitation Fee is an annualized fee based on the amount of referred client assets that does not exceed 25% of 1%, unless such client assets are subject to a Special Services Addendum. In the case of a Special Services Addendum, the Solicitation Fee is an annualized fee based on the amount of

referred client assets that does not exceed 10% of 1%. Advisor will also pay TD Ameritrade the Solicitation Fee on any assets received by Advisor from any of a referred client's family members, including a spouse, child or any other immediate family member who resides with the referred client and hired Advisor on the recommendation of such referred client. Advisor will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD Ameritrade to its clients. For information regarding additional or other fees paid directly or indirectly to TD Ameritrade, please refer to the TD Ameritrade AdvisorDirect Disclosure and Acknowledgement Form.

RubinBrown Advisors' participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to obtain client referrals from TD Ameritrade, this presents RubinBrown Advisors with an incentive to recommend to clients that the assets under management by RubinBrown Advisors be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, RubinBrown Advisors has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. RubinBrown Advisors' participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

#### **Schwab Advisor Network:**

RubinBrown Advisors continues to pay fees to Schwab Advisor Network for clients obtained by Wealth Management Advisors, Inc. through the network. RubinBrown Advisors is not an active participant in this referral program.

### **ADDITIONAL COMPENSATION**

RubinBrown Advisors works with third party entities to implement insurance products for clients that have a need for these sorts of products. While RubinBrown Advisors does not receive direct commissions, these companies send money to one of our affiliates for the referral of these clients.

## **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts. For certain clients, there are standing instructions on file allowing us to transfer funds from their accounts to another account (i.e. checking account) by the use of standing instructions on file. Therefore, under government regulations, we are deemed to have custody of these clients' assets.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Because the

custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there is an error in their statement.

Schwab, TD Ameritrade, SEI, Pershing or other broker/dealer maintains actual custody of your assets. You will receive account statements directly from the custodian at least quarterly. They will be sent to the email or postal mailing address you provided to the custodian. You should carefully review those statements promptly when you receive them.

## **Item 16 Investment Discretion**

As previously disclosed in Item 4 of this brochure, our firm does not provide discretionary asset management services; we manage client assets only on a non-discretionary basis. Therefore, we will obtain the client's approval before executing transactions in the client's account.

As a result of our acquisition of Wealth Management Advisors, Inc. in May 2020, we have one discretionary relationship. This relationship is discretionary in nature as the client's employer requires the hiring of a discretionary manager. This is an exemption and not the typical way RubinBrown Advisors provides investment advice.

## **Item 17 Voting Client Securities**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm provides investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

Clients can certainly ask us questions regarding the proxy notices received, however, we do not consult on how to respond.

## **Item 18 Financial Information**

As an advisory firm that directly debits advisory fees from client accounts, we are required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. RubinBrown Advisors has no additional financial circumstances to report.

RubinBrown Advisors, LLC has not been the subject of a bankruptcy petition at any time during the past ten years.