

# **Client First Investment Management LLC**

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**December 23, 2021**

## **FORM ADV PART 2A BROCHURE**

This brochure provides information about the qualifications and business practices of Client First Investment Management LLC. If you have any questions about the contents of this brochure, contact us at 262-335-1700. 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 Client First Investment Management LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Client First Investment Management LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## **Item 2 Summary of Material Changes**

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last annual updating amendment, dated March 18, 2021 we have no material changes to report.

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## Item 4 Advisory Business

### Description of Firm

Client First Investment Management LLC is a registered investment adviser based in West Bend, Wisconsin. Our firm is organized as a Limited Liability Corporation and was formed in December 2015. The firm provides both consulting and investment management services to a wide variety of clients. We are owned by Rock Point Partners LLC which is owned equally by Justin Krueger, David Zarling and Paul Zarling. The firm is succeeding the registration of Client First Investment Management, Inc.

As used in this brochure, the words “we”, “our” and “us” refer to Client First Investment Management LLC and the words “you”, “your” and “client” refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, our Associated Persons are our firm’s officers, employees, and all individuals providing investment advice on behalf of our firm.

### Consulting Services

We provide financial consulting services that vary based on each client’s investment objectives and financial circumstances. The specific services provided are determined at contract signing and are described in the Consulting Services Agreement. Services begin by one of our Associated Persons performing an analysis of your existing assets, insurance, taxes, investment objectives, investments and other planning-related matters. After this information-gathering step is completed, we will then confer with you and provide our recommendations. Advice about investments is generally limited to stocks, bonds, mutual funds, exchange-traded funds, variable life and annuity contracts, and government-issued securities. Other advice regarding, for example, insurance, taxes, estate planning, and other matters are addressed in the scope of services you request. These conferences allow us to work with you and to decide on a schedule for future planning, work and meetings, and to evaluate the progress toward achieving your goals. We will also hold future meetings with you to make adjustments to your investment plan and to address your future goals.

If you have a large or highly-diversified securities portfolio or if you need extensive financial, estate, tax or insurance advice, we may prepare written recommendations designed to assist you in arriving at an investment and insurance mix designed to achieve your stated investment objectives. We will work with you to determine the scope of the report in advance of services rendered. You may also contract with our firm for ongoing financial consulting services based on your needs.

You retain absolute discretion over the decision to implement our consulting recommendations. You are under no obligation to act on our recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the recommendations through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm of your choice.

Changes in your financial condition, personal circumstances, goals, or general economic conditions may trigger changes to the advice we provide. To the extent that material changes have occurred in your circumstances or goals, or to the extent you seek additional services that address a new project, we will ask you to sign a new Services Agreement.

Consulting advice is based on the financial information you provide to our firm. In providing the contracted services, we are not required to verify any information we receive from you or from your other professionals (e.g. attorney, accountant, etc.) and we are expressly authorized to rely on the information you provide. You must promptly notify our firm if your financial situation, goals, objectives,

or needs change.

## **Investment Management Services - Wrap Fee Program**

We are a sponsor of a wrap fee program, ("Client First Investment Management Wrap Fee Program") which is a type of investment program that provides clients with access discretionary management services, and access to several money managers or mutual fund asset allocation models for a single fee that includes administrative fees, management fees, and commissions. If you participate in our wrap fee program, you will pay our firm a single fee, which includes our money management fees, certain transaction costs, and custodial and administrative costs. We receive a portion of the wrap fee for our services. The overall cost you will incur if you participate in our wrap fee program may be higher or lower than you might incur by separately purchasing the types of securities available in the program. The Client First Investment Management Wrap Fee Program's investment objective is growth of capital in broad equity market uptrends and preservation of capital in broad equity market downtrends.

Transactions for your account must be executed by one of our custodians. For more information concerning the Wrap Fee Program, please see *Appendix 1* to this Brochure.

The Wrap Fee program is a discretionary portfolio management service based on your individual investment objectives. Services begin by performing an initial analysis of your financial circumstances, investments, goals and restrictions. We then provide you with initial investment purchase and sale recommendations and we select the investment strategies you would like applied to your account. Thereafter, we will monitor your accounts on a continuous basis. We manage stocks, bonds, mutual funds, exchange-traded funds, variable life and annuity contracts, government-issued securities, and other securities. We will exercise discretionary trading authority while providing services. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without obtaining your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm, a power of attorney, or trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing us with your restrictions and guidelines in writing.

We do not assure or guarantee the results of any of our recommendations; thus, losses can occur from following our advice pertaining to any investment or investment approach, including using conservative investment strategies.

## **Asset Allocation and Investment Selection to Plan Participants**

We offer advice on asset allocation and investment selection to participants in qualified and non-qualified retirement plans. These services are offered through an internet-based application that allows clients to log in with a specified user name and password. Once the client has accessed the internet-based platform and submitted the required information, we will, in turn, provide an asset allocation model to the client. These services work by having a participant enter specific information regarding age, account balance, risk tolerance, etc. Given the information input by the participant and the investments available in the participant's plan, we will recommend a model portfolio. The model portfolio consists of a combination of investments available to and appropriate for the participant in achieving his/her individual investment goals and objectives.

If the client elects to enter into an agreement with us for on-going services, individual allocation models will be updated periodically. Additionally, clients are encouraged to update their personal profile as necessary. If there are recommended changes, we will notify the client by email or text to login to view and evaluate the new personalized allocation model. Changes to the participant's allocations are self-

directed. Under these services, we will not assist clients (participants) with implementation of any recommendations.

### **Assets Under Management**

As of December 2021, we provide continuous management services for \$125,750,000 in client assets on a discretionary basis.

## **Item 5 Fees and Compensation**

### **Consulting Services Fees**

All fees for Consulting Services are negotiable. Fee options are as follows:

Hourly Fee based on a rate of \$200 per hour. Maybe be billed per hour as needed or we will quote a fee for the services discussed based on the hourly rate. If we exceed the hours estimated we will contact you prior to incurring further charges for your approval.

Fixed Fees ranging between \$250 to \$3000 for financial plans and other financial consulting projects may be charged.

Service Offerings	Jump Start \$250 to \$1000	Premiere \$500 to \$2000	Elite \$1500 to \$3000
Budget and Debt Analysis	✓	✓	✓
Health Insurance Planning		✓	✓
Insurance Audit (Life and P&C)	✓	✓	✓
Income Tax Reduction Strategy	✓	✓	✓
Income Tax Preparation		✓	✓
Retirement Income Planning	✓	✓	✓
Social Security Optimization		✓	✓
Pension Analysis		✓	✓
Bucket Plan		✓	✓
Volatility Tolerance Analysis	✓	✓	✓
AIMS Investor Education	✓	✓	✓
Legal Document Review	✓	✓	✓
Probate Avoidance Strategy		✓	✓
Long Term Care Risk Mitigation		✓	✓
Family Estate Organizer		✓	✓
Client Portal Access	✓	✓	✓
AIMS Market Insight	✓	✓	✓
Periodic Review Meeting	✓	✓	✓
Roth Conversion Analysis			✓
Charitable Tax Planning			✓
Roth Conversion Bracket Bumping			✓
Estate Tax Reduction			✓

Charitable Tax Planning	✓
Advanced Custom Tax Planning	✓
Advanced Education Funding Strategy	✓
*Jump Start is also available for a Monthly Membership Fee of \$50	

Asset-Based Fee - Financial consulting services may be billed on an asset based fee based on the schedule below.

<b>Aggregate Account Value</b>	<b>Standard Fee Rate</b>
<\$100,000	2.00% / yr
>\$100,000 - \$1,000,000	1.50% / yr
>\$1,000,000 - \$10,000,000	1.25% / yr
>\$10,000,000 - \$100,000,000	1.125% / yr
>\$100,000,000+	1.0625% / yr

The fee will be payable quarterly in advance. Fees may be deducted directly from your custodian account.

Prior to engagement, you are required to sign a Services Agreement which provides an estimate of the total fee for services. The amount of time for each consulting, investment, tax, estate, insurance, or other project depends on the nature and scope of the advice requested, nature and number of investments in your portfolio, and amount and nature of research required to address the planning topics requested.

For fixed or hourly projects, one-half of the fee is payable upon commencement of services with the balance due upon delivery of the written plan or completion of consulting services. Payment arrangements are established in the services agreement. We may waive the fee in whole or in part at our sole discretion.

The fees described above may change based on special situations such as an expansion of a project, increase in the number of reviews, more specialized needs, more complex planning, or more detailed reporting. Before such a change is made, you will be given 30 days prior written notice and you must agree to such changes by signing a new services agreement or an amendment thereto.

We will never charge \$500 or more six months in advance of performing the services.

Either party may terminate the Services Agreement within ten (10) days written notice to the other.

Upon termination, you will be required to pay any fees owed to us. Any unearned prepaid fees will be returned to the client prorated to the date of termination. If you do not receive Part 2 of our Form ADV at least 48 hours in advance of signing the Services Agreement, you will have the right to terminate the agreement without penalty within five business days of the date the agreement is executed.

At our discretion, we may offset our financial planning fees to the extent you implement the financial plan through our Portfolio Management Service.

#### **Investment Management Services Fee - Wrap Fee**

Fees for Investment Management Services are negotiable and calculated as a percentage of the market value of your assets under our management at the rates set forth in the Fee Schedule below. The wrap-fee includes all advisory and brokerage costs (including transaction costs), quarterly performance reports, third party custodial fees, exchange fees and transfer taxes.

## **FEE SCHEDULE**

<b>Market Value of Account</b>	<b>Annual Rate</b>	<b>Quarterly Rate</b>
\$0 to \$500,000	2.0%	0.500%
Over \$500,000	1.5%	0.375%

All fees due are established in each client's Investment Management Services Agreement.

Advisory fees are payable calendar-quarterly in advance and are calculated on the basis of the market value of the investments in the account, including any balances held in money market funds. The initial quarter by fee is pro-rated for the period that services are provided. Subsequent quarterly fees are based upon the market value of the account as of the last business day of the previous quarter.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.
- We send you an invoice showing the amount of the fee, the value of the assets on which the fee is based, and the specific manner in which the fee was calculated.
- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts dispersed from your account including the amount of the advisory fee paid directly to our firm.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

Upon termination of the services agreement, which can occur with ten days advance written notice from one party to the other, any pre-paid advisory fees will be prorated and any unearned fee will be refunded within 30 days of the termination date, except for a termination administration fee of \$100 if the agreement is terminated during its first year, and \$50 if terminated any time after the first year.

We reserve the right to modify our fee schedule upon thirty days advance written notice to you.

### **Asset Allocation and Investment Selection to Plan Participant Fees**

The fee for this on-line allocation services is a flat monthly rate \$49.95 (negotiable), which is payable in equal monthly installments via credit card or other means, with the initial payment due at the time of subscription. The client's specific monthly rate and payment type will be included in the individual client's consulting services agreement. The client can terminate the service agreement upon written notice to our firm. If the agreement is terminated after the first day of a calendar month, fees are not refundable for that month.

### **Additional Fees and Expenses**

Fees paid to our firm are the provision of advisory services only. The fees do not include, for example, the fees charged by third parties, such as accountants and attorneys that provide you with accounting and legal advice.

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory



services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You may also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this Disclosure Brochure.

In addition, there are tax effects pertaining to fund share redemptions made by our firm on your behalf. Redemptions are taxable events which may accelerate the recognition of capital gains, and losses, and frequent redemptions may result in short-term, rather than long-term, capital gains and losses.

### **Compensation for the Sale of Insurance Products**

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. This creates a conflict of interest for our firm because these persons may earn commission-based compensation for selling insurance products, including insurance products they sell to you. To the extent insurance commissions are earned, the commissions are separate and in addition to our advisory fees. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

### **IRA Rollover Considerations**

As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of:

An employee will typically have four options:

1. Leaving the funds in your employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan.
3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your

- needs or whether you might want to consider other types of investments.
- a. Employer retirement plans generally have a more limited investment menu than IRAs.
  - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
    - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
    - b. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
  3. Our strategy may have higher risk than the option(s) provided to you in your plan.
  4. Your current plan may also offer financial advice.
  5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 70.5.
  6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
    - a. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
  7. You may be able to take out a loan on your 401k, but not from an IRA.
  8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
  9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
  10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.

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

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of a capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## **Item 7 Types of Clients**

We offer investment advisory services to a wide variety of clients including, but not limited to, individuals, entities, pension and profit sharing plans, trusts, estates and charitable organizations, corporations and other business entities.

In general, we do not require a minimum dollar amount to open and maintain an advisory account. We reserve the right to terminate or reject your account for any reason.

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

### Our Methods of Analysis and Investment Strategies

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

**Charting Analysis** - involves the gathering and processing of price and volume pattern information for a particular security, sector, broad index or commodity. This price and volume pattern information is analyzed. The resulting pattern and correlation data is used to detect departures from expected performance and diversification and predict future price movements and trends.

**Risk:** Our charting analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Technical Analysis** - involves studying past price patterns, trends and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

**Risk:** The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

**Risk:** The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Cyclical Analysis** - a type of technical analysis that involves evaluating recurring price patterns and trends. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions.

**Risk:** The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial information, liquidity needs and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio. **It is important that you notify us immediately with respect to any material changes to your financial circumstances, including for example, a change in your current or expected income level, tax circumstances, or employment status.**

We will not perform quantitative or qualitative analysis of individual securities. Instead, we will advise you on how to allocate your assets among various classes of securities.

## Tax Considerations

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Custodians and broker-dealers must report the cost basis of equities acquired in client accounts. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

## Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

## Other Risk Considerations

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all-inclusive, but should be considered carefully by a prospective client before retaining our services.

**Liquidity Risk:** The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price or it may not be possible to sell the investment at all.

**Credit Risk:** Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

**Inflation and Interest Rate Risk:** Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.

**Horizon and Longevity Risk:** The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for people who are retired, or are nearing retirement.

## Recommendation of Particular Types of Securities

As disclosed under the "Advisory Business" section in this Brochure, we recommend all types of securities and we do not necessarily recommend one particular type of security over another since each client has

different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

## **Item 9 Disciplinary Information**

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

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

Justin Krueger, David Zarling and Paul Zarling are managing members and owners of Rock Point Partners LLC. Rock Point Partners LLC that owns Client First Insurance Services LLC (insurance agency), Client First Tax Services LLC (tax preparation services) and 360 Investment Research LLC (subscription based investment research newsletter provider).

When appropriate for your needs, we may recommend the purchase of insurance products through Client First Insurance Services, LLC, or tax preparation services through Client First Tax Services, LLC. Commissions and/or fees will be earned for the purchase of insurance products or tax preparation services. Insurance commissions earned from the sale of insurance products, and fees paid from tax preparation are separate from our advisory fees.

The referral arrangement we have with these affiliates may present a conflict of interest because we have a financial incentive to recommend the services of our affiliates. While we believe that compensation charged by these firms are competitive; such compensation may be higher or lower than what is charged by other firms providing the same or similar products or services. You are under no obligation to use any of our affiliated firms products or services.

Rock Point Partners LLC also owns 360 Investment Research LLC. 360 Investment Research LLC produces a subscription based investment research newsletter. Clients of our firm are not solicited to subscribe to this service.

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

### **Description of Our Code of Ethics**

We have adopted a Code of Ethics that sets the standard of conduct expected to comply with applicable securities laws. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. We adhere strictly to these guidelines. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm. You may contact our firm at 262-335-1700 to request a copy of our Code of Ethics.

Neither our firm nor any of our Associated Persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this Brochure.

Our firm, or persons associated with us may buy or sell the same securities for themselves that we recommend to you or securities in which you are already invested. A conflict of interest exists in such

cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, where such trades are contemplated, a client's transaction is given priority and processed first. However, in those instances where we *may* believe it is appropriate to "block" (combine) several similar orders for multiple clients into one order to obtain an average price, Associated Persons orders may be included in that block order. Although this practice creates a conflict of interest because of the average price advantage to the Associated Person, the block order must in all cases be initiated to meet the objectives of our clients within the block without consideration given to any Associated Person who may be a participant in the block.

We have supervisory procedures in place which are applicable to all Associated Persons who have access to your confidential records or to recommendations being made or contemplated for your account(s). Designed to prevent conflicts of interest between your financial interests and the interests of our Associated Persons, the procedures require that all Associated Persons report all securities trades as they occur, and all positions in which they have a beneficial interest quarterly and annually. These reporting requirements allow supervisors at our firm to determine whether to allow or prohibit certain employee securities purchases and sales based on transactions made, or anticipated to be made, in the same securities in your account(s).

## **Item 12 Brokerage Practices**

Although we generally do not exercise discretion to select brokerage firms, we typically recommend the transaction custodial services of TD AMERITRADE Institutional, a division of TD AMERITRADE, Inc. Member FINRA/SIPC ("TD AMERITRADE"). Commissions and execution of securities transactions implemented through TD AMERITRADE may not be better than commissions or execution available if you used another brokerage firm. However, we believe that the overall level of services and support provided to our clients by TD AMERITRADE outweighs the potentially lower costs that may be available from other brokerage service providers.

You should be aware that there is no direct link between our firm and TD AMERITRADE in connection with the advice you receive under our advisory programs. We receive economic benefits through the account custody and operating relationships we have with TD AMERITRADE that are not typically available to retail investors. These benefits include the following products and services provided to our firm without cost or at a discount: duplicate client statements and confirmations, research related products and tools, consulting services, access to a trading desk serving Representatives, access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares directly to or from client accounts), 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 discounts or no fees on compliance, marketing, research, technology, and practice management products and services provided by third-party vendors. TD AMERITRADE may also pay for business consulting, professional services, and research received by our affiliated persons and may also pay or reimburse expenses (travel, lodging, meals, and entertainment expenses) for our personnel to attend conferences or meetings relating to their client service platforms or to their advisor custody and brokerage services generally. Some of these products and services made available by TD AMERITRADE may benefit us, but may not benefit our clients. Such other services made available by TD AMERITRADE are intended to help us manage and further develop our business enterprise, and such services may or may not depend on the amount of brokerage transactions directed to it. Thus, the receipt of these services creates an incentive and conflict of interest for us when we recommend TD AMERITRADE services.

Other than the services described above, we do not direct transactions and the commissions they generate (safe dollars) to brokerage firms or other parties to receive research or other benefits.

You should be aware of the fact that not all advisers require clients to use a particular brokerage firm. Because clients having accounts managed by our firm are required to open accounts with, and use the transaction services of, TD AMERITRADE, we may not be able to achieve the most favorable execution of client transactions. Thus, use of only TD AMERITRADE may cost our clients more money.

In those instances where we believe it is in the best interests of a client to do so, we will "block" (combine) the our client's orders with those of other clients having similar orders for the purpose of obtaining an advantageous average price for all accounts participating in the block. Any decision not to block a transaction with those of other clients is based upon our deciding that it is more beneficial to time transactions for the benefit of each client's account individually.

We do not process transactions through TD AMERITRADE in return for new client referrals from TD AMERITRADE.

### **Block Trades**

We combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

## **Item 13 Review of Accounts**

Reviews of comprehensive or limited plans are performed from time to time by the Representative at the times requested by a client and as the Representative deems appropriate. More than one Representative may be involved in the development of a plan and, with your permission your legal and accounting professionals may be involved. When outside professionals become involved in the process, the cost of the outside professionals is your sole responsibility.

For clients receiving Consulting Services, a written project report or plan is prepared in the scope requested by the client during the initial interview or in subsequent counseling sessions.

Each client's managed portfolio is reviewed by the Representative as frequently as determined by the Representative to ensure the investments in the account are in line with the client's stated investment policy guidelines but no less than quarterly. Investment purchases and sales are made as deemed appropriate by the Representative. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals;
- year-end tax planning;
- market moving events;
- security specific events; and/or
- changes in your risk/return objectives.

In all cases, you are strongly encouraged to discuss your needs, goals, and objectives with our firm, and to keep us informed of any changes in this information.

Clients receiving Investment Management Services receive reports at least quarterly from their account's custodian. The client may receive a written performance report as often as is agreed upon between the client and our firm. We encourage you to reconcile our invoices with the statement(s) you



receive from the qualified custodian. If you find any inconsistent information between our invoice and the statement(s) you receive from the qualified custodian, please call our main office number located on the cover page of this brochure.

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

We do not directly or indirectly compensate non-employee (outside) consultants, individuals, and/or entities (Solicitors) for client referrals. Please refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with TD AMERITRADE.

Please see Item 10 Other Financial Industry Activities and Affiliations regarding the referral of clients for insurance products. Compensation may be in the form of shared commissions or a flat fee referral depending on the insurance product purchased.

The Company has designated Lighthouse Youth Center as a charity for which our custodian will send unallocated trading gains to on our behalf.

## **Item 15 Custody**

As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other qualified custodian. You will receive account statements from the qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

We will also provide statements to you reflecting the amount of the advisory fee deducted from your account. You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement, or if you did not receive a statement from your custodian, contact us immediately at the telephone number on the cover page of this brochure.

## **Item 16 Investment Discretion**

We will exercise discretionary trading authority while providing Investment Management Services. (Discretionary authority is not used when we provide Consulting Services.) Granting discretionary authority allows our firm to purchase and sell securities of our choice in the amounts and at the times we believe it is suitable for your account without obtaining your consent on each transaction. We may also recommend the use of third-party investment managers to manage all or a portion of the assets. These managers also have discretionary authority to purchase and sell securities as they deem appropriate. Authorization for the discretionary trading is granted to our firm by each client in the executed services agreement. We do not permit clients to impose any restrictions on a grant of discretionary authority.

## **Item 17 Voting Client Securities**

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of

applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitations to vote proxies.

## **Item 18 Financial Information**

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$500 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.

We have not filed a bankruptcy petition at any time in the past ten years.

## **Item 19 Requirements for State-Registered Advisers**

Refer to the Part(s) 2B for background information about our principal executive officers, management personnel and those giving advice on behalf of our firm.

Our firm is not actively engaged in any business other than giving investment advice that is not already disclosed above.

Neither our firm, nor any persons associated with our firm are compensated for advisory services with performance-based fees. Refer to the *Performance-Based Fees and Side-By-Side Management* section above for additional information on this topic.

Neither our firm, nor any of our management persons have any reportable arbitration claims, civil, self-regulatory organization proceedings, or administrative proceedings.

Neither our firm, nor any of our management persons have a material relationship or arrangement with any issuer of securities.

## **Item 20 Additional Information**

### **Your Privacy**

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any non-affiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with regulatory standards to guard your nonpublic personal

information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

If you decide to close your account(s) we will adhere to our privacy policies, which may be amended from time to time.

If we make any substantive changes in our privacy policy that would further permit or require disclosures of your private information, we will provide written notice to you. Where the change is based on permitted disclosures, you will be given an opportunity to direct us as to whether such disclosure is acceptable. Where the change is based on required disclosures, you will only receive written notice of the change. You may not opt out of the required disclosures.

If you have questions about our privacy policies contact our main office at the telephone number on the cover page of this brochure and ask to speak to the Chief Compliance Officer.

### **Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.