

# Janiczek Wealth Management

SEC File Number: 801 – 37889

## Brochure Dated 01/05/2021

Contact: Pamela Dorn, Chief Compliance Officer  
7001 E. Belleview Avenue, Suite 600  
Denver, CO 80237  
[www.janiczek.com](http://www.janiczek.com)

**This brochure provides information about the qualifications and business practices of Janiczek Wealth Management. If you have any questions about the contents of this brochure, please contact us at (303) 721-7000. 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 Janiczek Wealth Management is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**References herein to Janiczek Wealth Management as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.**

## Item 2            Material Changes

Since the most recent annual amendment filing on 03/20/2020, this Disclosure Brochure has been revised at Item 4 to reflect a registration succession and ownership restructuring, neither of which resulted in a change of control over the firm.

**ANY QUESTIONS: Janiczek Wealth Management's Chief Compliance Officer, Pamela Dorn, remains available to address any questions that an existing or prospective client may have regarding this Brochure.**

## Item 3            Table of Contents

Item 1	Cover Page.....	1
Item 2	Material Changes .....	2
Item 3	Table of Contents.....	2
Item 4	Advisory Business .....	3
Item 5	Fees and Compensation .....	21
Item 6	Performance-Based Fees and Side-by-Side Management .....	28
Item 7	Types of Clients.....	28
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss .....	28
Item 9	Disciplinary Information.....	31
Item 10	Other Financial Industry Activities and Affiliations.....	31
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	32
Item 12	Brokerage Practices .....	33
Item 13	Review of Accounts.....	34
Item 14	Client Referrals and Other Compensation .....	35
Item 15	Custody .....	35
Item 16	Investment Discretion .....	36
Item 17	Voting Client Securities.....	36
Item 18	Financial Information .....	36

## Item 4            **Advisory Business**

- A. Janiczek Wealth Management, LLC (the “Registrant”) is a Delaware limited liability company formed as of January 1, 2021. The Registrant succeeded the registration of JJJ Advisors, Inc., which originally became registered as an Investment Adviser Firm in December 1990. The Registrant is principally owned by JJJ Advisors, Inc., which in turn is principally owned by Joseph J. Janiczek, the Registrant’s CEO.
- B. As discussed below, the Registrant offers to its clients (individuals, pension and profit sharing plans, business entities, trusts, estates and charitable organizations, etc.) investment advisory, financial advisory/planning, retirement advisory/planning, business advisory/planning and wealth management related services. The Registrant also provides financial advisory/planning, retirement advisory/planning, business advisory/planning and wealth management related services, hereon after referred to as “a la carte” services on a stand-alone basis, particularly when a transaction or event on the horizon is expected to result in a windfall of assets requiring investment advisory services in addition to the a la carte services offered and provided until then.

### **OPTION # 1: INVESTMENT ADVISORY ONLY SERVICES**

The Registrant’s investment advisory services are offered (Option #1) on a stand-alone basis for those who desire to limit the scope of the engagement solely to investment advisory services. This option is called The Complete Investment Solution (CIS).

The Complete Investment Solution (“CIS”) is a service package for clients who only want professional investment portfolio management services (not investment management integrated with financial planning/advising, wealth management, and retirement planning/advising). Registrant shall discharge its investment management responsibilities by building a diversified portfolio of recommended investment vehicles tailored as needed to match the Client’s general economic and taxation circumstances, investment time horizon, risk temperament, and investment objectives as specified by selections made within the Registrant’s official Investor Profile (hereinafter referred to as the “IP”) form, filled-out, signed and amended (by replacing a past IP with a new, later dated IP) from time to time by the Client and/or any other specific written investment instructions received and verbally verified (for cyber-security, quality control and clarification purposes) by the Registrant from the Client. If various accounts or registrations within the portfolio have different risk, time horizon or investment objective profiles, a separate IP form will be prepared to specify separate profiles of the Client by account(s) and/or registrations. The Registrant’s official IP form will explicitly 1) define whether the Client is selecting an Income, Income and Growth, Core, Growth or Aggressive Growth mix and define the associated risk temperament (conservative/moderate, moderate, moderate/aggressive or aggressive) and investment objective of the Client and account(s) to be managed under this IP; 2) define the typical “neutral” equity-like (including equity-like alternatives) and fixed-income-like (including fixed-income-like alternatives) currently associated with the portfolio; 3) define the pre-approved overweight and underweight tactical shift range of the equity-like, fixed-income-like, and cash-like (such as money market funds or Treasury Bills) asset classes within the portfolio the Registrant is able to institute on the basis of the Registrant’s assessment of investment opportunities, dangers, and conditions, which unless explicitly defined otherwise in the IP or other written and confirmed instructions, is plus (+) or minus (-) ten percent (10%) the defined neutral

target weight for each asset class; 4) the desired client-defined minimum/maximum cash reserve target associated with the Account(s), if any; and 5) provide any written restrictions or other instructions that apply to the Client across all Accounts or specific accounts or ownership registrations.

The Assets will be managed by Registrant based upon the IP on an ongoing basis, adjusting holdings and target allocations within the approved neutral and tactical overweight or underweight tolerance range based upon Registrant's assessments of economic dangers, strengths, conditions and opportunities and Registrant's assessments of each asset class', investment vehicle's and/or manager's ability to perform in current, possible or expected conditions. Such asset allocation ranges can and will fluctuate within the approved range and outside the approved range as normal or extreme market conditions impact the daily market price of holdings within the portfolio. The Registrant has the discretion to select when to rebalance mixes back to the approved tolerance range and targeted levels based upon Registrant's assessment of investment conditions within each asset class, sub asset class and/or asset sector. Rebalancing portfolios back to targeted ranges is generally executed inside each calendar year and may occur multiple times within a calendar year, but also may be thoughtfully extend beyond such a calendar year period in certain investment environments and circumstances.

Economic, fundamental, and technical research data is considered by Registrant in an Evidence Based Investing (EBI) investment management approach. Exchange traded funds ("ETFs") (both indexed and managed), mutual funds, and separate account managers are the primary vehicles selected by Registrant to achieve the targeted equity-like and fixed income-like allocations/ranges. These may be augmented by individual equity or fixed income holdings or alternative asset class and hedge fund managers (depending upon if the Client meets net worth qualification standards for such vehicles).

This service package includes recommendations and services related to all five aspects of the Registrant's Evidence Based Investing approach: 1) Asset Allocation, 2) Security Selection, 3) Trading and Monitoring, 4) Tactical Adjustments and 5) Review and Rebalancing Routines. The Client will receive: 1) monthly account statements from the custodian utilized (Schwab Institutional ("*Schwab*") at present), 2) Quarterly Performance Reports, 3) written or video/audio publications and email alerts and 4) discretionary portfolio management from Registrant on an ongoing basis. Client may also gain access to the Registrant's online Client Portal which provides information on the value, allocation and performance of accounts and holdings as of the closing price last recorded in the Registrant's portfolio management system. After a one- or two-session start-up process, client briefing sessions are generally offered and recommended semi-annually. No financial, retirement or estate planning analysis or services are offered in this investment advisory only service package. The Client, under a separate agreement and fee schedule, can pursue other services offered by the Registrant or upgrade to a different service package that may include financial, retirement, business or estate planning analysis or services if such services are desired.

Unless the Client has advised the Registrant to the contrary, in writing, there are no restrictions that the Client has imposed upon the Registrant with respect to the management of the Assets. The Client agrees to provide information and/or documentation requested by Registrant in furtherance of this Agreement as pertains to Client's objectives, needs and goals, and maintains exclusive responsibility to keep Registrant informed of any changes

regarding same. Client acknowledges that Registrant cannot adequately perform its services for Client unless Client diligently performs his responsibilities under this Agreement. Registrant shall not be required to verify any information obtained from Client, Client's attorney, accountant or other professionals, and is expressly authorized to rely thereon;

In the event that the Client has retirement and/or 401k, 403b or other qualified accounts at a current or former employer, Client acknowledges that Registrant will not manage such assets under this Agreement and shall not charge the fee defined in this Agreement for such investment accounts of the Client. However, so long as Client meets the defined minimum quarterly fee requirement within this Agreement, Registrant will, as a courtesy and at the request of the Client, annually review and make suggestions for allocating such accounts to vehicles offered in the qualified plan to align with the objectives, needs, goals, time horizon and risk temperament of the Client and the Registrant's assessment of the investment climate and investment vehicles offered within the qualified plan. Client acknowledges that Registrant's investment selection shall be limited to the investment alternatives provided by the retirement plan. The Client acknowledges and understands that: (1) the Registrant will not receive any communications from the plan sponsor or custodian, and it shall remain the Client's exclusive obligation to notify the Registrant of any changes in investment alternatives, restrictions, etc. pertaining to the Account; (2) the Registrant shall not be responsible for any costs, damages, penalties, or otherwise, resulting from the failure to so notify the Registrant; and (3) the Registrant's options shall be limited to the allocation of the Assets among the investment alternatives available through the plan.

Client authorizes Registrant to respond to inquiries from, and communicate and share information with, Client's attorney, accountant, and other professionals to the extent necessary in furtherance of Registrant's services under this Agreement.

## **OPTION # 2: INVESTMENT ADVISORY SERVICES AUGMENTED BY FINANCIAL ADVISORY/WEALTH MANAGEMENT SERVICES**

The Registrant offers investment advisory services augmented by financial advisory/planning and wealth management services (which can include retirement advisory/planning services) (Option #2), which is the flagship service package offered by the Registrant. This option is called The Complete Wealth Solution (CWS).

The Complete Wealth Solution ('CWS') is a flagship service package offered by the Registrant. Registrant shall discharge its investment management responsibilities by building a diversified portfolio of recommended investment vehicles tailored as needed to match the Client's general economic and taxation circumstances, investment time horizon, risk temperament, and investment objectives as specified by selections made within the Registrant's official Investor Profile (hereinafter referred to as the "IP") form, filled-out, signed and amended (by replacing a past IP with a new, later dated IP) from time to time by the Client and/or any other specific written investment instructions received and verbally verified (for cyber-security, quality control and clarification purposes) by the Registrant from the Client. If various accounts or registrations within the portfolio have different risk, time horizon or investment objective profiles, a separate IP form will be prepared to specify separate profiles of the Client by account(s) and/or registrations.

The Registrant's official IP form will explicitly 1) define whether the Client is selecting an Income, Income and Growth, Core, Growth or Aggressive Growth mix and define the associated risk temperament (conservative/moderate, moderate, moderate/aggressive or aggressive) and investment objective of the Client and account(s) to be managed under this IP; 2) define the typical "neutral" equity-like (including equity-like alternatives) and fixed-income-like (including fixed-income-like alternatives) currently associated with the portfolio; 3) define the pre-approved overweight and underweight tactical shift range of the equity-like, fixed-income-like, and cash-like (such as money market funds or Treasury Bills) asset classes within the portfolio the Registrant is able to institute on the basis of the Registrant's assessment of investment opportunities, dangers, and conditions, which unless explicitly defined otherwise in the IP or other written and confirmed instructions, is plus (+) or minus (-) ten percent (10%) the defined neutral target weight for each asset class; 4) the desired client-defined minimum/maximum cash reserve target associated with the Account(s), if any; and 5) provide any written restrictions or other instructions that apply to the Client across all Accounts or specific accounts or ownership registrations.

The Assets will be managed by Registrant based upon the IP on an ongoing basis, adjusting holdings and target allocations within the approved neutral and tactical overweight or underweight tolerance range based upon Registrant's assessments of economic dangers, strengths, conditions and opportunities and Registrant's assessments of each asset class', investment vehicle's and/or manager's ability to perform in current, possible or expected conditions. Such asset allocation ranges can and will fluctuate within the approved range and outside the approved range as normal or extreme market conditions impact the daily market price of holdings within the portfolio. The Registrant has the discretion to select when to rebalance mixes back to the approved tolerance range and targeted levels based upon Registrant's assessment of investment conditions within each asset class, sub asset class and/or asset sector. Rebalancing portfolios back to targeted ranges is generally executed inside each calendar year and may occur multiple times within a calendar year, but also may be thoughtfully extend beyond such a calendar year period in certain investment environments and circumstances.

Economic, fundamental, and technical research data is considered by Registrant in an Evidence Based Investing (EBI) investment management approach. Exchange traded funds ("ETFs") (both indexed and managed), mutual funds, and separate account managers are the primary vehicles selected by Registrant to achieve the targeted equity-like and fixed income-like allocations/ranges. These may be augmented by individual equity or fixed income holdings or alternative asset class and hedge fund managers (depending upon if the Client meets net worth qualification standards for such vehicles).

This service package includes recommendations and services related to all five aspects of the Registrant's Evidence Based Investing approach: 1) Asset Allocation, 2) Security Selection, 3) Trading and Monitoring, 4) Tactical Adjustments and 5) Review and Rebalancing Routines. The Client will receive: 1) monthly account statements from the custodian utilized (Schwab Institutional ("*Schwab*") at present), 2) Quarterly Performance Reports, 3) written or video/audio publications and email alerts and 4) discretionary portfolio management from Registrant on an ongoing basis. Client may also gain access to the Registrant's online Client Portal which provides information on the value, allocation and performance of accounts and holdings as of the closing price last recorded in the Registrant's portfolio management system. After a one- or two-session start-up process, client briefing sessions are generally offered and recommended semi-annually. The Client, under a separate agreement and fee schedule, can pursue other services offered by the



Registrant or upgrade to a different service package that may include additional financial, retirement, business or estate planning analysis or services for the Client and the Client's adult children if such services are desired.

Unless the Client has advised the Registrant to the contrary, in writing, there are no restrictions that the Client has imposed upon the Registrant with respect to the management of the Assets. The Client agrees to provide information and/or documentation requested by Registrant in furtherance of this Agreement as pertains to Client's objectives, needs and goals, and maintains exclusive responsibility to keep Registrant informed of any changes regarding same. Client acknowledges that Registrant cannot adequately perform its services for Client unless Client diligently performs his responsibilities under this Agreement. Registrant shall not be required to verify any information obtained from Client, Client's attorney, accountant or other professionals, and is expressly authorized to rely thereon;

In the event that the Client has retirement and/or 401k, 403b or other qualified accounts at a current or former employer, Client acknowledges that Registrant will not manage such assets under this Agreement and shall not charge the fee defined in this Agreement for such investment accounts of the Client. However, so long as Client meets the defined minimum quarterly fee requirement within this Agreement, Registrant will, as a courtesy and at the request of the Client, annually review and make suggestions for allocating such accounts to vehicles offered in the qualified plan to align with the objectives, needs, goals, time horizon and risk temperament of the Client and the Registrant's assessment of the investment climate and investment vehicles offered within the qualified plan. Client acknowledges that Registrant's investment selection shall be limited to the investment alternatives provided by the retirement plan. The Client acknowledges and understands that: (1) the Registrant will not receive any communications from the plan sponsor or custodian, and it shall remain the Client's exclusive obligation to notify the Registrant of any changes in investment alternatives, restrictions, etc. pertaining to the Account; (2) the Registrant shall not be responsible for any costs, damages, penalties, or otherwise, resulting from the failure to so notify the Registrant; and (3) the Registrant's options shall be limited to the allocation of the Assets among the investment alternatives available through the plan.

Client authorizes Registrant to respond to inquiries from, and communicate and share information with, Client's attorney, accountant, and other professionals to the extent necessary in furtherance of Registrant's services under this Agreement.

#### Financial and Retirement Planning, Consulting and Wealth Management

The Registrant shall provide select financial advisory/planning, retirement advisory/planning, and wealth management services offered within the Registrant's Complete Wealth Solution (CWS) service package. This includes the preparation and unique experience of receiving the Registrant's proprietary Wealth Optimization Plan™ (herein after referred to as "Plan"), featuring the patented Systems and Methods for Optimizing Wealth color coded Wealth Optimization Dashboard™ (red, yellow, green color-coded grids in up to 35 Essential Strengths® categories). This Plan typically includes a Balance Sheet Analysis and Rating, Cash Flow Analysis and Rating, Portfolio Analysis and Rating (including external assets not managed by the Registrant), Lifestyle Protection Analysis™ (up to four stress test and stamina scenarios) and Priority Action Plan of Recommendations to enhance financial strength, agility, flexibility and endurance. The

Wealth Optimization Plan™ process involves two key sessions with the Client and Registrant near the beginning of the working relationship (called the Big Breakthrough and Wealth Optimization Plan Sessions) which includes the planning and consulting services mentioned above. Based upon the needs, objectives and cooperation of the client in providing the data needed to complete the analysis, Registrant may emphasize or exclude certain parts of the Plan. Registrant may also prepare additional financial, retirement or estate planning type analysis utilizing various software or spreadsheet analysis type tools designed to assist in evaluating financial needs, circumstances or scenarios and further identifying financial strengths, weaknesses or vulnerabilities. In the event that the Client requires planning or consultation services outside of the scope of the Complete Wealth Solution and Wealth Optimization Plan, the Registrant may charge for such additional services, the dollar amount of which shall be set forth in a separate written notice to the Client.

With respect to Registrant's planning and consulting services, the Client acknowledges that: (i) he/she is free at all times to accept or reject any recommendation from Registrant, and the Client acknowledges that he/she has the sole authority with regard to the implementation, acceptance, or rejection of any recommendation or advice from Registrant; (ii) recommendations (i.e. estate planning, retirement planning, taxes, insurance, etc.) may be discussed and/or implemented, at Client's sole discretion, with the corresponding professional adviser(s) (i.e. broker, accountant, attorney, insurance agent, etc.) of Client's choosing (which may include affiliated entities and/or representatives of the Registrant); (iii) in respect to estate planning and tax planning matters, Registrant's role shall be that of a facilitator between the Client and his/her corresponding professional advisor(s); (iv) no portion of the Registrant's services should be construed as legal or accounting advice. Rather, the Client should defer to his/her/their attorney or accountant; and (v) he/she/they will maintain sole responsibility to notify the Registrant if there is a change in his/her/their financial situation or investment objective(s) for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services and/or to address new planning or consulting matters.

In the course of normal semi-annual briefing and review sessions that involve the investment management services provided to the Client in item 1 above, Registrant agrees to offer, at Client's request, a broader scope of financial, retirement and wealth management topics that can be reviewed in the same session, expanding the scope and potential synergies to include topics related to the Client's Plan. Client may also contact Registrant with questions via telephone, email or by setting up a mutually agreeable additional appointment to request additional guidance or consulting related to the Plan or Assets between normal semi-annual briefing and review sessions. In addition, Client may request the Plan or select elements of it be re-run and/or re-analyzed from time to time, typically every few years, with no additional charge to Client so long as client meets a minimum \$5,000 per quarter assets under management fee level. Otherwise, the client may elect to pay a \$3,000 flat fee for each new/updated Plan as identified in item 3(g) below.

**OPTION # 3: "A LA CARTE" FINANCIAL ADVISORY/PLANNING, RETIREMENT ADVISORY/PLANNING, BUSINESS ADVISORY/PLANNING SERVICES FOR THOSE ANTICIPATING AN UPCOMING LIQUIDITY EVENT**



The Registrant offers financial advisory/planning, retirement advisory/planning, and business advisory/planning oriented services for clients anticipating an upcoming life-changing liquidity event or retirement transition within approximately five (5) years.

Transactions and events such as a business sale, real estate sale, inheritance, legal settlement, retirement, stock option exercising, contract, golden parachute trigger, etc. often require or can benefit by extensive before the event, at the event and post event financial advisory/planning/consulting and business advisory/planning and consulting (including what is often referred to as “Exit Planning”) services offered within this category of Registrant’s services. Registrant offers a variety of “a la carte” services designed to help clients optimally plan, prepare and, should conditions manifest as desired, experience such a liquidity event.

Services may include (independently over time or as part of a comprehensive multifaceted plan) our Wealth Optimization Plan™, Lifestyle Protection Analysis™ Scenarios, Balance Sheet Analysis, Cash Flow Analysis, Business Exit Plan, Business Strategic Plan, Before the Business Sale Planning & Consulting, At the Business Sale Planning & Consulting, Post Sale Planning & Consulting, Stock Option Exercising Analysis & Consulting, Estate Plan Analysis, Business Succession Plan Analysis & Plan, Retirement Analysis, Executive Perk Analysis & Consulting, Quarterly or Semi-Annual Review Services (associated with any of the above or other services provided) and a multitude of other services related to the aim of optimally planning for, preparing for and experiencing a life-changing liquidity event and/or retirement. The typical aim of such services is to add value while preparing for a liquidity/transition event, build a solid relationship and rapport that is solidly in place before the liquidity event, build a customized trusted advisor team to meet needs before, at and post liquidity event and engage in a prudent processes that paves the way for transitioning to/upgrading to one of our more permanent service packages once the liquidity event transpires.

Any and all “A la Carte” services recommended by the Registrant are determined by the Registrant and defined in a separate Statement of Work (SOW) document provided in writing in advance of any services being performed and will only be performed upon written/signed acceptance by client and an authorized representative of Registrant.

The SOW spells out precisely what services will be provided, what deliverables the Registrant will prepare and provide, how many Client and Registrant consulting session are included with the initial services provided and what if any fees will be associated with any additional follow-up/review sessions the Client may choose, at her/his/their/its request and discretion after the initial services are provided by Registrant. In the event that the Client requires planning or consultation services outside of the scope of the a la carte services identified in the SOW, the Registrant may charge for such additional services, the dollar amount of which shall be set forth in a separate written notice to the Client.

With respect to Registrant’s planning and consulting services, the Client acknowledges that: (i) he/she/it is free at all times to accept or reject any recommendation from Registrant, and the Client acknowledges that he/she/it has the sole authority with regard to the implementation, acceptance, or rejection of any recommendation or advice from Registrant; (ii) recommendations (i.e. estate planning, retirement planning, taxes, insurance, business broker, legal, accounting, investment banker, human resources, etc.) may be discussed and/or implemented, at Client’s sole discretion, with the corresponding professional adviser(s) (i.e. broker, accountant, attorney, insurance agent, business broker,

investment banker, consultant, etc.) of Client's choosing (which may include affiliated entities and/or representatives of the Registrant); (iii) in respect to estate planning, legal, accounting, business broker, investment banking, and tax planning matters, Registrant's role shall be that of a facilitator between the Client and his/her/its corresponding professional advisor(s); (iv) no portion of the Registrant's services should be construed as legal or accounting advice. Rather, the Client should defer to his/her/their attorney or accountant; and (v) he/she/they will maintain sole responsibility to notify the Registrant if there is a change in his/her/their financial situation or investment objective(s) for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

The Registrant's fee for a la carte services provided under this service option/category shall be based upon those specified in the SOW that are specifically identified as "a la carte services".

If the SOW also defines investment advisory services recommended to the Client (such as Registrant's Complete Investment Solution (CIS) or Janiczek Model Portfolio Solution (JMPS)) or combination investment advisory and financial/retirement/wealth management planning and consulting service packages (such as Registrant's Complete Wealth Solution (CWS) or Complete Legacy Solution (CLS)) such services, which are outside the scope of the Registrant's a la carte service menu, will be performed under a separate investment advisory service agreement executed between Client and Registrant for such services.

While our A la Carte service category is designed to be flexible, one more common A la Carte service is for us to prepare a Wealth Optimization Plan for a flat fee of \$5,000 with no minimum quarterly asset management fee. This enables us to provide such financial planning services to a client before such a client meets our quarterly minimum asset management fee for our Complete Wealth Solution (CWS) service package, such as before a liquidity event i.e., a business sale or a transition to retirement where the investment management needs of the client will escalate after the liquidity/transition event. In such circumstances, this A la Carte financial planning fee is a one-time fee for such a plan and would be charged additional times for such plan, each time the client requests a new plan or a plan update (as per the SOW). Once the client has enough investment assets to meet our quarterly minimum fee or the client wants to pay our minimum quarterly fee, they can upgrade their service to our Complete Wealth Solution by paying the start-up fee (\$3,000) and after this point, new plans or plan updates are included in the Complete Wealth Solution service package for no additional planning fee as disclosed above in the description of this service package category."

In the event that the a la carte service needs of the Client increase while the services outlined in the SOW are being performed by Registrant, no increase in the services the Registrant shall provide or increased fees the Client shall pay will be effective without prior written notification to the Client in an updated, signed and dated SOW.

#### **OPTION # 4: INVESTMENT ADVISORY SERVICES AUGMENTED BY FINANCIAL ADVISORY/WEALTH MANAGEMENT SERVICES FOR PATRIARCH/MATRIARCH AND MULTI-GENERATIONS OF A WEALTHY FAMILY**

The Registrant offers investment advisory services augmented by financial advisory/planning and wealth management services (which can include retirement

advisory/planning services) for the patriarch/matriarch and multi-generations of a wealthy family (Option #4). This option is called The Complete Legacy Solution (CLS).

The Complete Legacy Solution (“CLS”) recognizes that many clients have needs that span generations and often expand into legacy and charitable activities. The Registrant created the Complete Legacy Solution™ service package to meet the long-term needs of high net worth clients and their extended families and charitable organization(s).

The CLS includes investment advisory and financial planning/advisory, retirement planning/advisory services for the family patriarch/matriarch (Client) plus: 1) Annual Family Meeting (if desired, requested), 2) Periodic Financial Education/Coaching Sessions/Webinars for adult family members (if desired, upon request, per events calendar of Registrant), 3) Personal Development Workshops/Webinars for adult family members (per event calendar of Registrant), and 4) Registrant’s Complete Investment Solution (CIS), Complete Wealth Solution (CWS), or Janiczek Model Portfolio Solution (JMPS) (as circumstances and needs dictate) at a preferred family aggregate fee level for all adult family members electing to participate in this program and entering into their own separate service agreements. The primary aim of CLS is to assist generations of a family to master money in a manner that augments a quality multi- generational (and, often times, charity-oriented) estate plan. The CLS is a unique experience designed to deliver Registrant’s investment advisory, financial planning/advisory, retirement planning/advisory and multi-generational wealth management services to the Client and Client’s family members in a synergistic way.

Registrant shall discharge its investment management responsibilities by building a diversified portfolio of recommended investment vehicles tailored as needed to match the Client’s general economic and taxation circumstances, investment time horizon, risk temperament, and investment objectives as specified by selections made within the Registrant’s official Investor Profile (hereinafter referred to as the “IP”) form, filled-out, signed and amended (by replacing a past IP with a new, later dated IP) from time to time by the Client and/or any other specific written investment instructions received and verbally verified (for cyber-security, quality control and clarification purposes) by the Registrant from the Client. If various accounts or registrations within the portfolio have different risk, time horizon or investment objective profiles, a separate IP form will be prepared to specify separate profiles of the Client by account(s) and/or registrations.

The Registrant’s official IP form will explicitly 1) define whether the Client is selecting an Income, Income and Growth, Core, Growth or Aggressive Growth mix and define the associated risk temperament (conservative/moderate, moderate, moderate/aggressive or aggressive) and investment objective of the Client and account(s) to be managed under this IP; 2) define the typical “neutral” equity-like (including equity-like alternatives) and fixed-income-like (including fixed-income-like alternatives) currently associated with the portfolio; 3) define the pre-approved overweight and underweight tactical shift range of the equity-like, fixed-income-like, and cash-like (such as money market funds or Treasury Bills) asset classes within the portfolio the Registrant is able to institute on the basis of the Registrant’s assessment of investment opportunities, dangers, and conditions, which unless explicitly defined otherwise in the IP or other written and confirmed instructions, is plus (+) or minus (-) ten percent (10%) the defined neutral target weight for each asset class; 4) the desired client-defined minimum/maximum cash reserve target associated with the Account(s), if any; and 5) provide any written restrictions or other instructions that apply to the Client across all Accounts or specific accounts or ownership registrations.

The Assets will be managed by Registrant based upon the IP on an ongoing basis, adjusting holdings and target allocations within the approved neutral and tactical overweight or underweight tolerance range based upon Registrant's assessments of economic dangers, strengths, conditions and opportunities and Registrant's assessments of each asset class', investment vehicle's and/or manager's ability to perform in current, possible or expected conditions. Such asset allocation ranges can and will fluctuate within the approved range and outside the approved range as normal or extreme market conditions impact the daily market price of holdings within the portfolio. The Registrant has the discretion to select when to rebalance mixes back to the approved tolerance range and targeted levels based upon Registrant's assessment of investment conditions within each asset class, sub asset class and/or asset sector. Rebalancing portfolios back to targeted ranges is generally executed inside each calendar year and may occur multiple times within a calendar year, but also may be thoughtfully extend beyond such a calendar year period in certain investment environments and circumstances.

Economic, fundamental, and technical research data is considered by Registrant in an Evidence Based Investing (EBI) investment management approach. Exchange traded funds ("ETFs") (both indexed and managed), mutual funds, and separate account managers are the primary vehicles selected by Registrant to achieve the targeted equity-like and fixed income-like allocations/ranges. These may be augmented by individual equity or fixed income holdings or alternative asset class and hedge fund managers (depending upon if the Client meets net worth qualification standards for such vehicles).

This service package includes recommendations and services related to all five aspects of the Registrant's Evidence Based Investing approach: 1) Asset Allocation, 2) Security Selection, 3) Trading and Monitoring, 4) Tactical Adjustments and 5) Review and Rebalancing Routines. The Client will receive: 1) monthly account statements from the custodian utilized (Schwab Institutional ("Schwab") at present), 2) Quarterly Performance Reports, 3) written or video/audio publications and email alerts and 4) discretionary portfolio management from Registrant on an ongoing basis. Client may also gain access to the Registrant's online Client Portal which provides information on the value, allocation and performance of accounts and holdings as of the closing price last recorded in the Registrant's portfolio management system. After a one- or two-session start-up process, client briefing sessions are generally offered and recommended semi-annually. The Client, under a separate agreement and fee schedule, can pursue other services offered by the Registrant or upgrade to a different service package that may include additional financial, retirement, business or estate planning analysis or services for the Client and the Client's adult children if such services are desired.

Unless the Client has advised the Registrant to the contrary, in writing, there are no restrictions that the Client has imposed upon the Registrant with respect to the management of the Assets. The Client agrees to provide information and/or documentation requested by Registrant in furtherance of this Agreement as pertains to Client's objectives, needs and goals, and maintains exclusive responsibility to keep Registrant informed of any changes regarding same. Client acknowledges that Registrant cannot adequately perform its services for Client unless Client diligently performs his responsibilities under this Agreement. Registrant shall not be required to verify any information obtained from Client, Client's attorney, accountant or other professionals, and is expressly authorized to rely thereon;

In the event that the Client has retirement and/or 401k, 403b or other qualified accounts at a current or former employer, Client acknowledges that Registrant will not manage such assets under this Agreement and shall not charge the fee defined in this Agreement for such investment accounts of the Client. However, so long as Client meets the defined minimum quarterly fee requirement within this Agreement, Registrant will, as a courtesy and at the request of the Client, annually review and make suggestions for allocating such accounts to vehicles offered in the qualified plan to align with the objectives, needs, goals, time horizon and risk temperament of the Client and the Registrant's assessment of the investment climate and investment vehicles offered within the qualified plan. Client acknowledges that Registrant's investment selection shall be limited to the investment alternatives provided by the retirement plan. The Client acknowledges and understands that: (1) the Registrant will not receive any communications from the plan sponsor or custodian, and it shall remain the Client's exclusive obligation to notify the Registrant of any changes in investment alternatives, restrictions, etc. pertaining to the Account; (2) the Registrant shall not be responsible for any costs, damages, penalties, or otherwise, resulting from the failure to so notify the Registrant; and (3) the Registrant's options shall be limited to the allocation of the Assets among the investment alternatives available through the plan.

Client authorizes Registrant to respond to inquiries from, and communicate and share information with, Client's attorney, accountant, and other professionals to the extent necessary in furtherance of Registrant's services under this Agreement.

#### Financial and Retirement Planning, Consulting and Wealth Management

The Registrant shall provide select financial advisory/planning, retirement advisory/planning, and wealth management services offered within the Registrant's Complete Legacy Solution service package. This includes the preparation and unique experience of receiving the Registrant's proprietary Wealth Optimization Plan™ (herein after referred to as "Plan"), featuring the patented Systems and Methods for Optimizing Wealth color coded Wealth Optimization Dashboard™ (red, yellow, green color coded grids in up to 35 Essential Strengths® categories). This Plan typically includes a Balance Sheet Analysis and Rating, Cash Flow Analysis and Rating, Portfolio Analysis and Rating (including external assets not managed by the Registrant), Lifestyle Protection Analysis™ (up to four stress test and stamina scenarios) and Priority Action Plan of Recommendations to enhance financial strength, agility, flexibility and endurance. The Wealth Optimization Plan™ process involves two key sessions with the Client and Registrant near the beginning of the working relationship (called the Big Breakthrough and Wealth Optimization Plan Sessions) which includes the planning and consulting services mentioned above. Based upon the needs, objectives and cooperation of the client in providing the data needed to complete the analysis, Registrant may emphasize or exclude certain parts of the Plan.

Registrant may also prepare additional financial, retirement or estate planning type analysis utilizing various software or spreadsheet analysis type tools designed to assist in evaluating financial needs, circumstances or scenarios and further identifying financial strengths, weaknesses or vulnerabilities. In the event that the Client requires planning or consultation services outside of the scope of the Complete Legacy Solution and Wealth Optimization Plan, the Registrant may charge for such additional services, the dollar amount of which shall be set forth in a separate written notice to the Client.



With respect to Registrant's planning and consulting services, the Client acknowledges that: (i) he/she is free at all times to accept or reject any recommendation from Registrant, and the Client acknowledges that he/she has the sole authority with regard to the implementation, acceptance, or rejection of any recommendation or advice from Registrant; (ii) recommendations (i.e. estate planning, retirement planning, taxes, insurance, etc.) may be discussed and/or implemented, at Client's sole discretion, with the corresponding professional adviser(s) (i.e. broker, accountant, attorney, insurance agent, etc.) of Client's choosing (which may include affiliated entities and/or representatives of the Registrant); (iii) in respect to estate planning and tax planning matters, Registrant's role shall be that of a facilitator between the Client and his/her corresponding professional advisor(s); (iv) no portion of the Registrant's services should be construed as legal or accounting advice. Rather, the Client should defer to his/her/their attorney or accountant; and (v) he/she/they will maintain sole responsibility to notify the Registrant if there is a change in his/her/their financial situation or investment objective(s) for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services and/or to address new planning or consulting matters.

In the course of normal semi-annual briefing and review sessions that involve the investment management services provided to the Client in item 1 above, Registrant agrees to offer, at Client's request, a broader scope of financial, retirement, legacy and multi-generational wealth management topics that can be reviewed in the same session, expanding the scope and potential synergies to include topics related to the Client's Plan, family and charitable activities. Client may also contact Registrant with questions via telephone, email or by setting up a mutually agreeable additional appointment to request additional guidance or consulting related to the Plan or Assets between normal semi-annual briefing and review sessions. In addition, Client may request the Plan or select elements of it be re-run and/or re-analyzed from time to time, typically every few years, with no additional charge to Client so long as client meets a minimum \$5,000 per quarter assets under management fee level. Otherwise, the client may elect to pay a \$3,000 flat fee for each new/updated Plan as identified in item 3(g) below.

**OPTION # 5: FIXED MODEL PORTFOLIO MANAGEMENT FOR FAMILY & FRIENDS OF CLIENTS OR EMPLOYEES WITH SMALLER PORTFOLIOS (BY INVITATION ONLY)**

Recognizing that clients of Registrant are often in the position or asked by family members or friends to assist them in obtaining professional portfolio management services and sometimes these requests are portfolios under a threshold amount where Registrant's normal portfolio management services do not fit the circumstances. The Registrant offers investment advisory services (Option #5) intended to meet the more limited investment management needs of the family members and friends of clients or employees with smaller (under \$1,499,999) portfolios. This option is called the Janiczek® Model Portfolio Solution (JMPS).

Registrant shall discharge its investment management responsibilities by allocating the JMPS Client's assets into one of the five Model Portfolios (hereinafter referred to as "MPs") offered by Registrant (on an invitation-only basis to family and friends of clients and employees of Registrant) and selected by Client after careful consideration of the investment objectives, risk temperament, investment time horizon and general financial circumstances of the Client.



The Registrant's official JMPS Investor Profile (hereinafter referred to as "JMPS IP") form will explicitly 1) define whether the Client is selecting a conservative/moderate risk 25/75 +/- 10% equity/fixed income mix model portfolio, a moderate risk 40/60 +/-10% equity/fixed income mix model portfolio, moderate/aggressive risk 60/40 +/-10% equity/fixed income mix model portfolio, an aggressive risk 75/25 +/-10% equity/fixed income mix model portfolio equity/fixed income mix, or a Special \$10,000 or Less moderate risk 50/50 +/-10% equity/fixed income mix model portfolio; 2) define the typical "neutral" equity-like (including equity-like alternatives) and fixed-income-like (including fixed-income-like alternatives) currently associated with the portfolio; and 3) define the pre-approved overweight and underweight tactical shift range of the equity-like, fixed-income-like, and cash-like (such as money market funds or Treasury Bills) asset classes within the portfolio the Registrant is able to institute on the basis of the Registrant's assessment of investment opportunities, dangers, and conditions, which is plus (+) or minus (-) ten percent (10%) the defined neutral target weight for each asset class.

The Client assets will be managed by Registrant based upon the JMPS IP on an ongoing basis, adjusting holdings and target allocations within the approved neutral and tactical overweight or underweight tolerance range based upon Registrant's assessments of economic dangers, strengths, conditions and opportunities and Registrant's assessments of each asset class', investment vehicle's and/or manager's ability to perform in current, possible or expected conditions. Such asset allocation ranges can and will fluctuate within the approved range and outside the approved range as normal or extreme market conditions impact the daily market price of holdings within the portfolio. The Registrant has the discretion to select when to rebalance mixes back to the approved tolerance range and targeted levels based upon Registrant's assessment of investment conditions within each asset class, sub asset class and/or asset sector. Rebalancing portfolios back to targeted ranges is generally executed inside each calendar year and may occur multiple times within a calendar year, but also may be thoughtfully extend beyond such a calendar year period in certain investment environments and circumstances.

Economic, fundamental, and technical research data is considered by Registrant in an Evidence Based Investing (EBI) investment management approach. Exchange traded funds ("ETFs") (both indexed and managed) and mutual funds are the primary vehicles selected by Registrant to achieve the targeted equity-like and fixed income-like allocations/ranges. These may be augmented by individual equity or fixed income holdings or alternative asset class investment vehicles.

This service package includes model portfolio investment management services related to all five aspects of the Registrant's Evidence Based Investing approach: 1) Asset Allocation, 2) Security Selection, 3) Trading and Monitoring, 4) Tactical Adjustments and 5) Review and Rebalancing Routines. This abbreviated invited family and friends of clients and employee's investment management service of Registrant is specifically designed for portfolios under \$1,499,999 (Registrant's stated \$1.5 million minimum Assets Under Management and \$5,000 Minimum Quarterly Fee is waived) and includes limited servicing, customizing, and reporting compared to Registrant's primary investment management service offerings. Clients on this service package receive: 1) regular investment statements from the custodian utilized, 2) online access to account balances, 3) Market Commentary Reports (quarterly), and 4) discretionary model portfolio management from Registrant on an ongoing basis. Trades in these accounts are made on a bulk model portfolio level and are not customized to each individual client. Access to

Registrant's professional advisors in this service package is limited to phone calls or meetings to assist the client in defining their time horizon, risk temperament, and general financial objectives and circumstances, and in selecting one of five model portfolios. Registrant's advisors are also available to discuss the allocation of the model portfolios and Registrant's assessment of investment conditions, including risks. Client is encouraged to read the prospectuses and annual reports of each holding to better understand what they are invested in. Access to Registrant's service team personnel and advisors who are in JMPS is limited to opening accounts, depositing funds, withdrawing funds, or closing accounts.

This service package does not include financial, retirement, or estate planning and management services or any type of custom portfolio management. It also does not include the more advanced customizing, educating, counseling, or reporting services of our Complete Investment Solution. It is organized and priced as a model portfolio solution for individuals or organizations seeking a diversified portfolio of no-load mutual funds and/or ETFs selected and adjusted by Registrant from time to time. This service package is only offered by invitation only for family members and friends of clients or employees desiring a model portfolio management solution. If more customizing, financial advising, planning, education and/or counseling is required than is offered in this service package, Registrant recommends such individuals or organizations seek and select an outside advisor of his or her choosing for such services. The Client, under a separate agreement and fee schedule, can pursue other services offered by the Registrant or upgrade to a different service package that may include financial, retirement, business or estate planning analysis or services if such services are desired.

Registrant recommends that each JMPS participant maintain adequate liquid reserves in bank or money market accounts at an institution of their choice to meet short-term expense needs (within 1 year) and short-term/intermediate needs (1 to 3 years) and Client agrees to maintain such liquidity levels outside the JMPS Account(s). The 25/75, 40/60, 60/40, 75/25, and Special \$10,000 or Less Balanced 50/50 models are designed for long-term investors with time horizons well in excess of five (5) years with the moderate/aggressive and aggressive risk portfolios (60/40 and 75/25) intended for investors with time horizons well in excess of ten (10) years. If various accounts or registrations within the portfolio have different risk, time horizon or investment objective profiles, a separate JMPS IP form should be prepared to specify separate profiles of the Client by account(s) and/or registrations.

Unless the Client has advised the Registrant to the contrary, in writing, there are no restrictions that the Client has imposed upon the Registrant with respect to the management of the Assets. The Client agrees to provide information and/or documentation requested by Registrant in furtherance of this Agreement as pertains to Client's objectives, needs and goals, and maintains exclusive responsibility to keep Registrant informed of any changes regarding same. Client acknowledges that Registrant cannot adequately perform its services for Client unless Client diligently performs his/her/its responsibilities under this Agreement. Registrant shall not be required to verify any information obtained from Client, Client's attorney, accountant or other professionals, and is expressly authorized to rely thereon;

In the event that the Client has retirement and/or 401k, 403b or other qualified accounts at a current or former employer, Client acknowledges that Registrant will not manage such assets under this Agreement and shall not charge the fee defined in this Agreement for such investment accounts of the Client.

Client authorizes Registrant to respond to inquiries from, and communicate and share information with, Client's attorney, accountant, and other professionals to the extent necessary in furtherance of Registrant's services under this Agreement; and,

The Client acknowledges and understands that the services to be provided by Registrant under the JMPS service agreement are limited to the management of the Assets and do not include financial planning or any other related or unrelated consulting services.

## MISCELLANEOUS

**Limitations of Financial Planning and Non-Investment Consulting/Implementation Services.** As indicated above, to the extent requested by a client, Registrant may provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Registrant **does not** serve as an attorney, accountant, or insurance agency, and no portion of its services should be construed as legal, accounting, or insurance brokerage services. Accordingly, Registrant **does not** prepare estate planning documents, tax returns or sell insurance products. To the extent requested by a client, Registrant may recommend the services of other professionals for certain non-investment implementation purpose (i.e. attorneys, accountants, insurance agents, etc.). Clients are reminded that they are under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation made by Registrant or its representatives. **Please Note:** If the client engages any unaffiliated recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

**Please Note: Inverse/Enhanced Market Strategies.** In extremely limited circumstances, the Registrant may utilize long and short mutual funds and/or exchange traded funds that are designed to perform in either an: (1) inverse relationship to certain market indices (at a rate of 1 or more times the inverse [opposite] result of the corresponding index) as an investment strategy and/or for the purpose of hedging against downside market risk; and (2) enhanced relationship to certain market indices (at a rate of 1 or more times the actual result of the corresponding index) as an investment strategy and/or for the purpose of increasing gains in an advancing market. There can be **no assurance** that any such strategy will prove profitable or successful. In light of these enhanced risks/rewards, a client may direct the Registrant, in writing, not to employ any or all such strategies for his/her/their/its accounts.

**Independent Managers.** The Registrant may allocate (and/or recommend that the client allocate) a portion of a client's investment assets among unaffiliated independent investment managers in accordance with the client's designated investment objective(s). In such situations, the *Independent Manager[s]* shall have day-to-day responsibility for the active discretionary management of the allocated assets. The Registrant shall continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors which Registrant shall consider in recommending Independent Managers include the client's designated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fee

charged by the *Independent Manager[s]* is separate from, and in addition to, Registrant's advisory fee as set forth in the fee schedule at Item 5 below.

**Please Note: Retirement Rollovers-Potential for Conflict of Interest:** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Registrant recommends that a client roll over their retirement plan assets into an account to be managed by Registrant, such a recommendation creates a conflict of interest if Registrant will earn new (or increase its current) compensation as a result of the rollover. No client is under any obligation to rollover retirement plan assets to an account managed by Registrant. **Registrant's Chief Compliance Officer, Pamela Dorn, remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover recommendation.**

**ERISA / IRC Fiduciary Acknowledgment.** If the client is: (i) a participant or beneficiary of a Plan subject to Title I of the Employee Retirement Income Security Act of 1974 ("ERISA") or described in section 4975(e)(1)(A) of the Internal Revenue Code, with authority to direct the investment of assets in his or her Plan account or to take a distribution; (ii) the beneficial owner of an IRA acting on behalf of the IRA; or (iii) a Retail Fiduciary with respect to a plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code: then AFM represents that it and its representatives are fiduciaries under ERISA or the Internal Revenue Code, or both, with respect to any investment advice provided by AFM or its representatives or with respect to any investment recommendations regarding an ERISA Plan or participant or beneficiary account.

**Charles Schwab.** As discussed below at Item 12, the Registrant recommends that Schwab, serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as Schwab charge brokerage commissions and/or transaction fees for effecting securities transactions. In addition to Registrant's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). The fees charged by Schwab, as well as the charges imposed at the mutual fund and exchange traded fund level, are in addition to Registrant's advisory fee referenced in Item 5 below.

**Please Note-Use of Mutual Funds:** Most mutual funds are available directly to the public. Thus, a prospective client can obtain many of the mutual funds that may be recommended and/or utilized by Registrant independent of engaging Registrant as an investment advisor. However, if a prospective client determines to do so, he/she will not receive the Registrant's initial and ongoing investment advisory services. **Please Also Note-Use of DFA Mutual Funds:** As indicated above, most mutual funds are available directly to the public, without need to engage an investment professional. Other mutual funds, such as those issued by Dimensional Fund Advisors ("DFA"), are generally only available through registered investment advisers. Registrant utilizes DFA mutual funds. Thus, if the client was to terminate Registrant's services, restrictions regarding transferability and/or additional purchases of, or reallocation among, DFA funds will apply. **Registrant's Chief**

**Compliance Officer. Pamela Dorn, remains available to address any questions that a client or prospective client may have regarding the above.**

**Portfolio Activity.** Registrant has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Registrant will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, mutual fund manager tenure, style drift, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Registrant determines that changes to a client's portfolio are neither necessary nor prudent. Of course, as indicated below, there can be no assurance that investment decisions made by Registrant will be profitable or equal any specific performance level(s).

**Unaffiliated Private Investment Funds.** Registrant may also provide investment advice regarding unaffiliated private investment funds. Registrant, on a non-discretionary basis, may recommend that certain qualified clients consider an investment in unaffiliated private investment funds. Registrant's role relative to the private investment funds shall be limited to its initial and ongoing due diligence and investment monitoring services. If a client determines to become a private fund investor, the amount of assets invested in the fund(s) shall be included as part of "assets under management" for purposes of Registrant calculating its investment advisory fee. Registrant's clients are under absolutely no obligation to consider or make an investment in a private investment fund(s).

**Please Note:** Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may own, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

**Please Also Note: Valuation.** In the event that Registrant references private investment funds owned by the client on any supplemental account reports prepared by Registrant, the value(s) for all private investment funds owned by the client shall reflect the most recent valuation provided by the fund sponsor. If no subsequent valuation post-purchase is provided by the Fund Sponsor, then the valuation shall reflect the initial purchase price (and/or a value as of a previous date), or the current value(s) (either the initial purchase price and/or the most recent valuation provided by the fund sponsor). If the valuation reflects initial purchase price (and/or a value as of a previous date), the current value(s) (to the extent ascertainable) could be **significantly more or less** than original purchase price. The client's advisory fee shall be based upon reflected fund value(s).

**Other Business Activities.**

Joseph J. Janiczek, CEO of Janiczek Wealth Management, is engaged in a business other than giving investment advice. He is an award-winning author and may create audio recordings, books, systems and tools that may be sold through various distribution channels. Mr. Janiczek is the creator of the Wealth with Ease® System, inventor of the Systems and Methods for Optimizing Wealth patent (which he owns under



a separate entity named Wealth with Ease, LLC) and may license and train other advisors, organizations or consumers in utilizing this system through other entities including Wealth with Ease, LLC.

Joseph J. Janiczek also founded and owns the Retirement Institute of America, LLC and is engaged in producing educational programs on mastering money and achieving retirement goals via this entity. The Retirement Institute of America, LLC is not engaged in personal financial, investor or retirement services and any claims, objectives or aims of the educational products it offers are in no way related to the services of the Registrant.

Wealth with Ease, LLC is an affiliated Delaware LLC foreign qualified to do business in Colorado; however, the entity does not provide any investment advisory or management services whatsoever. The entity was created to develop, own, and license proprietary tools, trademarks, patents, processes, and systems created by Joseph J. Janiczek to the Registrant and possibly other investment adviser firms, financial institutions, or customers.

**Cash Positions.** At any specific point in time, depending upon perceived or anticipated market conditions/events (there being **no guarantee** that such anticipated market conditions/events will occur), the Registrant **may** maintain cash positions for defensive purposes. All cash positions (money markets, etc.) shall be included as part of assets under management for purposes of calculating the Registrant's advisory fee. In circumstances where the technique known as "dollar-cost-averaging" (DCA) is utilized to phase into a portfolio allocation, a Client's portfolio may hold cash targeted for later allocation to securities. It is Registrant's policy to charge its fee for such cash targeted for allocation within three (3) months. For cash held in reserve for DCA beyond three (3) months, Registrant may open with Client a separate "non-managed" cash account not subject to the fee of the Registrant as a temporary holding place for such cash. When this technique is utilized, Client will permit/authorize and Registrant will execute a journal once every three (3) months, equivalent to the next three (3) months planned DCA amount, into the managed account of Client and thereby becoming billable. In circumstances where the DCA is accelerated or delayed by Registrant or Client, the exact timing may differ than above. In such cases, the account where the cash resides (billable or not) determines whether the cash position designated for DCA is included in assets under management. **Please Note:** In IRA accounts, all DCA assets are held in billable IRA accounts regardless of duration of DCA.

**The Registrant's Chief Compliance Officer, Pamela Dorn, remains available to address any questions that a client or prospective client may have regarding the above fee billing practice.**

**Client Obligations.** In performing its services, Registrant shall not be required to verify any information received from the client or from the client's other professionals and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

**Disclosure Statement.** A copy of the Registrant's written Brochure as set forth on Part 2A of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the *Client Services Agreement*.



- C. The Registrant shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, the Registrant shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on the Registrant's services.
- D. The Registrant does not participate in a wrap fee program.
- E. As of March 19, 2020, the Registrant had \$599,690,523 in assets under management on a discretionary basis.

## Item 5 Fees and Compensation

- A. The client can determine to engage the Registrant to provide any combination of the above described services (Option 1, 2, 3, 4, or 5) on a *fee-only* basis.

### **OPTION # 1: INVESTMENT ADVISORY ONLY SERVICES**

#### ***The Complete Investment Solution (CIS)***

The Registrant's annual fee for investment management services provided under its Complete Investment Solution (CIS) service package shall be based upon a percentage (%) of the market value of the Assets Under Management (herein after referred to as the "AUM") in accordance with the tiered fee schedule below. This annual fee shall be prorated and paid quarterly, in arrears, based upon the market value of the Assets under management on the last business day of the previous quarter, with an amount no less than the Minimum Quarterly Fee defined below. No increase in the annual fee percentage shall be effective without prior written notification to the Client.

End of Calendar Quarter Market Value of Investment Assets Under Management	Quarterly Fee Rate	Annual Fee Rate
First \$3 Million	.25%	1.00%
Next \$5 Million	.1925%	.77%
Next \$5 Million	.1275%	.51%
Next \$10 Million	.0950%	.38%
All Remaining	.0775%	.31%

Minimum Quarterly Fee: \$5,000

Client, via an executed service agreement with Registrant, will authorize the Custodian of the Assets to charge the Account for the amount of Registrant's fee and to remit such fee to Registrant in compliance with regulatory procedures. Please Note: In the event that there is not sufficient cash in the Account to pay Registrant's fee, the Registrant shall sell Assets to pay the fee. Also note that if the above tiered fee calculation results in a fee calculation amount under the above Minimum Quarterly Fee for the full quarter or the pro- rata share of the Minimum Quarterly Fee for a partial quarter, the Client will be charged

the Minimum Quarterly Fee or the pro-rata equivalent of the Minimum Quarterly Fee. Please Note: The effective Assets Under Management (AUM) rate could equate higher than the above schedule if the amount of AUM is below \$2 million.

In addition to Registrant's annual investment management fee, the Client shall also incur, relative to: [1] all mutual fund and exchange traded fund purchases, charges imposed directly at the fund level (e.g. management fees, redemption fees (if, as an example, a specific holding period threshold is not achieved) and other fund expenses); and [2] independent investment managers, the fees charged by each separate manager who is engaged to manage the Assets; [3] custodian and/or broker trading and/or transaction fees for buying and selling securities within accounts including within SMAs.

No portion of Registrant's compensation shall be based on capital gains or capital appreciation of the Assets, except as provided for under the Investment Advisers Act of 1940.

In the event that Registrant is due a fee for a partial quarter, such as if the Client commences or terminates Registrant's services in the middle of a calendar quarter; Registrant will prorate the fee for that quarter.

In the event Client makes deposits or withdrawals (above \$5,000) in the middle of a quarter, Registrant will prorate the fee for the amount withdrawn or deposited. Such prorated fee calculations will be specified in detail within the invoice provided each quarter.

## **OPTION # 2: INVESTMENT ADVISORY SERVICES AUGMENTED BY FINANCIAL ADVISORY/WEALTH MANAGEMENT SERVICES**

### ***The Complete Wealth Solution (CWS)***

The Registrant's annual fee for investment management services provided under its Complete Wealth Solution (CWS) service package shall be based upon a percentage (%) of the market value of the Assets Under Management (hereinafter referred to as "AUM") in accordance with the tiered fee schedule below. This annual fee shall be prorated and paid quarterly, in arrears, based upon the market value of the Assets Under Management (AUM) on the last business day of the previous quarter, with an amount no less than the Minimum Quarterly Fee defined below. No increase in the annual fee percentage shall be effective without prior written notification to the Client.

End of Calendar Quarter Market Value of Investment Assets Under Management	Quarterly Fee Rate	Annual Fee Rate
First \$3 Million	.25%	1.00%
Next \$5 Million	.1925%	.77%
Next \$5 Million	.1275%	.51%
Next \$10 Million	.0950%	.38%
All Remaining	.0775%	.31%

Minimum Quarterly Fee: \$5,000

Client, via an executed service agreement with Registrant, will authorize the Custodian of the Assets to charge the Account for the amount of Registrant's fee and to remit such fee to Registrant in compliance with regulatory procedures. Please Note: In the event that there is not sufficient cash in the Account to pay Registrant's fee, the Registrant shall sell Assets to pay the fee. Also note that if the above tiered fee calculation results in a fee calculation amount under the above Minimum Quarterly Fee for the full quarter or the pro-rata share of the Minimum Quarterly Fee for a partial quarter, the Client will be charged the Minimum Quarterly Fee or the pro-rata equivalent of the Minimum Quarterly Fee. Please Note: The effective Assets Under Management (hereinafter referred to as "AUM") rate could equate higher than the above schedule if the amount of AUM is below \$2 million.

In addition to Registrant's annual investment management fee, the Client shall also incur, relative to: [1] all mutual fund and exchange traded fund purchases, charges imposed directly at the fund level (e.g. management fees, redemption fees (if, as an example, a specific holding period threshold is not achieved) and other fund expenses); and [2] independent investment managers, the fees charged by each separate manager who is engaged to manage the Assets; [3] custodian and/or broker trading and/or transaction fees for buying and selling securities within accounts including within SMAs.

No portion of Registrant's compensation shall be based on capital gains or capital appreciation of the Assets, except as provided for under the Investment Advisers Act of 1940.

In the event that Registrant is due a fee for a partial quarter, such as if the Client commences or terminates Registrant's services in the middle of a calendar quarter; Registrant will prorate the fee for that quarter.

In the event Client makes deposits or withdrawals (above \$5,000) in the middle of a quarter, Registrant will prorate the fee for the amount withdrawn or deposited. Such prorated fee calculations will be specified in detail within the invoice provided each quarter.

The Registrant's start-up fee for the financial and retirement planning and wealth management services included within the CWS shall be \$3,000. This shall be due upon the Client starting-up on this service package. Client may request the Plan or select elements of it be re-run and/or re-analyzed from time to time, typically every few years, with no additional charge to Client so long as client meets a minimum \$5,000 per quarter assets under management fee level. Otherwise, the client may elect to pay a \$3,000 flat fee for each new/updated Plan

**OPTION # 3: "A LA CARTE" FINANCIAL ADVISORY/PLANNING, RETIREMENT ADVISORY/PLANNING, BUSINESS ADVISORY/PLANNING SERVICES FOR THOSE ANTICIPATING AN UPCOMING LIQUIDITY EVENT**

***A la Carte Services***

Any and all "A la Carte" services recommended by the Registrant are determined by the Registrant and defined in a separate Statement of Work (SOW) document provided in writing in advance of any services being performed and will only be performed upon

receipt of a signed Statement of Work by the client and upon payment of any start-up fees associated with such services. The fees for “A la Carte” services are typically higher than when such services are part of one of our ongoing service packages. However, no minimum amount of assets under management or minimum quarterly fee criteria is required (minimum quarterly fee requirements are waived), so this may be an appropriate arrangement when such services are needed and desired before (typically 5-years or less) an anticipated or desired liquidity or retirement transition event. Such fees are based upon the custom needs, complexities and goals of the client and can generally range from \$3,000 to \$50,000 per component.

The Registrant’s fee for a la carte services provided shall be based upon those specified in the SOW that are specifically identified as “a la carte services”.

If the SOW also defines investment advisory services recommended to the Client (such as Registrant’s Complete Investment Solution (CIS) or Janiczek Model Portfolio Solution (JMPS)) or combination investment advisory and financial/retirement/wealth management planning and consulting service packages (such as Registrant’s Complete Wealth Solution (CWS) or Complete Legacy Solution (CLS)) such services, which are outside the scope of the Registrant’s a la carte service menu, will be performed under a separate investment advisory service agreement executed between Client and Registrant for such services.

In the event that the a la carte service needs of the Client increase while the services outlined in the SOW are being performed by Registrant, no increase in the services the Registrant shall provide or increased fees the Client shall pay will be effective without prior written notification to the Client in an updated, signed and dated SOW.

**OPTION # 4: INVESTMENT ADVISORY SERVICES AUGMENTED BY FINANCIAL ADVISORY/WEALTH MANAGEMENT SERVICES FOR PATRIARCH/MATRIARCH AND MULTI-GENERATIONS OF A WEALTHY FAMILY**

***Complete Legacy Solution (CLS)***

The Registrant’s annual fee for investment management services provided under the Registrant’s Complete Legacy Solution (CLS) shall be based upon a percentage (%) of the market value of the Assets Under Management (hereinafter referred to as “AUM”) in accordance with the tiered fee schedule below. This annual fee shall be prorated and paid quarterly, in arrears, based upon the market value of the Assets Under Management (AUM) on the last business day of the previous quarter, with an amount no less than the Minimum Quarterly Fee defined below. No increase in the annual fee percentage shall be effective without prior written notification to the Client.

End of Calendar Quarter Market Value of Investment Assets Under Management	Quarterly Fee Rate	Annual Fee Rate
First \$3 Million	.25%	1.00%
Next \$5 Million	.1925%	.77%
Next \$5 Million	.1275%	.51%
Next \$10 Million	.0950%	.38%
All Remaining	.0775%	.31%

#### Minimum Quarterly Fee: \$5,000

Client, via an executed service agreement with Registrant, will authorize the Custodian of the Assets to charge the Account for the amount of Registrant's fee and to remit such fee to Registrant in compliance with regulatory procedures. Please Note: In the event that there is not sufficient cash in the Account to pay Registrant's fee, the Registrant shall sell Assets to pay the fee. Also note that if the above tiered fee calculation results in a fee calculation amount under the above Minimum Quarterly Fee for the full quarter or the pro-rata share of the Minimum Quarterly Fee for a partial quarter, the Client will be charged the Minimum Quarterly Fee or the pro-rata equivalent of the Minimum Quarterly Fee. Please Note: The effective Assets Under Management rate could equate higher than the above schedule if the amount of AUM is below \$2 million.

In addition to Registrant's annual investment management fee, the Client shall also incur, relative to: [1] all mutual fund and exchange traded fund purchases, charges imposed directly at the fund level (e.g. management fees, redemption fees (if, as an example, a specific holding period threshold is not achieved) and other fund expenses); and [2] independent investment managers, the fees charged by each separate manager who is engaged to manage the Assets; [3] custodian and/or broker trading and/or transaction fees for buying and selling securities within accounts including within SMAs.

No portion of Registrant's compensation shall be based on capital gains or capital appreciation of the Assets, except as provided for under the Investment Advisers Act of 1940.

In the event that Registrant is due a fee for a partial quarter, such as if the Client commences or terminates Registrant's services in the middle of a calendar quarter; Registrant will prorate the fee for that quarter.

In the event Client makes deposits or withdrawals (above \$5,000) in the middle of a quarter, Registrant will prorate the fee for the amount withdrawn or deposited. Such prorated fee calculations will be specified in detail within the invoice provided each quarter.

The Registrant's start-up fee for the financial and retirement planning and wealth management services and multi-generational legacy and charity services included in the CLS service package shall be \$20,000, one quarter of this amount (\$5,000) payable upon the start-up of this service and then one quarter (\$5,000) payable at the beginning of each of the next three (3) calendar quarter periods during the first year of this service. In addition, each calendar quarter thereafter (after year one) while on the CLS service package, a flat \$2,500 quarterly fee (equating to \$10,000 annual fee) will be due and payable the beginning of each calendar quarter thereafter. This fee is in addition to the AUM fee identified above.

Client may request the Plan or select elements of it be re-run and/or re-analyzed from time to time, typically every few years, with no additional charge to Client so long as client meets a minimum \$5,000 per quarter assets under management fee level. Otherwise, the client may elect to pay a \$3,000 flat fee for each new/updated Plan.

Special Family Commingled Rate: Please note that family members on the Complete Legacy Solution (CLS) qualify for a preferred commingled family rate on all participating family member assets being managed. This enables family members with smaller accounts (managed via separate service agreements) to be billed at lower rates than otherwise applicable.

**OPTION # 5: FIXED MODEL PORTFOLIO MANAGEMENT FOR FAMILY & FRIENDS OF CLIENTS OR EMPLOYEES WITH SMALLER PORTFOLIOS (BY INVITATION ONLY)**

***Janiczek Model Portfolio Solution™ (JMPS)***

The Registrant's annual fee for investment management services provided under JMPS shall be based upon a percentage (%) of the market value of the Assets Under Management (hereinafter referred to as "AUM") in accordance with the fee schedule below. This annual fee shall be prorated and paid quarterly, in arrears, based upon the market value of the Assets Under Management (AUM) on the last business day of the previous quarter. No increase in the annual fee percentage shall be effective without prior written notification to the Client.

End of Calendar Quarter Market Value of Investment Assets Under Management	Quarterly Fee Rate	Annual Fee Rate
Full Amount of Account(s) in JMPS	.25%	1.00%

Minimum Quarterly Fee: Waived

The Registrant waives all fees under the JMPS package for aggregate household accounts balances under \$100,000 on an invitation only basis to family and friends of current clients of our primary service offerings.

In addition to Registrant's annual investment management fee, the Client shall also incur, relative to: [1] all mutual fund and exchange traded fund purchases, charges imposed directly at the fund level (e.g. management fees, redemption fees (if, as an example, a specific holding period threshold is not achieved) and other fund expenses); [2] independent investment managers, the fees charged by each separate manager who is engaged to manage the Assets; [3] custodian and/or broker trading and/or transaction fees for buying and selling securities within accounts including within SMAs; and [4] the funds and custodian/brokerage used may charge short-term redemption fees if JMPS participants deposit and then withdraw funds in a short period of time, typically 90 days, or in the unlikely event that the Registrant does a round trip trade in the same short-term time frame.

No portion of Registrant's compensation shall be based on capital gains or capital appreciation of the Assets, except as provided for under the Investment Advisers Act of 1940.

In the event that Registrant is due a fee for a partial quarter, such as if the Client commences or terminates Registrant's services in the middle of a calendar quarter; Registrant will prorate the fee for that quarter.

In the event Client makes deposits or withdrawals (above \$5,000) in the middle of a quarter, Registrant will prorate the fee for the amount withdrawn or deposited. Such prorated fee calculations will be specified in detail within the invoice provided each quarter.

No financial planning, other asset management, life enhancement or estate planning services are provided to JMPS clients. However, the Registrant may provide all or some



of these additional services, at an additional fee, set forth in a separate written agreement between Registrant and the client.

- B. Both Registrant's *Client Services Agreement* and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of the Registrant's investment advisory fee and to directly remit that advisory fee to the Registrant in compliance with regulatory procedures. In the limited event that the Registrant bills the client directly, payment is due upon receipt of the Registrant's invoice. The Registrant shall deduct fees and/or bill clients quarterly in arrears, based upon the market value of the assets on the last business day of the previous quarter.
- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, the Registrant shall generally recommend that *Schwab* serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *Schwab* charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to Registrant's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).
- D. Registrant's annual investment advisory fee shall be prorated and paid quarterly, in arrears, based upon the market value of the assets on the last business day of the previous quarter. The Registrant generally requires a minimum asset level of \$1.5 million for investment advisory services in conjunction with the primary service packages offered (Complete Investment Solution, Complete Wealth Solution and Complete Legacy Solution). The Registrant generally requires a minimum quarterly fee of \$5,000 for each of these service packages as well (Complete Investment Solution, Complete Wealth Solution and Complete Legacy Solution) which can mean the effective asset under management fee rate may be higher than our published 1% annual (.25% quarterly) fee rate for portfolio amounts under \$2 million that are within these packages. The Registrant, in its sole discretion, may charge a lesser investment management fee and/or waive or reduce its minimum asset or minimum quarterly fee requirement based upon certain criteria (i.e. anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

The *Client Service Agreement* between the Registrant and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the *Client Service Agreement*. Upon termination, the Registrant shall debit the account for the prorated portion of the unpaid advisory fee based upon the number of days that services were provided during the billing quarter. The termination fee includes an additional 30 days added to the period from the date of notification to fulfill a 30 day notice requirement. The termination fee, including the additional 30 days may be debited inside the 30 days and applied regardless of whether or not assets are transferred out of accounts or if registrant's services are terminated earlier than the 30 days.

In the event a client makes deposits or withdrawals (over \$5,000) in the middle of a quarter, Registrant will prorate their fee for the amount withdrawn or deposited. An accounting of the impact of such prorated fees is provided with each invoice.

- E. Neither the Registrant, nor its representatives accept compensation from the sale of securities or other investment products.

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

Neither the Registrant nor any supervised person of the Registrant accepts performance-based fees.

## **Item 7            Types of Clients**

The Registrant's clients shall generally include individuals, pension and profit-sharing plans, business entities, trusts, estates and charitable organizations. The Registrant generally requires a minimum asset level of \$1.5 million and a minimum quarterly fee of \$5,000 for investment advisory services in conjunction with the primary investment advisory packages offered (Option #1: Complete Investment Solution, Option #2: Complete Wealth Solution and Option #4: Complete Legacy Solution) which can mean the effective asset under management fee rate may be higher than our published 1% annual (.25% quarterly) fee rate for portfolio amounts under \$2 million that are within these packages. The general minimum asset level and minimum quarterly fee amounts do not apply to Option #3: A la Carte Services or Option #5: Janiczek® Model Portfolio Solution. Registrant, in its sole discretion, may charge a lesser investment management fee and/or waive its minimum asset level based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.). **Please Note:** As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. **Please Note:** If you and are subject to the Registrant's annual minimum fee, you will pay a higher percentage fee than the fee percentage referenced in the corresponding above fee schedules. **ANY QUESTIONS:** Registrant's Chief Compliance Officer, Pamela Dorn, remains available to address any questions that a client or prospective client may have regarding advisory fees.

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

- A. The Registrant may utilize the following methods of security analysis:
- Charting - (analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices)
  - Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
  - Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)
  - Cyclical – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

The Registrant may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)

- Short Term Purchases (securities sold within a year)
- Trading (securities sold within thirty (30) days)
- Short Sales (contracted sale of borrowed securities with an obligation to make the lender whole)
- Margin Transactions (use of borrowed assets to purchase financial instruments)
- Options (contract for the purchase or sale of a security at a predetermined price during a specific period of time)

**Please Note: Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s).

- B. The Registrant's methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis the Registrant must have access to current/new market information. The Registrant has no control over the dissemination rate of market information; therefore, unbeknownst to the Registrant, certain analyses may be compiled with outdated market information, severely limiting the value of the Registrant's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

The Registrant's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading – are primarily fundamental investment strategies aided by technical indicators. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer-term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period involves a very short investment time period but will incur higher transaction costs when compared to a short-term investment strategy and substantially higher transaction costs than a longer-term investment strategy.

In addition to the fundamental investment strategies discussed above, the Registrant may also implement and/or recommend – short selling, use of margin, and/or options transactions. Each of these strategies has a high level of inherent risk. (See discussion below).

Short selling is an investment strategy with a high level of inherent risk. Short selling involves the selling of assets that the investor does not own. The investor borrows the assets from a third-party lender (i.e. Broker-Dealer) with the obligation of buying identical assets at a later date to return to the third-party lender. Individuals who engage in this activity shall only profit from a decline in the price of the assets between the original date of sale

and the date of repurchase. Conversely, the short seller will incur a loss if the price of the assets rises. Other costs of shorting may include a fee for borrowing the assets and payment of any dividends paid on the borrowed assets.

Margin is an investment strategy with a high level of inherent risk. A margin transaction occurs when an investor uses borrowed assets to purchase financial instruments. The investor generally obtains the borrowed assets by using other securities as collateral for the borrowed sum. The effect of purchasing a security using margin is to magnify any gains or losses sustained by the purchase of the financial instruments on margin. **Please note:** To the extent that a client authorizes the use of margin, and margin is thereafter employed by the Registrant in the management of the client's investment portfolio, the market value of the client's account and corresponding fee payable by the client to the Registrant may be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the potential ***conflict of interest*** whereby the client's decision to employ margin *may* correspondingly increase the management fee payable to the Registrant. Accordingly, the decision as to whether to employ margin is left totally to the discretion of client.

The use of options transactions as an investment strategy involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by the Registrant shall be with the intent of offsetting/"hedging" a potential market risk in a client's portfolio. **Please Note:** Although the intent of the options-related transactions that may be implemented by the Registrant is to hedge against principal risk, certain of the options-related strategies (i.e. straddles, short positions, etc.), may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, client may direct the Registrant, in writing, not to employ any or all such strategies for his/her/their/its accounts.

- C. Currently, the Registrant primarily allocates client investment assets among various open ended, no-load mutual funds, ETFs (including inverse ETFs and/or mutual funds that are designed to perform in an inverse relationship to certain market indices) and fixed income securities and *Independent Manager[s]*, on a discretionary basis in accordance with the client's designated investment objective(s). (*See Independent Manager[s]* above).

The Registrant may also allocate investment management assets of its client accounts, on a discretionary basis, among one or more of its recommended holdings and asset allocation programs (i.e. Aggressive Growth, Growth, Core, Income and Growth, Income) as designated on the Registrant's Investor Profile Form and/or *Investment Advisory Agreement*. Registrant's asset allocation strategies have been designed to comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940. Rule 3a-4 provides similarly managed investment programs, such as Registrant's asset allocation programs, with a non-exclusive safe harbor from the definition of an investment company. In accordance with Rule 3a-4, the following disclosure is applicable to Registrant's management of client assets:

1. Initial Interview – at the opening of the account, the Registrant, through its designated representatives, shall obtain from the client information sufficient to determine the client’s financial situation and investment objectives;
2. Individual Treatment - the account is managed on the basis of the client’s financial situation and investment objectives;
3. Quarterly Notice – at least quarterly the Registrant shall notify the client to advise the Registrant whether the client’s financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;
4. Annual Contact – at least annually, the Registrant shall contact the client to determine whether the client’s financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;
5. Consultation Available – the Registrant shall be reasonably available to consult with the client relative to the status of the account;
6. Quarterly Report – the client shall be provided with a quarterly report for the account for the preceding period;
7. Ability to Impose Restrictions – the client shall have the ability to impose reasonable restrictions on the management of the account, including the ability to instruct the Registrant not to purchase certain mutual funds;
8. No Pooling – the client’s beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the account;
9. Separate Account - a separate account is maintained for the client with the Custodian;
10. Ownership – each client retains indicia of ownership of the account (e. g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

The Registrant believes that its annual investment management fee is reasonable in relation to: (1) the advisory services provided under the *Investment Advisory Agreement*; and (2) the fees charged by other investment advisers offering similar services/programs. However, Registrant’s annual investment management fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to Registrant’s annual investment management fee, the client will also incur charges imposed directly at the mutual and exchange traded fund level (e.g., management fees and other fund expenses). **Please Note:** Registrant’s investment programs may involve above- average portfolio turnover which could negatively impact upon the net after-tax gain experienced by an individual client in a taxable account.

## **Item 9            Disciplinary Information**

The Registrant has not been the subject of any disciplinary actions.

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

- A. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

- B. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. The Registrant has no other relationship or arrangement with a related person that is material to its advisory business.
- D. The Registrant does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

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

- A. The Registrant maintains an investment policy relative to personal securities transactions. This investment policy is part of Registrant's overall Code of Ethics, which serves to establish a standard of business conduct for all of Registrant's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant.

- B. Neither the Registrant nor any related person of Registrant recommends, buys, or sells for client accounts, securities in which the Registrant or any related person of Registrant has a material financial interest.
- C. The Registrant and/or representatives of the Registrant *may* buy or sell securities that are also recommended to clients. This practice may create a situation where the Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if the Registrant did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of the Registrant's clients) and other potentially abusive practices.

The Registrant has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Registrant's "Access Persons". The Registrant's securities transaction policy requires that an Access Person of the Registrant must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date the Registrant selects; provided, however that at any time that the Registrant has only one Access Person, he or she shall not be required to submit any securities report described above.

- D. The Registrant and/or representatives of the Registrant *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates



a situation where the Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above in Item 11 C, the Registrant has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Registrant's Access Persons.

## **Item 12 Brokerage Practices**

- A. In the event that the client requests that we recommend a broker-dealer/custodian for execution and/or custodial services, we generally recommend that investment accounts be maintained at Schwab. Prior to engaging us to provide investment management services, the client will be required to enter into a formal Investment Advisory Agreement with us setting forth the terms and conditions under which we shall manage the client's assets and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that we consider in recommending Schwab (or any other broker-dealer/custodian to clients) include historical relationship, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by our clients shall comply with our duty to obtain best execution, a client may pay a transaction fee that is higher than another qualified broker-dealer might charge to affect the same transaction where we determine, in good faith, that the transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, our investment advisory fee.

### **1. Non-Soft Dollar Research and Additional Benefits**

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, we may receive from Schwab (or another broker-dealer/custodian, investment manager, platform or fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist us to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by us may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support-including client events, computer hardware and/or software and/or other products used by us in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that may be received may assist us in managing and administering client accounts. Others do not directly provide such assistance, but rather assist us to manage and further develop its business enterprise.

Our clients do not pay more for investment transactions effected and/or assets maintained at Schwab as a result of this arrangement. There is no corresponding commitment made by us to Schwab or any other any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

**Our Chief Compliance Officer, Pamela Dorn, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangements may create.**

2. The Registrant does not receive referrals from broker-dealers.
  3. Registrant recommends that its clients utilize the brokerage and custodial services provided by Schwab. Registrant generally does not accept directed brokerage arrangements (when a client requires that account transactions be affected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. **Please Note:** In the event that the client directs Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant. Higher transaction costs adversely impact account performance. **Please Also Note:** Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.
- B. Transactions for each client account generally will be effected independently, unless Registrant decides to purchase or sell the same securities for several clients at approximately the same time. Registrant may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Registrant shall not receive any additional compensation or remuneration as a result of such aggregation.

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

- A. For those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's Principal and/or representatives. All investment supervisory clients are advised that it remains their responsibility to advise the Registrant of any changes in their investment objectives and/or

financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with the Registrant on an annual basis.

- B. The Registrant may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

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

- A. As indicated at Item 12 above, Registrant may receive from Schwab without cost (and/or at a discount), support services and/or products. Registrant's clients do not pay more for investment transactions effected and/or assets maintained at Schwab as result of these arrangements. There is no corresponding commitment made by Registrant to Schwab, or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangements. **Registrant's Chief Compliance Officer, Pamela Dorn, remains available to address any questions that a client or prospective client may have regarding the above arrangements and any corresponding perceived conflict of interest such arrangements may create.**
- B. Registrant does not compensate unaffiliated individuals or entities for prospective client introductions.

#### **Item 15      Custody**

Registrant shall have the ability to deduct its advisory fee from the client's custodial account on a quarterly basis. Clients are provided with written transaction confirmation notices, and a written summary account statement directly from the custodian, at least quarterly

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

Registrant engages in other practices and/or services on behalf of its clients that require disclosure at the Custody section of Part 1 of Form ADV, which practices and/or services are subject to an annual surprise CPA examination in accordance with the requirements of Rule 206(4)-2 under the Investment Advisers Act of 1940. **ANY QUESTIONS:** Registrant's Chief Compliance Officer, Pamela Dorn, remains available to address any questions that a client or prospective client may have regarding custody-related issues.

## Item 16 Investment Discretion

The client can determine to engage the Registrant to provide investment advisory services on a discretionary basis. Prior to the Registrant assuming discretionary authority over a client's account, the client shall be required to execute an *Client Service Agreement*, naming the Registrant as the client's attorney and agent in fact, granting the Registrant full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Clients who engage the Registrant on a discretionary basis may, at any time, impose restrictions, **in writing**, on the Registrant's discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the Registrant's use of margin, etc.).

## Item 17 Voting Client Securities

- A. The Registrant does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities 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.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact the Registrant to discuss any questions they may have with a particular solicitation.

## Item 18 Financial Information

- A. The Registrant does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. The Registrant is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. The Registrant has not been the subject of a bankruptcy petition.

**ANY QUESTIONS: The Registrant's Chief Compliance Officer, Pamela Dorn, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.**