

# DISCLOSURE BROCHURE

THE INVESTMENT ADVISERS ACT OF 1940 RULE 203-1

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



*...as if it were our own...*  
**CASE PEARLMAN**  
Retirement Plan Advisors, LLC

SEC File #: 801-79808  
Firm IARD/CRD #: 148892

**Case Pearlman Retirement Plan Advisors, LLC**  
REGISTERED INVESTMENT ADVISOR

12140 Carissa Commerce Court  
Suite 104  
Fort Myers, Florida  
33966

Tel: 239.482.8002  
Fax: 239.482.8243

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

This Disclosure Brochure provides information about the qualifications and business practices of Case Pearlman Retirement Plan Advisors, LLC, which should be considered before becoming a client. You are welcome to contact us if you have any questions about the contents of this brochure - our contact information is listed to the right. Additional information about Case Pearlman Retirement Plan Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The information contained in this Disclosure Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Administrator. Furthermore, the term "registered investment advisor" is not intended to imply that Case Pearlman Retirement Plan Advisors, LLC has attained a certain level of skill or training.

BROCHURE  
DATED

**1  
JANUARY  
2021**



## MATERIAL CHANGES

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ITEM 2

There are no material changes to report. This Disclosure Brochure has been reviewed and is current as of the date indicated on the cover.



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## BROCHURE SUPPLEMENTS



## ADVISORY BUSINESS

### Who We Are

Case Pearlman Retirement Plan Advisors, LLC (hereinafter referred to as “the Company”, “we”, “us” and “our”) is registered investment advisor<sup>1</sup> that constructs retirement plans and manages the plans investment and savings programs.

### Our History

We began our advisory practice in January of 1999 as Case Financial Group, Inc, a Florida Corporation under the leadership of Thomas D. Case. In April of 2002, we changed our name to Case Companies, Inc, and in 2008 we added a d/b/a name Case Pearlman Corporate Benefits. In April of 2011, long-time associate, Dennis M. Pearlman, acquired ownership. The corporation was re-organized, retaining the same officers, as a Florida Limited Liability Company and the name was changed to Case Pearlman Retirement Plan Advisors, LLC.

### Owners

The following persons control the Company:

Name	Title	CRD#
Case Pearlman Holdings, LLC	Holding Company	None
Thomas D. Case, Jr.	Managing Member (Holding Company)	1765158
Dennis M. Pearlman	Managing Member (Holding Company)/President & Chief Compliance Officer	4665022

### Assets Under Management

As of December 31, 2020, our assets under management totaled:

Discretionary Assets .....	\$453,000,000
Non-Discretionary Assets .....	\$25,000,000

### Mission and Objective

Our mission is to be an indispensable resource to pension administrators and/or named fiduciaries of defined contribution retirement and savings plans.

<sup>1</sup> The term “registered investment advisor” is not intended to imply that Case Pearlman Retirement Plan Advisors, LLC has attained a certain level of skill or training. It is used strictly to reference the fact that we are “registered” as a licensed “investment advisor” with the United States Securities & Exchange Commission - and with such other State Regulatory Agencies that may have limited regulatory jurisdiction over our business practices.



## What We Do

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We assist employer-sponsored retirement and savings plans in the design of the fiduciary governance structure and in the development and execution of an investment management program. Depending on the desire of the employer-sponsored plan, we can provide the following services under ERISA:

- ❖ **Limited-Scope 3(21) Fiduciary** - As a Limited-Scope 3(21) advisor, we acknowledge we have a fiduciary role but do not take independent discretion in the operation of managing the investment platform. We provide investment advice to the administrators and fiduciaries who are ultimately responsible to make the investment decisions.
- ❖ **3(38) Advisor** - As a 3(38) advisor, we have full discretion for investment selection, monitoring, and replacing investment options with authority to buy and sell securities. Under this arrangement, the Full-Scope ERISA 3(21) advisor is outsourcing all investment management decisions.
- ❖ **Full-Scope 3(21) Fiduciary** - We will **not** act as a Full-Scope 3(21) Fiduciary; such title will be held by the plan administrators or other named fiduciary. A Full-Scope 3(21) Fiduciary is a fiduciary that has complete discretionary authority to make all investment management decisions, full responsibility to manage operations of the plan, and to hire/fire other Limited-Scope 3(21) advisors and/or 3(38) Advisors.

## Getting Started

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In working with plan administrators and fiduciaries, we will adhere to ERISA standards in advising the existing retirement plan or in the creation of a new retirement savings plan. Our Firm generally follows these five steps:

### **STEP 1: *Review Current Investment Architecture***

If the employer has an existing retirement plan, we will conduct a fiduciary review of the retirement plan's current investment activities. This includes reviewing existing trust documents and the plan's current Investment Policy Statement. Money manager and/or mutual fund structures and fees (including transaction costs) will be scrutinized. We will also examine recordkeeping and administration expenses and will confirm bonding requirements are currently being satisfied. In addition, we will review and evaluate strategic investment strategies and policies and all existing contracts.

As a Limited-Scope 3(21) Fiduciary, this step is intended to help the plan administrators and/or the plan's named fiduciaries (Full-Scope 3(21) Fiduciaries) identify, confirm, and measure the objectives, concerns, and performance in managing the plan. We will take steps to educate fiduciaries about their responsibilities and duties. Moreover, we will use this education process as a convenient forum for eliciting feedback and input from existing plan fiduciaries so that the findings in this first step will also reflect the knowledge and experience and insights of the existing fiduciary team.

### **STEP 2: *Design the Optimum Portfolio/Menu***

Identify diversification and optimization approaches for the plan to effectively control individual asset allocation decisions. The asset classes and various asset class combinations that will be made available to the plan need to be identified. The identification of the asset classes to be made available requires a consideration of anticipated returns, risk measures, and the historical correlation coefficients between asset classes. This work will result in setting the foundation to appropriately diversify and optimize the investments available to participants.

**STEP 3: Formalize the Investment Policy**

We will draft a written Investment Policy Statement. This Investment Policy Statement will address specific plan and investment objectives, the various asset classes to be included, as well as the investment guidelines and procedures for selecting and monitoring investment options. This Investment Policy Statement should be understood and accepted as the method of managing the plan and should be signed by the advisor and the plan sponsor.

**STEP 4: Implement Investment Policy**

As a Limited-Scope 3(21) Fiduciary, we will propose a number of alternative investment options for the plan administrators' or named fiduciary's consideration. The proposal will include a review of active and passive alternatives. We will consider the individual management styles and disciplines that each investment option or manager is expected to bring to the total portfolio.

If we have been appointed as a 3(38) Fiduciary, we are willing to take on the role of an "investment manager" as defined in ERISA 3(38). In this capacity, we will have discretion over constructing the investment menu and will select and monitor money managers, mutual funds, and ETFs. With us serving in this role, the plan's named fiduciaries will be able to actively participate in reviewing our management of the investment platform while avoiding what too often turns out to be a dysfunctional division of authority and expertise.

**STEP 5: Monitor the Investment Program**

We will provide ongoing supervision of the investment program and will submit and present performance reports no less than twice annually comparing the returns of each investment in the portfolio/menu against stated objectives, relevant industry, and peer group benchmarks.

On a regular basis, we will assess the qualitative and organizational structures affecting each of the plan's investments. We will keep the fiduciaries/administrators apprised of the overall costs of the plan and material changes in any investments that are being utilized. Evolving economic, financial and competitive developments will be included as part of our ongoing monitoring services.

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**FEES & COMPENSATION**

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ITEM 5

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**Retirement Plan Advisory Service Fee**

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Retirement plan advisory services are provided on an asset-based fee arrangement. Our management fee is calculated based on the aggregate market value of assets in the plan on the last business day of the previous calendar quarter multiplied by one-fourth of the corresponding annual percentage rate (i.e.,  $0.70\% \div 4 = 0.175\%$ ).

We retain discretion to negotiate the retirement planning management fee under 0.80% for a 3(38) Advisor and under 0.75% for a Limited-Scope 3(21) Fiduciary or on a client-to-client basis depending on the scope of the work agreed upon. In addition, as the retirement plan values exceed each tier level, either through additional deposits or asset growth, a fee break will occur. The tier breaks are as follows:



### MAXIMUM MANAGED ACCOUNT FEE SCHEDULE

ACCOUNT BALANCE	ANNUAL FEE RATES FOR...	
	ERISA 3(21) Limited-Scope Advisor Not to Exceed	ERISA 3(38) Advisor Not to Exceed
Up to \$1,000,000 .....	0.75%	0.80%
\$1,000,001 to \$2,000,000 .....	0.60%	0.70%
\$2,000,001 to \$5,000,000 .....	0.50%	0.60%
\$5,000,001 to \$10,000,000.....	0.40%	0.50%
\$10,000,001 to \$15,000,000 .....	0.30%	0.40%
\$15,000,001 and up .....	0.30%	0.40%

This fee will be fully disclosed to you in a Retirement Plan Advisory Agreement.

### Protocols for Retirement Plan Advisory Services

We will establish the following protocols to be used in managing our retirement accounts: (i) managing the retirement plan; (ii) our bill for retirement plan advisory services; (iii) other fees charged to the retirement plan; and, (iv) termination.

#### Managing the Retirement Program

The plan design we put together for the retirement plan administrators and/or named fiduciary are based on the investment disciplines that most closely resemble the retirement plan's investment objectives and risk tolerance as outlined in the Investment Policy Statement. Options include:

- ❖ Customized mutual fund allocation models with each model consisting of varying target asset allocations
- ❖ Customized open architecture platform of leading mutual funds and ETFs, or
- ❖ Packaged insurance industry or trust company products from leading providers
- ❖ Highly rated target date maturity funds
- ❖ Construction tools to implement effective investment portfolios
- ❖ Provide plan administrators and/or the named fiduciary with online reporting and account access
- ❖ Active money management from third-party investment advisors

Once the retirement plan account has been established, we will perform one of the following (these are summary descriptions of service - full description will be made in the Retirement Plan Advisory Services Agreement):

#### Limited-Scope 3(21) Fiduciary

If engaged as a Limited-Scope 3(21) Fiduciary, we will periodically evaluate the performance of the plan investments and/or money manager(s) and notify the plan administrators and/or named fiduciaries of our recommendations.

#### 3(38) Advisor

If engaged as a 3(38) Advisor, we will establish discretionary trading authority on the retirement plan to select, monitor, and replace the underlying investments (mutual funds and/or ETFs), and to hire/fire money managers within the retirement plan.



In either capacity we intend to follow the Investment Policy Statement.

### Billing

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The retirement plan will be **billed quarterly in arrears** based on the fair market value of the assets in the retirement plan on the last day of the preceding calendar quarter. For the first billing quarter, if the retirement plan was not opened at the beginning/end of the quarter, the fee will be based upon a pro-rata calculation of the fair market value of the retirement plan's assets managed for the period.

### Fee Exclusions

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The above fees for all of our retirement plan advisory services are exclusive of any charges imposed by the custodial firm including, but not limited to: (i) any Exchange/SEC fees; (ii) service or account charges, including, postage/handling fees, electronic fund and wire transfer fees, auction fees, debit balances, margin interest, certain odd-lot differentials and mutual fund short-term redemption fees; and (iii) transaction fees earned by the custodial firm for securities transactions.

In addition, all fees paid to us for retirement plan advisory services are separate from any fees and expenses charged on mutual fund shares by the Investment Company or by the investment advisor managing the mutual fund portfolios. These expenses generally include management fees and various fund expense, such as: 12b-1 fees, redemption fees, and account fees. A complete explanation of these expenses charged by the mutual funds is contained in each mutual fund's prospectus. You are encouraged to carefully read the fund prospectus.

These fees are also exclusive of the fees charged by insurance or trust companies, third-party administrators, or record keeper.

### Termination of Investment Services

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To terminate retirement plan advisory services, either party (the plan administrators, the named fiduciary, or us) by written notification to the other party, may terminate the Retirement Planning Agreement at any time, provided such written notification is received **at least 30 days** prior to the date of termination (i.e.; To terminate services on October 1<sup>st</sup>, a request for termination should be received in our office by September 1<sup>st</sup>). Such notification should include the date the termination will go into affect along with any final instructions on the plan service.

In the event termination does not fall on the last/first day of a calendar quarter, **we will be entitled to bill the retirement plan a pro-rated quarterly management fee** based upon the number of days in the quarter that the retirement plan was managed before the termination notice went into affect. **Once the termination of retirement plan advisory services has been implemented, neither party has any obligation to the other** - we no longer earn management fees or give investment advice, and the Plan Sponsor and Named Fiduciaries become responsible for making investment decisions.

## PERFORMANCE-BASED FEES & SIDE-BY-SIDE MANAGEMENT

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We do not charge fees based on a share of capital gains or the capital appreciation of the assets held in your accounts.





## TYPES OF CLIENTS

ITEM 7

The types of clients we offer advisory services to are described above under “What We Do” in the Advisory Business section. We do not require a minimum account size for retirement plans.

## METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS

ITEM 8

### Methods of Analysis and Monitoring

#### Limited-Scope 3(21) Fiduciary

As a Limited-Scope 3(21) Fiduciary, and depending on the product platform, our retirement plan advisory services will be limited to utilizing the investment options made available under that product. We will assist in developing the Investment Policy Statement, which will establish the investment guidelines and procedures for selecting and monitoring each investment option for inclusion in the core line-up. Final approval of the investment option selected for participant consideration will belong to the Full-Scope 3(21) Fiduciary.

Any mutual fund allocation models designed for use by the plan administrators and named fiduciaries will generally follow those methodologies outlined below under “3(38) Advisor” and the asset allocation models indicated below under “Investment Strategy”. In addition, we will assist with evaluating the various asset classes and alternative asset class allocations to be included in the retirement plan.

If independent money managers are made available to participants, methods of analysis and investment strategies are left to their discretion. However, we do review the money managers’ objectives to then assist the plan administrators and named fiduciary in determining which money manager(s) will provide the most effective financial growth.

If retained to service an insurance or trust company platform, we retain the option to utilize the evaluation tools available through their product to select and monitor investment options.

#### 3(38) Advisor

If retained to serve as a 3(38) Advisor, we will utilize the following methodology in selecting and monitoring the investment options that are made available to plan participants.

##### Fiduciary Scoring System and Analysis

The fiduciary scoring system that we primarily utilize in evaluating mutual funds and ETFs has been developed by fi360®. This system is referred to as fi360 Fiduciary Score®, which is a web-based analytical and reporting solution used for the management of investment decisions.

Potential options are put through an initial screening methodology to generate a fiduciary score. This score is a quantitative evaluation of an investment against a set of due diligence criteria to reflect prudent fiduciary management. The score ranks the investment in 11 different screens relative to its peer group. A score of 0 is most favorable. It represents an investment that meets or exceeds all of our recommended due



diligence thresholds. A score of 100 is least favorable. As an example, a fiduciary score of 25 would place that investment option in the 25th percentile of its peers.

The investment must pass this fiduciary evaluation process to be considered part of our planning investment lineup. This process is utilized in the ongoing monitoring of the plan and is described in the bullet-points listed below.

Under this scoring system, each Mutual Fund and/or ETF undergoes an initial analysis, evaluation and thereafter follow-up monitoring. The investment option is given points when it does not meet the criterion listed. These points are then accumulated in arriving at the fiduciary score. The following are some of criteria used in scoring the investment:

- ❖ **Regulatory Oversight:** The product should be managed by: (a) a bank, (b) an insurance company, (c) a registered investment company, or (d) a registered investment advisor.
- ❖ **Minimum Track Record:** Preference is to a product having at least three years of history so that performance statistics can be properly calculated.
- ❖ **Stability of the Organization:** Preference is given to a portfolio team having been in place for at least two years. In a management team setting, we will consider the tenure of the most senior managers.
- ❖ **Assets Under Management:** Preference will be given to products that have at least \$75 million under management (across all share classes).
- ❖ **Composition Consistency:** At least 80% of the product's underlying securities investments should be consistent with the broad asset class.
- ❖ **Style Consistency:** The product must be highly correlated to the asset class of the investment option.
- ❖ **Expense Ratios/Fees:** The product's fees should not be above the median of the peer group.
- ❖ **Risk-Adjusted Performance:** Preference is given to products whose risk-adjusted performance (Alpha and Sharpe Ratio) is above the peer group median manager's risk-adjusted performance.
- ❖ **Performance:** Preference is given to products that have consistently demonstrated performance that is above the median manager return for 1, 3, and 5 year cumulative periods.

### Monitoring

In monitoring the investments available in a retirement plan, our strategy will utilize the above scoring criteria to trigger when we should more closely scrutinize a particular investment, or complete asset class group for possible replacement of with a similar investment option with a higher fiduciary score. While the scoring system is the same, some thresholds have been reduced to avoid excessive changes in the investment lineup.

## Investment Strategy

Our investment strategies generally incorporate these methodologies:

### Modern Portfolio Theory

Modern Portfolio Theory ("MPT")<sup>2</sup> is the analysis of a portfolio of investments as opposed to selecting an individual investment based on its unique investment opportunity. The objectives of MPT is to determine the preferred level of risk then construct a portfolio that

<sup>2</sup> Modern Portfolio Theory was developed and introduced by Harry M. Markowitz in his paper "Portfolio Selection" published in 1952 by the *Journal of Finance*.



maximizes the expected return for that given level of risk. Our investment methodology follows five (5) basic premises, each of which is derived from MPT.

1. All clients are inherently risk-averse.
2. The markets are basically efficient.
3. The focus of attention is shifted away from individual securities analysis to consideration of portfolios as a whole, predicated on explicit risk-reward parameters.
4. For any level of risk, rates of return should be carefully reviewed and measured against similar investments using appropriate industry and peer group benchmarks.
5. Portfolio diversification is not so much a function of how many issues are involved, but more a function of the relationships and proportions of each asset to its correlating asset.

## Asset Allocation

Asset allocation is a broad term used to define the process of selecting a mix of asset classes, and the efficient allocation of capital to those assets by attempting to match rates of return to a specified and quantifiable risk tolerance. Each of the five (5) model portfolios we have developed consists of a different “target” asset allocation comprised of different asset classes<sup>3</sup>. The intended goal for this process is to spread the investment among multiple asset classes which exhibit different risks and return characteristics. Typical composition mix classifications:

ASSET ALLOCATION MODEL	PERCENTAGE OF...		
	Stock Funds	Bond Funds	Cash/Stable Value
Aggressive	90% - 100%	0% - 10%	0% - 10%
Moderate Aggressive	65% - 75%	20% - 30%	0% - 10%
Moderate	40% - 50%	40% - 50%	5% - 15%
Moderate Conservative	30% - 40%	40% - 50%	10% - 20%
Conservative	15% - 25%	50% - 60%	15% - 30%

While cash/money market funds can offer safety of principal for plan participants, in times of very low interest rates the expenses associated with a 401(k) plan may cause the participants net return to be negative. For this reason, we may utilize stable value funds or similar investment vehicles in lieu of cash/money market funds in constructing our Asset Allocation models.

## Managing Risk

The biggest risk to the retirement plan participants is the risk that portfolio investment values will decrease due to moves in the market. This risk is referred to as the **market risk** factor, also known as variability or volatility risk. Other important risk factors:

- ❖ **Interest Rate Risk** - Interest rate risk affects the value of bonds more than stocks. Essentially, when the interest rate on a bond begins to rise, the value (bond price) begins to drop; and vice versa, when interest rates on a bond fall, the bond value rises.

<sup>3</sup> The different asset classes are: Large-Cap U.S. Value Stocks; Large-Cap U.S. Growth Stocks; Mid-Cap U.S. Value Stocks; Mid-Cap U.S. Growth Stocks; Small-Cap U.S. Value Stocks; Small-Cap U.S. Growth Stocks; International Stocks; Commodity Funds; Fixed Income, Partnerships, REITS, and Cash.



- ❖ **Equity Risk** - Equity risk is the risk that the value of stocks will depreciate due to stock market dynamics causing one to lose money.
- ❖ **Currency Risk** - Currency risk is the risk that arises from the change in price of one currency against that of another. Investment values in international securities can be affected by changes in exchange rates.
- ❖ **Inflation Risk** - The reduction of purchasing power of investments over time.
- ❖ **Commodity Risk** - Commodity risk refers to the uncertainties of future market values and the size of future income caused by the fluctuation in the prices of commodities (i.e., grains, metals, food, electricity, etc...).

The risk factors we have cited here are not intended to be an exhaustive list, but are the most common risks an investment portfolio will encounter. Other risks that we haven't defined could be political, over-concentration, and liquidity to name a few. However, notwithstanding these risk factors, the most important thing to understand is that regardless of how we analyze securities or the investment strategy and methodology we use to guide us in the management of the retirement plan, **investing in a security involves a risk of loss that one should be willing and prepared to bear; and furthermore, past market performance is no guarantee that we will see equal or better future returns.**

## DISCIPLINARY INFORMATION

ITEM 9

There are no legal or disciplinary events to report at this time that are material to your evaluation of our advisory business.

## OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS

ITEM 10

### Financial Industry Affiliations

Thomas D. Case, Jr., in addition to serving as principal for the Company, Case Pearlman Retirement Plan Advisors, LLC, indirectly, through his wife Lynda Case, owns Case Life Solutions, LLC (Mrs. Case is the sole owner). Together, the Cases' ownership of Case Life Solutions creates a potential conflict of interest to the Company's fiduciary duty to be impartial with their advice and to keep your interests ahead of their own. As control persons of both the Company and Case Life Solutions, Mr. and Mrs. Case are able to influence you to keep your retirement planning activities, corporate benefit plans, and life insurance needs in house. This in turn will lead to increased personal revenues in the form of advisory/consulting fees, salaries, bonuses, commissions, and income/dividend returns. Therefore, before accepting recommendations to engage an affiliated company for professional services, you may wish to consider other options to ensure that the service from our affiliate, Case Life Solutions, is comparable or equivalent to the service you might receive from another independent firm.

### Independent Insurance Agents

Certain Investment Advisor Representatives ("IARs") of the Company are also licensed as life, health, and annuity insurance agents to sell insurance-related products and earn commissions from the sale of these products. As insurance agents, there are potential conflicts of interest when they, as IARs with fiduciary responsibility to act in your best interest, suggest the purchase of an insurance product in which they will earn a commission. This could produce a situation of divided loyalty and the objectivity of the advice rendered could be subjective and create a disadvantage to you.



Therefore, keep in mind, you are under **no obligation to accept** the IAR's recommendation to purchase insurance related products. **You are free to reject the recommendation; or, if you need the insurance, to choose the insurance agency, agent, and insurance company from whom to purchase the insurance products.** However, if you elect to purchase the insurance, regardless of where, and from whom you purchase it, such person will be entitled to earn a commission.

## CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS & PERSONAL TRADING

ITEM 11

### Code of Ethics

As a fiduciary, the Company has an affirmative duty to render continuous, unbiased investment advice, and at all times act in your best interest. To maintain this ethical responsibility, we have adopted a Code of Ethics that establishes the fundamental principles of conduct and professionalism expected by all personnel in discharging their duties. This Code is a value-laden guide committing such persons to uphold the highest ethical standards rooted in the most elementary maxim. Our Code of Ethics is designed to deter inappropriate behavior and heighten awareness as to what is right, fair, just and good by promoting:

- ❖ Honest and ethical conduct
- ❖ Full, fair and accurate disclosure
- ❖ Compliance with applicable rules and regulations
- ❖ Reporting of any violation of the Code
- ❖ Accountability

To help you understand our ethical culture and standards, how we control sensitive information and what steps have been taken to prevent personnel from abusing their inside position, a copy of our Code of Ethics is available for review upon request.

### Client Transactions

We have a fiduciary duty to ensure that the welfare of the retirement plan is not subordinated to any interests of ours or any of our personnel. The following disclosures are internal guidelines we have adopted to assist us in protecting all of our clientele.

#### Participation or Interest

It is against our policies for any of our employees to invest with a group of clients, or to advise a group of clients, to invest in a private business interest or other non-marketable investment unless prior approval has been granted by our **Chief Compliance Officer, Mr. Dennis M. Pearlman**, and such Investment is not in violation of any SEC and/or State rules and regulations.

#### Insider Trading Policy

The Company is in compliance with the Insider Trading and Securities Fraud Enforcement Act of 1988. We do not share any non-public information with anyone who does not need to know and has set-up internal controls to guard fiduciary information.



## Class Action Policy

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The Company, as a general policy, does not elect to participate in class action lawsuits on behalf of any retirement plan. Rather, such decisions shall remain with the plan administrator or named fiduciary (the Full-Scope 3(21) Fiduciary). We may assist in determining whether the plan administrator or named fiduciary should pursue a particular class action lawsuit by assisting with the development of an applicable cost-benefit analysis, for example. However, the final determination of whether to participate, and the completion and tracking of any such related documentation, shall generally rest with the plan administrator or named fiduciary.

## BROKERAGE PRACTICES

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ITEM 12

We assist companies structure employer-sponsored retirement and savings plans; as well as, managing the investment programs. We do not maintain a brokerage relationship with any outside broker-dealer or custodial firm. All aspects of the retirement plan are handled and managed by a Third-Party Administrator (“TPA”) and/or Record-keeper established by the plan administrators and/or the plan’s named fiduciaries.

## REVIEW OF ACCOUNTS

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ITEM 13

### Performance Reports

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On a periodic basis, we will provide the plan administrators with a performance evaluation of the investment(s) (herein called the Performance Report). The Performance Report reviews the performance of the retirement plan expressed by various modern portfolio statistics that compare the performance of the investment funds to the guidelines called for by the Investment Policy Statement. The Performance Report provides historical and comparative information, and may not be relied upon as predictive of future performance.

### Investment Manager Reports

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We will review fund data for all investments in the plan on at least an annual basis, with respect to their overall performance in achieving the desired objectives of the plan’s Investment Policy Statement.

The review is directed to whether the investments’ performance is consistent with the intent and objectives of the Investment Policy Statement. We will provide information to facilitate comparisons of the investments overall performance benchmarks described in the Plan’s Investment Policy Statement.

The plan’s administrator and named fiduciary are responsible for reviewing and understanding the information and analysis we provide and assessing the adequacy of any particular investments overall performance. We will assist the named fiduciary in fulfilling this responsibility.



## CLIENT REFERRALS & OTHER COMPENSATION

ITEM 14

### Referral Compensation

#### Referral Partner Arrangements

We may directly compensate persons for client referrals provided such persons are qualified and have entered a solicitation agreement with us as required by Rule 206(4)-3 of the Investment Adviser Act of 1940, as amended. Under such arrangements, if a solicitor referred you, the solicitor will provide you complete information on our relationship - the relationship between the solicitor and us - and the compensation the solicitor will receive should you choose to us for retirement plan advisory services. This compensation will be paid solely from our fee and will not result in any additional charge to you.

The solicitor is not licensed to give you any investment advice and therefore cannot advise you on the management of retirement plan. A solicitor simply makes an introduction and is compensated **only** if you were to engage us for retirement plan advisory services.

## CUSTODY

ITEM 15

We do not take possession of or maintain custody of any funds or securities but will simply monitor the holdings within in the retirement plan. Physical possession and custody of the funds and/or securities shall be maintained with the custodian as indicated above under Item 12, "Brokerage Practices."

## INVESTMENT DISCRETION

ITEM 16

As a 3(38) Advisor, (defined under the Employee Retirement Security Act of 1974, as amended (ERISA)), we will have the plan administrators and/or named fiduciary execute a Retirement Planning Agreement. This will set forth the scope of our authority to act on behalf of the plan fiduciaries.

## VOTING CLIENT SECURITIES

ITEM 17

**We do not vote proxies.** The plan administrators and/or named fiduciary agree that they will retain the right to vote all proxies. Any proxy solicitations received by us or the custodian will be immediately forwarded to the plan administrators and/or named fiduciary for evaluation and decision.

However, if the plan administrators and/or named fiduciary has specific questions regarding an action being solicited by the proxy that they do not understand or want clarification, they may contact us and we will explain the particulars. Keep in mind, we will not advise the plan administrators and/or named fiduciary in a direction to vote, that ultimate decision will be left to them.





## FINANCIAL INFORMATION

ITEM 18

We are not required to include financial information in our Disclosure Brochure since we will not take physical custody of client funds or securities or bill client accounts six (6) months or more in advance for more than \$1,200.

We are not aware of any financial conditions that are likely to impair our ability to meet our contractual commitments to you. In addition, the Company has not, nor have any of our officers and directors, been the subject of a bankruptcy petition at any time during the past ten years.

Due to the cataclysmic humanitarian catastrophe predicted by the World Health Organization, the Center for Disease Control and Prevention, and the White House Coronavirus Task Force regarding the coronavirus, we elected to participate in the CARES Act Paycheck Protection Program as a viable option to help bridge the economic uncertainty created by the mandatory government shutdown of the nation's economy. While our ability to meet our contractual commitments to you has never been an issue, we had concerns about the economic impact this would have universally on ALL businesses when you send millions of people home to "self-quarantine" and wait out a pandemic that had no ending date. We could see the domino effect this would have across the economy and our decision to participate in this government program was to protect you. You are investing in us to provide continuous investment advice and if we were sending employees home to self-quarantine, you could be adversely impacted by a downsized staff. Therefore, our decision to apply for and accept this forgivable loan has allowed for us to continue paying these employees during these uncertain times so they can serve you; and at the same time, help defray the additional expenses created from addressing personal safety concerns to design a secure and safe working environment for you and our team.

**END OF DISCLOSURE BROCHURE**