

Item 1 – Cover Page**Main Office**

Retirement Capital Management, LLC
1832 Ward Drive/Suite 101
Murfreesboro, TN 37129

Mailing Address

Post Office Box 11388
Murfreesboro, TN 37129

Tel: (615) 890-1000

Fax: (615) 890-2518

www.RetirementCAPM.com

Form ADV Part 2A**Firm Brochure**

March 2021

This brochure provides information about the qualifications and business practices of the advisory firm Retirement Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at (615) 890-1000.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or any state securities authority. Additional information about Retirement Capital Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov. Click on the "Investment Adviser Search" link and then search for "Investment Adviser Firm" using the firm's IARD number, which is 166609.

While the firm may be registered with the SEC, registration in itself does not imply an endorsement by any regulatory authority, nor does it imply a certain level of skill or training on the part of the firm or an associated person.

Item 2 - Material Changes

There were no material changes to the business since our last annual amendment filing on March 24, 2020.

In the future, this section of the Brochure will discuss only the specific material changes that were made to the Brochure and will provide you with a summary of all material changes that have occurred since the last filing of this Brochure. This section will also identify the date of our last annual Brochure update.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year end which is December 31. We will provide other ongoing disclosure information about material changes as they occur. We will also provide you with information on how to obtain the complete brochure. Currently, our Brochure may be requested at any time, without charge, by contacting Larry Crocker at 615-890-1000.

As with all firm documents, clients and prospective clients are encouraged to review this brochure in its entirety and are encouraged to ask questions at any time prior to or throughout the engagement.

Item 3 – Table of Contents

Form ADV Part 2A

<u>Topic</u>	<u>Page</u>
Item 1 – Cover Page	1
Item 2 - Material Changes.....	2
Item 3 – Table of Contents	3
Item 4 - Advisory Business	4
Item 5 - Fees and Compensation	8
Item 6 - Performance-Based Fees and Side-By-Side Management	12
Item 7 - Types of Clients	12
Item 8 - Methods of Analysis, Investment Strategies and Risk of loss	12
Item 9 - Disciplinary Information	17
Item 10 - Other Financial Industry Activities and Affiliations	17
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	18
Item 12 - Brokerage Practices.....	19
Item 13 – Review of Accounts	21
Item 14 – Client Referrals and Other Compensation.....	23
Item 15 - Custody.....	24
Item 16 - Investment Discretion	24
Item 17 - Voting Client Securities	25
Item 18 - Financial Information	26

Important Information: Throughout this document, Retirement Capital Management, LLC shall also be referred to as the “firm,” “our,” “we” or “us.” The client or prospective client may also be referred to as “you,” “your,” etc., and refers to a client engagement involving a single *person* as well as two or more *persons*.

Our firm maintains a business continuity and succession contingency plan that is integrated within the organization to ensure it appropriately responds to events that pose a significant disruption to its operations. A statement concerning the current plan is available under separate cover.

Item 4 - Advisory Business

Description of the Firm

Retirement Capital Management, LLC ("Firm") provides investment management, wealth advisory and consulting services. Prior to engaging firm to provide any of the aforementioned services, the client is required to enter into one or more written agreements with firm setting forth the terms and conditions under which firm renders its services (collectively the "Agreement").

Retirement Capital Management, LLC is a Tennessee domiciled limited liability company formed in 2012. We are not a subsidiary of nor do we control another financial services industry entity. Our firm had been previously registered as an investment advisor with the State of Tennessee prior to our present registration with the SEC beginning in 2015. Our majority shareholder is Larry E. Crocker, Chairman, Chief Executive Officer and Chief Compliance Officer.

Description of the Firm's Services

Retirement Capital Management may provide its clients with a broad range of investment and wealth advisory and consulting services. The firm's primary focus is providing investment management, wealth advisory and consulting services to individuals and families, endowments, foundations, not-for-profit organizations, post-retirement health care trusts, retirement plans and institutional clients. Retirement Capital Management also provides consulting services to industry service providers, institutional clients, broker/dealers, registered representatives and other registered investment advisers.

Advice to individual clients is rendered in the areas of cash-flow and debt management, budgeting, retirement planning, risk management, estate planning, tax planning, asset allocation and investment selection. Other services provided by the firm are business consulting, training, due diligence, research and analysis. The firm also provides ongoing and continuous supervision of clients' portfolios through its own investment supervisory services offering investment management services on both a non-discretionary and discretionary basis, depending on the needs and circumstances of a particular client.

You will be provided with a current Form ADV Part 2A firm brochure and our privacy policy statement as well as disclosure of any material conflicts of interest that could be reasonably expected to impair the rendering of unbiased and objective advice. You will also be provided with a brochure supplement that contains information about the investment advisor representative who will be assisting you. Should you wish to engage Retirement Capital Management, LLC for its services, we must first enter into a written agreement (our client services agreement).

It is important that the information, documents and/or financial statements you provide be accurate. Our firm may, but is not obligated to, verify the information you have provided, which will then be used in the investment advisory process. The client is under no obligation to act upon any of the recommendations made by the firm and retains absolute discretion over all such implementation decisions and is free to accept or reject any of the firm's recommendations.

Depending on the scope of the engagement, individual clients may be asked to provide current copies of the following documents early in the process:

- Wills, codicils and trusts
- Current financial specifics including income and investment statements and tax returns
- Insurance policies, personal and mortgage debt and cash-flow information
- Information on current retirement plans and benefits provided by your employer
- Employment or other business agreements you may have in place

- Retirement plan documents, personal investments as well as previously used investment policy statements
- Completed risk profile questionnaires or other forms provided by our firm

Investment Management, Wealth Advisory and Consulting Services

Investment management, wealth advisory and consulting services may be as broad-based or narrowly focused as you deem prudent and appropriate. The incorporation of most or all of the listed components allows not only a more thorough analysis but a comprehensive view of your plans to assist you in reaching your goals and objectives.

Periodic Review

We strongly urge our clients to notify us of any change in their circumstances, and to schedule a review any time there is such a change. An annual review should be considered even if there is not a substantial change, because tax laws, estate laws, etc., evolve. Additional information may be found in Item 13.

Investment Management Services

Clients may engage our firm to implement the investment strategies that we have recommended. Depending on your risk profile, goals and needs, among other considerations, your portfolio will involve the employment of one of our investment strategies as well as either a broad range or more narrowly focused forms of investment as described in Item 8 of this brochure. Our firm provides investment management services on both a non-discretionary and discretionary basis, depending on your specific needs and circumstances.

Where appropriate, we will prepare an investment policy statement (IPS), investment election form (IEF) or similar document reflecting your investment objectives, time horizon, tolerance for risk, as well as any account constraints you may have for the portfolio. Your IPS will be designed to be specific enough to provide future guidance while allowing flexibility to work with changing market conditions. Since the IPS, to a large extent, will be a product of information and data you have provided, you will be responsible for reviewing and providing final approval of the document/plan.

Investment Management Services (Third-Party Investment Managers)

Following our consultation session and plan development, we may recommend you engage a third-party investment manager to implement a portion or your entire portfolio. Prior to recommending a third-party investment manager, we will conduct what is believed to be an appropriate level of due diligence to include ensuring the third-party investment manager is appropriately registered or notice-filed within your jurisdiction. Thereafter, at least annually, a review will be performed from both a compliance and performance perspective to determine whether the selected third-party investment manager remains an appropriate fit for your portfolio.

Under this type of engagement, we will gather information from you about your financial situation, investment objectives, reasonable restrictions you may want to impose on the management of the account, and we will then provide this data to the third-party investment manager to develop the portfolio. Third-party managers will invest on behalf of a client account in accordance with the strategies set forth in their own requisite disclosure documents which will be provided to you by our firm prior to your portfolio employing their strategies. The selected third-party investment manager typically assumes *discretionary authority* over an account (defined in Item 16), and some of these programs may not be available for those clients who prefer an account to be managed under a non-discretionary engagement or whom may have other unique account restrictions.

Investment Consultation / Supervisory Services

In limited situations and typically when an account requires unique customization, our firm will provide its own investment supervisory services on a *non-discretionary* basis (see Item 16). The engagement may include:

- Investment strategy and/or Investment Policy Statement development
- Asset allocation and/or asset selection
- Risk tolerance assessments
- Regular investment due diligence and monitoring
- Periodic rebalancing

Our investment consultation services may involve providing information on various investment vehicles available, employee retirement plans and/or stock options, investment analysis and strategies, asset selection and portfolio design, as well as assisting you with your investment account if it is maintained at another broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

In the event that the client's custodian or the underlying retirement plan documentation for any account does not permit the client to authorize the firm to purchase and sell securities on client's behalf (a "Held-Away Account"), then the firm will monitor the account and provide the client with specific investment recommendations from time to time as may be necessary. Under this type of engagement, the client will be required to promptly forward copies of all quarterly statements received with respect to their Held-Away Accounts.

Consultation Services

Cash Flow and Debt Management

A review of your income and expenses will be conducted to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used, or how to reduce expenses if they exceed your income. Advice may be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. Recommendations may also be made with respect to appropriate cash reserves for emergencies and other financial goals, and a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

Risk Management

A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").

Employee Benefits

We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible in your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.

Retirement Planning

Retirement planning services typically include projections of your likelihood of achieving your financial goals, with financial independence usually the primary objective. For situations where projections show less than the desired

results, a recommendation may include showing you the impact on those projections by making changes in certain variables (i.e. working longer, saving more, spending less, taking more risk with investments). If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

Tax Planning Strategies

Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

Estate Planning

Review and advice usually involve an analysis of your exposure to estate taxes and your current estate plan determining whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire someone for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

Educational Workshops

We offer periodic financial training and educational sessions for those desiring general advice on personal finance and investing. Topics may include issues related to investments, financial planning, college funding, estate planning, retirement strategies, or various other economic and investment topics.

Our workshops are educational in nature and do not involve the sale of insurance or investment products. Information presented will not be based on any one person's needs nor do we provide individualized investment advice to attendees during our general sessions.

Client-Tailored Services and Client-Imposed Restrictions

Investment Account Restrictions

As stated in your IPS or similar document, we will account for any reasonable restrictions you may require for the management of your investment account(s). For example, a client may prefer to avoid or require certain types of holdings (e.g., "sin stocks," international or small cap stocks, etc.) in their portfolio. We will then communicate these restrictions to the portfolio manager handling your account.

We want to note that it will remain your responsibility to promptly notify us if there are any changes in your financial situation and/or investment objectives for the purpose of our reviewing, evaluating or revising previous account restrictions or firm investment recommendations.

Wrap Fee Programs

Our firm does not sponsor or serve as a portfolio manager in any investment program involving wrapped fees.

Client Assets under Management

As of December 31, 2020, our firm had \$92,721,414 million of reportable client assets¹ under its management; \$76,747,026 on a discretionary basis and \$5,974,387 on a non-discretionary basis.

General Information

Retirement Capital Management, LLC does not provide legal or accounting services. With your consent, we may work with other professional advisers, such as an accountant or attorney, to assist with coordination and implementation of accepted strategies. You should be aware that these other advisers will charge you separately for their services and these fees will be in addition to our own advisory fees.

Our firm will use its best judgment and good faith effort in rendering its services. Retirement Capital Management, LLC cannot warrant or guarantee the achievement of a planning goal or any particular level of account performance or that your account will be profitable over time. Past performance is not necessarily indicative of future results.

Except as may otherwise be provided by law, our firm will not be liable to the client, heirs, or assignees for any loss an account may suffer by reason of an investment decision made or other action taken or omitted in good faith by our firm with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; any loss arising from our adherence to your direction or that of your legal agent; any act or failure to act by a service provider maintaining an account. Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith; therefore, nothing contained in this document shall constitute a waiver of any rights that a client may have under federal and state securities laws.

Item 5 - Fees and Compensation

Method of Compensation and Fee Schedule

Depending upon the engagement, Retirement Capital Management, LLC offers its services to clients on a fee basis which may include hourly and/or fixed or flat fees as well as fees based upon the assets under management. Prior to engaging Retirement Capital Management, LLC to provide any of the aforementioned services, clients are required to enter into one or more written agreements with the firm setting forth the terms and conditions under which the firm shall render its services.

Hourly Fees

Retirement Capital Management, LLC may be engaged for our investment consultation services under an hourly fee arrangement. The firm's hourly rate ranges from \$150 to \$350 per hour; billed in fifteen-minute increments and a partial increment will be treated as a whole increment. The rate will take into consideration such factors as the expertise dedicated to the engagement and any special services you may require. Prior to entering into an agreement with the firm you will receive an estimate of the overall cost based on your requirements and the time involved.

Fixed Fees

Retirement Capital Management, LLC may also be engaged under a fixed fee arrangement for its consulting services that typically ranges from \$1,500 to \$25,000. Fixed fees are based on the complexity of the client's issues and the anticipated number of hours estimated to provide the requested services.

¹ The term "assets under management" and rounding as defined by the SEC's *General Instructions for Part 2 of Form ADV*.

Our educational workshop engagements are generally *pro bono* in nature. In the event there is a charge for a workshop, it is anticipated to be paid by the engagement sponsor, such as an employer or association. Fees for these events are typically a nominal fixed amount and/or cost of workshop materials and would be negotiated with the event sponsor in advance of the presentation.

Retainer Fees

Retirement Capital Management, LLC may also be engaged under a retainer fee arrangement. The firm offers investment management, wealth advisory, consulting and analysis services on a prepaid or "retainer fee" basis. This type of engagement normally involves high net worth clients, endowments, foundations or retirement plan engagements, which may or may not include assets in accounts "held away." Retainer fees generally range from \$2,500 to \$10,000 per quarter; paid in equal installments and in advance of each period. The fee is based on the complexity of the client's issues and the anticipated number of hours estimated to provide the requested services.

Asset-Based Fees

Retirement Capital Management, LLC may also be engaged for investment management or supervisory services, on either a non-discretionary or discretionary basis. Investment management or supervisory and third-party investment manager programs are assessed an annualized asset-based fee that will be calculated based on the reporting period ending value of your account. These fees are billed in advance and may be billed monthly or quarterly.

Our investment management or supervisory services engagement fees are based on the value of your account at the end of the reporting period. Our annual investment services fees are based upon a percentage of the assets under management and generally range from 0.25% to 1.50% (25 to 150 basis points) of the assets supervised and will be determined by the investment strategy selected by the client.

The firm's annual engagement fee is exclusive of, and in addition to, brokerage costs, transaction fees and other related costs and expenses that may be incurred by a client. Our firm does not receive any portion of these fees or costs.

Fees for clients that elect a passive (non-managed) investment strategy or require less time involvement due to simplified investment supervisory needs may be discounted. In some cases, engaging the firm on a retainer basis may be in the client's best interest.

Aggregating Account Fees

For the benefit of discounting your asset-based fee, we may aggregate investment supervisory services accounts for the same individual or two or more accounts within the same family, or accounts where a family member has power of attorney over another family member's or incompetent person's account. Should investment objectives be substantially different for any two or more household accounts, requiring different investment approaches or operational requirements, we do reserve the right to apply our fee schedule separately to each account.

We will inform you in advance as to whether the selected third-party investment manager(s) will allow for account aggregation for the purpose of fee discounts.

Investment Management Services (Third-Party Investment Manager)

An annualized asset-based fee not to exceed 2.50% (250 basis points) will be charged to your account under a third-party investment manager program. Each program has a stated fee range, described to you through the use of the third-party investment manager disclosure documents prior to your investing, and will range from 0.45% to 1.35% (45 to 135 basis points) depending upon the program selected, investment strategies involved, asset size of the account, and the services provided to the client. Our firm will share in part for its consultation services and

may receive up to 1.25% (125 basis points) of the total advisory fee assessed, and we will describe our portion of the advisory fee in your engagement agreement.

Discounting Advisory Fees

The services to be provided to you and their specific fees will be detailed in your engagement agreement. Our published fees may be discounted at the firm's discretion; however, they are not negotiable. We strive to offer fees that are fair and reasonable in light of the experience of the firm and the services to be rendered to our clients.

Client Payment of Fees

Hourly and Fixed Fees

Fees may be paid by check or teller's draft from US-based banks, as well as through automated payment processing through a qualified unaffiliated third-party processor. Upon your written approval, we may also direct-bill your custodian of record for accounts "held away." We do not accept cash, money orders, or similar forms of payment for our engagements.

Fees are due as stated in your engagement agreement with our firm; typically, quarterly or upon delivery of the plan or advice.

Asset-Based Fees

Annualized asset-based fees will be billed quarterly, in advance. Your first billing cycle will begin once your agreement is executed with our firm and your assets have settled into your account held by the custodian of record.

Fees for partial months will be prorated based on the remaining days in the reporting period in which the firm and/or third-party manager services the account. Fee payments will generally be assessed *within* 10 days of the beginning of each billing cycle.

Accounts will be valued in accordance with the values disclosed on the statement the client receives from the custodian for the purpose of verifying the computation of the advisory fee. In the absence of a reportable market value, our firm may seek an independent third-party opinion or a good faith determination by a qualified associate.

By signing our firm's engagement agreement, as well as the custodian of record and/or third-party investment manager account opening documents, you will be authorizing the withdrawal of transactional (see following section) and advisory fees from your account. All fees will be clearly noted on account statements that you will receive from the custodian of record. The withdrawal of these fees will be accomplished by the custodian of record, not by our firm, and the custodian will remit our fees directly to our firm. Please note that you share in the responsibility of verifying the accuracy of the fee calculation; the custodian may not verify the calculation for you.

Alternatively, you may request to directly pay our advisory firm its investment supervisory services fee in lieu of having the advisory fee withdrawn from your investment account. Our valuation assessment will remain the same as described above, and the client's direct payment must be received by our firm within 15 days of invoice. Note that most third-party investment managers do not allow for this billing method.

Additional Client Fees

Any transactional or service fees (sometimes termed *brokerage fees*) assessed by a selected service provider [i.e., a custodian], individual retirement account fees, or qualified retirement plan and/or account termination fees will

be borne by the accountholder and are per those provided in current, separate fee schedules of any selected service provider.

Fees paid by our clients to our firm for our advisory services are separate from any transactional charges a client may pay, as well as those for mutual funds, exchange-traded funds (ETFs), exchange-traded notes (ETNs), or other investments of this type.

Per annum interest at the current maximum statutory rate may be assessed on fee balances due more than 30 days; we may refer past due accounts to collections or legal counsel for processing. Our firm reserves the right to suspend some or all services once an account is deemed past due.

Additional information about our fees in relationship to our business practices are noted in Items 12 and 14 of this document.

External Compensation for the Sale of Securities to Clients

Our advisory firm is engaged for fee-only services and we attempt to recommend "no load" or "no transaction fee" (NTF) investments whenever practical. We do not charge or receive a commission or mark-up on your securities transactions, nor will the firm or an associate be paid a commission on your purchase of a securities holding that we recommend. We do not receive "trailer" or SEC Rule 12b-1 fees from an investment company we may recommend. Fees charged by issuers are detailed in prospectuses or product descriptions and you are encouraged to read these documents before investing. Our firm and its associates receive none of these described or similar fees or charges.

You will always have the option to purchase recommended or similar investments through your own selected service provider. Note that most third-party investment managers may not be available to self-directed investors.

Charged Prepayment of Client Fees

Advance Payment for Certain Services

We reserve the right to require an initial deposit for investment consultation services engagements in the amount of two-thirds (2/3) of the estimated fee, and this deposit will be defined in your engagement agreement. Retainer fees and asset-based fees are paid in advance.

Termination of Services

Either party may terminate the agreement at any time, which will typically be in writing. If you verbally notify our firm of the termination and, if in three business days following this notification we have not received your notice in writing, we will make a written notice of the termination in our records and send you our own termination notice as a substitute.

If our Form ADV Part 2A firm brochure was not delivered to you prior to entering into the investment advisory contract, then you have the right to terminate the engagement without fee or penalty within five business days after entering into the agreement. Should you terminate an engagement after this time period, you may be assessed fees for any time or charges incurred by our firm in the preparation of your plan or investment allocation. We will promptly return any prepaid, unearned amount upon receipt of termination notice.

For those clients who utilize our investment management and investment supervisory services, our firm will not be responsible for future allocations, investment advice or transactional services upon receipt of a termination notice. Upon termination, it will also be necessary that we inform the custodian of record and any third-party investment manager serving the account that the relationship between the firm and the client has been terminated.

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

Retirement Capital Management, LLC's fees will not be based on a share of capital gains or capital appreciation (growth) of any portion of managed funds, also known as "performance-based fees." Performance-based compensation creates an incentive for a firm or their representatives to recommend an investment that may carry a higher degree of risk to a client. We do not use a performance-based fee structure because of the conflict of interest this type of fee structure poses.

Our fees will not be based on side-by-side management, which refers to a firm simultaneously managing accounts that do pay performance-based fees (such as a hedge fund) and those that do not; this type of arrangement, and the conflict of interest it may pose, does not conform to our firm's practices.

Item 7 - Types of Clients

We provide our advisory services to individuals, trusts, estates; foundations and charitable organizations; businesses of various scale as well as their pension and profit-sharing plans. Our ability to provide our advisory services depends on access to important information about our clients. Accordingly, it is necessary that you provide us with an adequate level of information and supporting documentation throughout the term of the engagement including, but not limited to, source of funds, income levels, and an account holder or their legal agent's authority to act on behalf of the account, among other information. This helps us determine the appropriateness of our planning and/or investment strategies for your portfolio.

It is very important that you keep us informed of significant changes that may call for an update to your investment plans. Events such as changes in employment or marital status, unplanned Windfall, etc., can have an impact on your circumstances and needs. We need to be aware of such events so that we may make adjustments, as necessary, in order to keep you on track toward your goals.

Retirement Capital Management, LLC does not require minimum income levels, minimum level of assets or other conditions for its services, and we will inform you in advance of any account minimums or other restrictions of any third-party investment manager you may wish to engage. We reserve the right to waive or reduce certain fees based on unique individual circumstances, special arrangements, or pre-existing relationships. We reserve the right to decline services to any prospective client for any non-discriminatory reason.

Item 8 - Methods of Analysis, Investment Strategies and Risk of loss

Methods of Analysis and Investment Strategies

Method of Analysis

When we are engaged to provide investment advice, we will first gather and consider several factors, including:

- current financial situation
- current and long-term needs
- investment goals and objectives
- level of investment knowledge
- tolerance or appetite for risk
- restrictions, if any, on the management of your portfolio

We employ what we believe to be an appropriate blend of fundamental, charting, technical, and cyclical analyses. For example, fundamental analysis may involve evaluating economic factors including interest rates, the current state of the economy, or the future growth of an industry sector. Technical and cyclical analysis may involve

studying the historical patterns and trends of securities, markets, or economies as a whole in an effort to determine potential future behaviors, the estimation of price movement, and an evaluation of a transaction before entry into the market in terms of risk and profit potential. The resulting data may then be applied to graphing charts, which is then used to assist in the prediction of future price movements based on price patterns and trends.

Our research is drawn from sources that include financial periodicals, inspections of corporate activities, reports from economists and other industry professionals; industry rating and research services, market timing services, annual reports, company press releases, prospectuses and regulatory filings.

Investment Strategies

Generally, our investment advice is based on a globally diversified strategy involving a long-term, disciplined approach that manages risk through appropriate asset allocation. We recognize that each client's needs and goals are different; subsequently, portfolio strategies and underlying investment vehicles may vary. The following are common strategies utilized within our client's portfolios, *in alphabetical order*:

Active Asset Management

A portfolio manager engaging in an active asset management strategy believes it is possible to create a profit from identifying or leveraging mispriced securities, or producing similar returns with less risk, or producing returns greater than a stated benchmark, such as a well-known index.

For example, a "large cap stock" fund manager might attempt to outperform the Standard & Poor's 500 Index by purchasing underpriced stocks or derivative instruments representing these positions. Our active management strategy, and certain third-party investment managers we may recommend, may attempt to preserve capital during times of high risk through the use of cash and cash equivalents, options, and the percentage of account holdings invested in the market may vary substantially based on what they believe is the prevailing risk in the market. If they feel risk in the stock market is low, they will increase exposure to equities to attempt to take advantage of growth opportunities. When risk in the stock market is considered high, all or a portion of the portfolio's equity exposure may be moved to more stable short-term fixed income instruments and cash equivalent alternatives in order to preserve capital.

Core + Satellite

This strategy includes both passive (or index) and active investing, where passive and active investments are used as the basis or "core" of a portfolio and alternative asset classes (real estate, commodities, long/short, precious metals, emerging debt, etc.) are added as "satellite" positions. With this strategy, the portfolio core holdings are more traditional asset classes, while outlying selections are generally asset classes with less correlation to the traditional assets that make up the core holdings.

Modern Portfolio Theory

This theory is based on the belief that proper diversification and risk management will provide an investor client with a more stable and consistent return over time. It has been statistically determined that, on a risk adjusted basis, individual asset classes will generally outperform most asset classes over time. The practice of Modern Portfolio Theory does not employ market timing or stock selection methods of investing but rather a long term buy-and-hold strategy with periodic rebalancing of the account to maintain desired risk levels.

Investment Vehicles Generally Recommended

We will strive to create portfolios that contain investment vehicles that are diversified, tax-efficient, and low-cost investments whenever practical. Accounts may contain mutual funds, ETFs and ETNs within a portfolio (including leveraged and inverse ETFs), certain accounts may necessitate holding individual equity and fixed income holdings, options, certificates of deposit (CDs) and money markets, certain listed and unlisted real estate investment trusts (REITs), master limited partnerships, managed futures, among others, to create as broad a diversification as necessary to meet demands of the portfolio or to effectively employ pre-existing holdings.

We make asset allocation and investment policy decisions based on these and other factors. We will discuss with you how, in our best judgment, to meet your objectives while at the same time seeking a prudent level of risk exposure.

Investment Strategy and Method of Analysis Material Risks

The firm believes its strategies and investment recommendations are designed to produce the appropriate potential return for the given level of risk; however, we cannot guarantee that an investment objective or planning goal will be achieved. As an investor you must be able to bear the risk of loss that is associated with your account, which may include the loss of some or your entire principal. In general, risks regarding markets include inflation, company, and management risk, among others. Examples include:

Active Management Strategy Risks – A portfolio that employs active management strategies may, at times, outperform or underperform various benchmarks or other strategies. In an effort to meet or surpass these benchmarks, active portfolio management may require more frequent trading or "turnover." This may result in shorter holding periods, higher transactional costs and/or taxable events generally borne by the client, thereby potentially reducing or negating certain benefits of active asset management.

Charting and Technical Analysis - The risk of investing based on technical analyses and their supporting charts is that they may not consistently predict a future price movement; the current price of a security may reflect all known information. Further, a particular change in the market price of a security may follow a random pattern and may not be as predictable as desired.

Company Risk - When investing in securities, such as stocks, there is always a certain level of company or industry-specific risk that is inherent in each company or issuer. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. This is referred to as *unsystematic risk* and may be reduced through appropriate diversification.

Core + Satellite Strategies - Strategies involving Core + Satellite investing may have the potential to be affected by "active risk" or "tracking error risk," which might be defined as a deviation from the stated benchmark. Since the core portfolio attempts to closely replicate a stated benchmark, the source of the tracking error or deviation may come from a satellite portfolio or position or from a "sample" or "optimized" index fund or ETF/ETN that may not as closely align the stated benchmark. In these instances, the firm may choose to reduce the weighting of a satellite holding, utilize very active satellites, or use a "replicate index" position as part of its core holdings to minimize the effects of the tracking error in relation to the overall portfolio.

Cyclical Analysis - An economic cycle may not be as predictable as preferred; many fluctuations may occur between long term expansions and contractions. The length of an economic cycle may be difficult to predict with accuracy and therefore the risk of cyclical analyses is the difficulty in predicting economic trends. Consequently, the changing value of securities is affected.

Financial Risk - Excessive borrowing to finance a business operation increases profitability risk because the company must meet the terms of its obligations in good and bad times. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Fundamental Analysis - The challenge with fundamental analyses is that information obtained may be incorrect; the analysis may not provide an accurate estimate of earnings, which may be the basis for a security's value. If a security's price adjusts rapidly to new information, a fundamental analysis may result in unfavorable performance.

Inflation Risk - When any type of inflation is present, a dollar today will not buy as much as a dollar next year because purchasing power is eroding at the rate of inflation.

Management Risk - An investment with a firm varies with the success and failure of its investment strategies, research, analysis and determination of its portfolio. If an investment strategy were not to produce expected returns, the value of the investment would decrease.

Market Risk - When the stock market as a whole or an industry as a whole falls, it can cause the prices of individual stocks to fall indiscriminately. This is also called systemic or systematic risk.

Options Risks - Risks involving options trading are detailed in the Chicago Board Options Exchange's "The Characteristics and Risks of Standardized Options" brochure that we will provide to the client upon request or may be found at their website at: <http://www.cboe.com>.

Passive Markets Theory - A portfolio that employs a passive, efficient markets approach (representative of Modern Portfolio Theory) has the potential risk that at times the broader allocation may generate lower than expected returns than those from a specific, more narrowly focused asset, and that the return on each type of asset is a deviation from the average return for the asset class. We believe this variance from the "expected return" is generally low under normal market conditions when a portfolio is made up of diverse, non-correlated assets.

Research Data - When research and analyses are based on commercially available software, rating services, general market and financial information, or due diligence reviews, a firm is relying on the accuracy and validity of the information or capabilities provided by selected vendors, rating services, market data, and the issuers themselves. Therefore, while our firm makes every effort to determine the accuracy of the information received, we cannot predict the outcome of events or actions taken or not taken, or the validity of all information researched or provided which may or may not affect the advice on or investment management of an account.

Socially Conscious Investing - If you require your portfolio to be invested according to socially conscious principles, you should note that returns on investments of this type may be limited and because of this limitation you may not be able to be as well diversified among various asset classes. The number of publicly traded companies that meet socially conscious investment parameters is also limited, and due to this limitation, there is a probability of similarity or overlap of holdings, especially among socially conscious mutual funds or ETFs. Therefore, there could be a more pronounced positive or negative impact on a socially conscious portfolio, which could be more volatile than a fully diversified portfolio.

Third-Party Manager Strategies - We will review with you the Form ADV Part 2 of any recommended third-party investment manager to ensure you are familiar with the investment strategy and types of investment vehicles they employ so that they align with your investment policy, as well as discuss the risks these may impose on the account for your consideration.

Security-Specific Material Risks

ETF/Mutual Fund Risk/Managed Futures - ETFs, mutual funds and managed futures may carry additional expenses based on their share of operating expenses and certain brokerage fees, which may result in the potential duplication of certain fees. The risk of owning these types of holdings also reflects the risks of their underlying securities.

Fixed Income Risks- Various forms of fixed income instruments, such as bonds, money market funds, bond funds, and certificates of deposit, may be affected by various forms of risk, including:

Credit Risk - The potential risk that an issuer would be unable to pay scheduled interest or repay principal at maturity, sometimes referred to as "default risk." Credit risk may also occur when an issuer's ability to make payments of principal and interest when due is interrupted. This may result in a negative impact on all forms of debt instruments, as well as funds or ETF/ETN share values that hold these issues. Bondholders are creditors of an issuer and typically have priority to assets before equity holders (i.e., stockholders) when receiving a payout from liquidation or restructuring. When defaults occur due to bankruptcy, the type of bond held will determine seniority of payment.

Duration Risk - Duration is a measure of a bond's volatility, expressed in years to be repaid by its internal cash flow (interest payments). Bonds with longer durations carry more risk and have higher price volatility than bonds with shorter durations.

Interest Rate Risk - The risk that the value of the fixed income holding will decrease because of an increase in interest rates.

Liquidity Risk - The inability to readily buy or sell an investment for a price close to the true underlying value of the asset due to a lack of buyers or sellers. While certain types of fixed income are generally liquid (i.e., bonds), there are risks which may occur such as when an issue trading in any given period does not readily support buys and sells at an efficient price. Conversely, when trading volume is high, there is also a risk of not being able to purchase a particular issue at the desired price.

Reinvestment Risk - With declining interest rates, investors may have to reinvest interest income or principal at a lower rate.

Index Investing – You will need to keep in mind that investment vehicles such as certain ETFs and indexed funds have the potential to be affected by "tracking error risk" (see earlier paragraph under *Core + Satellite Strategies*).

Leveraged and Inverse ETFs – Leveraged or inverse ETFs attempt to achieve multiples of the performance of an index or benchmark through the opposite (inverse) of the performance of the tracked index or benchmark. This strategy attempts to profit from, or hedge exposures to, downward drifting markets. There is risk involving this strategy and part of the concern is based on the fact that leveraged and inverse exchange traded funds "reset" daily, which means they are designed to achieve their stated objectives on a *daily basis*. It is due to the compounding effect of daily adjustments that ETF performance over longer periods of time can differ significantly from the performance (or inverse of the performance) of an underlying index or benchmark during the same period. This effect is potentially magnified during volatile markets. If effects contrary to the ETF strategy occur, losses may be significant; therefore, leveraged and/or inverse ETFs will be considered for portfolios either properly hedged or for clients able to sustain potentially higher risks. Leveraged and inverse ETFs will not be used in portfolios where a "buy-and-hold" philosophy is important.

Master Limited Partnerships (MLPs) – Investing in MLPs involves certain risks related to investing in their underlying assets, as well as the risks associated with pooled investment vehicles (certain pooled investments may be less regulated than others). In addition, MLPs that concentrate in a particular industry or a particular geographic region are subject to risks associated with the specific industry or region. A potential benefit derived from a MLP is also dependent on the MLP being treated as a partnership for federal income tax purposes; if part or all of the MLP is not, it may have potential adverse tax effects on a portfolio.

Options Risks – Risks involving options trading are detailed in the Chicago Board Options Exchange's "The Characteristics and Risks of Standardized Options" brochure that we will provide to you upon request or may be found at their website at: <http://www.cboe.com>.

QDI Ratios - While many ETFs/ETNs and index mutual funds are known for their potential tax-efficiency and higher "qualified dividend income" (QDI) percentages, there are asset classes within these investment vehicles or holding periods within that may not benefit. Shorter holding periods, as well as commodities and currencies (that may be part of an ETF/ETN or mutual fund portfolio), may be considered "non-qualified" under certain tax code provisions. We consider a holding's QDI when tax-efficiency is an important aspect of the client's portfolio.

REITs - Risks involved in REIT investing may include:

- following the sale or distribution of assets an investor may receive less than their principal invested
- a lack of a public market in certain issues
- limited liquidity and transferability
- a fluctuation of value of the assets within the REIT
- reliance on the investment manager to select and manage assets
- changes in interest rates, laws, operating expenses, and insurance costs
- tenant turnover
- current market conditions

Item 9 - Disciplinary Information

Neither the firm nor its management has been involved in a material criminal or civil action in a domestic, foreign or military jurisdiction, an administrative enforcement action, or self-regulatory organization proceeding that would reflect poorly upon our offering advisory business or its integrity.

Item 10 - Other Financial Industry Activities and Affiliations

Firm policies require associated persons to conduct business activities in a manner that avoids conflicts of interest between the firm and its clients, or that may be contrary to law. Retirement Capital Management, LLC will provide disclosure to each client prior to and throughout the term of an engagement regarding any conflicts of interest which might reasonably compromise its impartiality or independence.

Neither the firm, management, nor its associates, are registered or have an application pending to register as a Financial Industry Regulatory Authority (FINRA) or National Futures Association (NFA) introducing broker/dealer, or as a futures commission merchant, commodity pool operator, commodity trading adviser, or an associated person of the foregoing entities.

Material Relationships Maintained by this Advisory Business and Conflicts of Interest

Neither, Retirement Capital Management, LLC nor its management, is or has a material relationship with any of the following types of entities:

- municipal securities dealer, or government securities dealer or broker
- bank, credit union or thrift institution or their separately identifiable departments or divisions
- lawyer or law firm
- accountant or accounting firm
- real estate broker or dealer
- sponsor or syndicator of limited partnerships
- investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)

Upon your request, you may be provided a referral to various professionals, such as an accountant, banker, insurance agent or an attorney. While these referrals are based on our best information, we do not guarantee the

quality or adequacy of the work provided by these referred professionals. We do not have an agreement with or receive fees from these professionals for these informal referrals. Any fees charged by these other entities for their services are completely separate from fees charged by our firm.

Fiduciary Consulting Group

Our firm is under common control with a pension consultant affiliate operating under the name of Fiduciary Consulting Group, Inc.; an ERISA compliance consulting firm. An institutional client may maintain an agreement with both our firm and our affiliate under separate engagements. Further information with regard to these activities are found in Item 4 of the associates' brochure supplement. Whether an associate is serving a client in one or more capacities, they will disclose in advance how they are compensated and if there is a conflict of interest involving any service they may provide. At no time will there be tying between business practices and/or services; a condition where a client or prospective client would be required to accept one product or service which is conditional upon the selection of a second distinctive tied product or service.

Recommendation or Selection of Other Investment Advisers and Conflicts of Interest

As noted in Item 4 of this brochure, we may provide recommendation to pre-screened, third-party investment managers (who are also required to be registered as investment advisers) to service part of or your entire portfolio, and in which both firms inevitably are paid a portion of an advisory fee as described in Item 5.

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

Retirement Capital Management, LLC believes that its business methodologies, ethics rules, and adopted policies are appropriate to eliminate or at least minimize potential material conflicts of interest and to appropriately manage any material conflicts of interest that may remain. Clients should be aware that no set of rules can possibly anticipate or relieve all potential material conflicts of interest. In any event, our firm will disclose to advisory clients any material conflict of interest relating to the firm, its representatives, or any of its employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

Code of Ethics Description

We have adopted a Code of Ethics that establishes policies for ethical conduct for our personnel. Our firm accepts the obligation not only to comply with all applicable laws and regulations but to also act in an ethical and professionally responsible manner in all professional services and activities. Firm policies include prohibitions against insider trading, circulation of industry rumors, and certain political contributions, among others.

Retirement Capital Management, LLC periodically reviews and amends its Code of Ethics, to ensure that it remains current, and requires firm personnel to annually attest to their understanding of and adherence to the firm's Code of Ethics. A copy of the firm's Code of Ethics is made available to any client or prospective client upon request.

Privacy Policy Statement

We respect the privacy of all clients and prospective clients ("customers"), both past and present. It is recognized that you have entrusted our firm with non-public personal information and it is important that both access persons and customers are aware of firm policy concerning what may be done with that information.

The firm collects personal information about customers from the following sources:

- Information customers provide to complete their investment recommendation
- Information customers provide in engagement agreements, account applications, and other documents completed in connection with the opening and maintenance of their accounts

- Information customers provide verbally
- Information received from service providers, such as custodians, about account transactions

The firm does not disclose non-public personal information about our customers to anyone, except in the following circumstances:

- When required to provide services our customers have requested
- When our customers have specifically authorized us to do so
- When required during the course of a firm assessment (i.e., independent audit)
- When permitted or required by law (i.e., periodic regulatory examination)

To ensure security and confidentiality, the firm maintains physical, electronic, and procedural safeguards to protect the privacy of customer information. Within the firm, access to customer information is restricted to personnel that need to know that information. All access persons and service providers understand that everything handled in firm offices are confidential and they are instructed to not discuss customer information with someone else that may request information about an account unless they are specifically authorized in writing by the customer to do so. This includes, for example, providing information about a spouse's IRA or parents' accounts, etc.

The firm will provide you with its privacy policy at any time, in advance, if firm privacy policies are expected to change.

Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

Neither the firm nor an associate is authorized to recommend to a client, or effect a transaction for a client, involving any security in which the firm or a "related person" (e.g., associate, an immediate family member, etc.) has a material financial interest, such as in the capacity as an underwriter or adviser to an issuer of securities, etc.

An associate is prohibited from borrowing from or lending to a client unless the client is an approved lending institution.

Firm/Personnel Purchases of Same Securities Recommended to Clients and Conflicts of Interest

Retirement Capital Management, LLC does not trade for its own account (e.g., proprietary trading). The firm's related persons may buy or sell securities that are the same as, similar to, or different from, those recommended to clients for their accounts.

A recommendation made to one client may be different in nature or in timing from a recommendation made to a different client; clients often have different objectives and risk tolerances. At no time, however, will the firm or a related person receive preferential treatment over a client.

In an effort to reduce or eliminate certain conflicts of interest involving personal trading (i.e., trading ahead of a client's order, etc.), firm policy requires the restriction or prohibition of related parties' transactions in specific securities. Any exceptions or trading pre-clearance must be approved by the firm's Chief Compliance Officer in advance of the transaction in a related person's account, and the firm maintains required personal securities transaction records per regulation.

Item 12 - Brokerage Practices

Factors Used to Select Broker/Dealers for Client Transactions

Retirement Capital Management, LLC does not maintain physical custody of your assets (see Item 15 for further information). Your account must be maintained by a qualified custodian (generally a broker/dealer, bank or trust company) that is frequently reviewed for its capabilities to serve in that capacity by their respective industry regulatory authority. Our firm is not a custodian, nor is there an affiliate that is a custodian.

When engaged to provide investment consultation services, we may recommend the service provider with whom your assets are currently maintained. Should you prefer a new service provider, our recommendation of another service provider would be based on your needs, overall cost, and ease of use.

If you have engaged our firm to provide investment management services, we will recommend the services of TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC. As stated earlier, our firm is independently owned and operated and is not legally affiliated with TD Ameritrade, Inc. ("TD Ameritrade"). While we recommend that you use TD Ameritrade as your service provider, you will decide whether to do so and will open your account with TD Ameritrade by entering into an account agreement directly with them. Although we will assist you in doing so, we do not technically open the account for you. If you do not wish to place your assets with TD Ameritrade, then we potentially may not be able to manage your account under our investment management or investment supervisory services engagements. TD Ameritrade offer independent investment advisers services which include custody of securities, trade execution, clearance and settlement of transactions.

Our firm receives some benefits from TD Ameritrade through participation in their programs (please refer Item 14).

We periodically conduct an assessment of any service provider we recommend, including TD Ameritrade, which generally includes a review of their range of services, reasonableness of fees, among other items, and in comparison, to their industry peers.

Best Execution

"Best execution" means the most favorable terms for a transaction based on all relevant factors, including those listed in the paragraph titled *Factors Used to Select Broker-Dealers for Client Transactions* and within Item 14. We recognize our obligation in seeking best execution for our clients; however, it is our belief that the determinative factor is not always the lowest possible cost but whether the selected service provider's transactions represent the best "qualitative execution" while taking into consideration the full range of services provided. Therefore, we will seek services involving competitive rates but it may not necessarily correlate into the lowest possible rate for each transaction.

We have determined that having our firm's investment supervisory services accounts' trades executed through TD Ameritrade is consistent with our duty to seek best execution of your trades. We also periodically review policies regarding our recommending custodians to our clients in light of our duty to seek best execution.

Directed Brokerage

Our internal policy and operational relationship with our preferred custodians require client accounts custodied with them to have trades executed per their order routing requirements. We do not direct which executing broker should be selected for client account trades; whether that is an affiliate of a preferred custodian or another executing broker of that custodian's choice. As a result, you may pay higher commissions or other transaction costs, experience greater spreads, or receive less favorable net prices on transactions than might otherwise be the case. In addition, since we routinely recommend a custodian for our advisory clients, and that custodian may choose to use the execution services of its broker affiliate for some or all of our client account transactions, there is an inherent conflict of interest involving our recommendation since our advisory firm receives various products or services described in this section from that custodian. Note that we are not compensated for trade routing/order flow, nor are we paid commissions on such trades; we do not receive interest on our client accounts' cash balances.

As our client you may direct your custodian of record to use a particular broker to execute some or all account transactions. In these circumstances, you will be responsible for negotiating, in advance of each trade, the terms and/or arrangements involving your account with that broker, and whether the selected broker is affiliated with your custodian of record or not. We will not be obligated to seek better execution services or prices from these other brokers, and we may be unable to aggregate your transactions for execution via our recommended custodian with other orders for accounts managed by our firm. As a result, you may pay higher commissions or other transaction costs, potentially experience greater spreads, or receive less favorable net prices on transactions for their account than would otherwise be the case.

Aggregating Securities Transactions

Trade aggregation involves the purchase or sale of the same security for several clients/accounts at approximately the same time. This is also termed “blocked,” “bunched” or “batched” orders. Aggregated orders are effected in an attempt to obtain better execution, negotiate favorable transaction rates, or to allocate equitably among multiple client accounts should there be differences in prices, brokerage commissions or other transactional costs that might otherwise be unobtainable through separately placed orders. Our firm may but is not obligated to aggregate orders, and the firm does not receive additional compensation or remuneration as a result of aggregated transactions.

Transaction charges and/or prices may vary due to account size and/or method of receipt. To the extent that the firm determines to aggregate client orders for the purchase or sale of securities, including securities in which a related person may invest, the firm will generally do so in accordance with the parameters set forth in SEC No-Action Letter, *SMC Capital, Inc.*

Please note that when trade aggregation is not allowed or infeasible and necessitates individual transactions (e.g., withdrawal or liquidation requests, odd-lot trades, non-discretionary accounts, etc.), an account may potentially be assessed higher costs or less favorable prices than those where aggregation has occurred. We review firm trading processes on a periodic basis to ensure they remain within stated policies and regulation. You will be informed, in advance, should trading practices change at any point in the future.

Trade Errors

The firm corrects its trade errors through an account maintained by its custodian, and the firm may be responsible for trading error losses that occur within a client account. Clients should be aware that trading gains in accounts maintained at our preferred custodian are swept to a designated account and donated to a 501(c)(3) charity of the custodian’s choice, and the custodian is obligated to disclose in their own literature to account holders whether such recipients’ receipt of such donations presents a material conflict of interest.

Client Referrals from Custodians

We do not receive referrals from our preferred custodian; nor are client referrals a factor in our selection of a custodian.

Item 13 – Review of Accounts

Schedule for Periodic Review of Client Accounts and Advisory Persons Involved

Investment Consultation Services

You should contact our firm for additional reviews when you anticipate or have experienced changes in your financial situation (i.e., changes in employment, an inheritance, the birth of a new child, etc.). Periodic financial check-ups or reviews are recommended if you are receiving our investment consultation services, and we recommend that they occur at least on an annual basis whenever practical.

Reviews will be conducted by your investment adviser representative and normally involve analysis and possible revision of your previous investment allocation. A copy of revised plans or asset allocation reports will be provided to the client upon request. Unless provided for in your engagement agreement, reviews are generally conducted under a new or amended agreement and will be assessed at our current fee rate.

Investment Management Services

For accounts served by a recommended third-party investment manager, we will periodically review reports provided to you by your third-party investment manager and contact you at least annually to review your financial situation and objectives.

We will communicate information to your third-party investment manager as warranted and assist you in understanding and evaluating the services provided by the third-party manager. In certain instances, you may be able to communicate directly with your selected third-party investment manager.

Investment Supervisory Services

Investment supervisory services accounts are reviewed on a frequent basis by the assigned portfolio manager as well as supervisory personnel.

Client reviews are completed by your investment adviser representative, and we recommend that they occur on at least an annual basis. A copy of a revised IPS or asset allocation reports will be provided to the client upon request.

Review of Client Accounts on Non-Periodic Basis

Investment Consultation Services

You are free to contact our firm for additional reviews when there are material changes that occur in your financial situation or should you prefer to change requirements involving your account.

Non-periodic reviews are generally conducted by your investment adviser representative, which may occur under a new or amended agreement, and will be assessed at our published rate. A copy of revised plans or asset allocation reports will be provided to the client upon request.

Investment Management and Investment Supervisory Services

Additional reviews by portfolio manager(s) and/or firm supervisory personnel may be triggered by news or research related to a specific holding, a change in our view of the investment merits of a holding, or news related to the macroeconomic climate affecting a sector or holding within that sector.

Accounts may be reviewed for an additional holding or when an increase in a current position is under consideration. Account cash levels above or below what we deem appropriate for the investment environment, given the client's stated tolerance for risk and investment objectives, may also trigger a review.

Content of Client Provided Reports and Frequency

Whether you have opened and maintained an investment account on your own or with our assistance, you will receive account statements sent directly from mutual fund companies, transfer agents, custodians or brokerage companies where your investments are held. We urge you to carefully review these statements for accuracy and clarity, and to ask questions when something is not clear.

Our firm may provide portfolio "snapshot" reports if we are engaged to provide periodic asset allocation or investment advice; however, we do not provide ongoing performance reporting under our investment consultation services engagements. For investment supervisory services accounts, our firm may provide account written performance summary reports upon the client's request.

Such reports will be prepared via our custodian of record's systems; not a separate reporting system or internally created report by our advisory firm. You may also receive quarterly portfolio or performance reports directly from your selected third-party investment manager.

Clients are urged to carefully review and compare account statements that they have received directly from their custodian of record with any report received from our advisory firm that contains portfolio performance information.

Item 14 – Client Referrals and Other Compensation

Economic Benefit from External Sources and Potential Conflicts of Interest

We may receive an economic benefit from external sources in the form of the support products and services they make available to us and other independent investment advisers. As disclosed under Item 12, our firm participates in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to our clients for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give our clients, although our firm receives economic benefits through its participation in the program that are typically not available to "retail investors." These benefits include the following products and services (provided either without cost or at a discount):

- receipt of duplicate client statements and confirmations
- research related products and tools
- consulting services
- access to a trading desk serving our clients
- access to block trading (which provides our ability to aggregate securities transactions for execution and then allocate the appropriate shares to our client's accounts)
- the ability to have advisory fees deducted directly from our client's accounts per our written agreement
- access to an electronic communications network for client order entry and account information
- access to mutual funds with no transaction fees, and to certain institutional money managers; and
- discounts on research, technology, and practice management products or services provided to our firm by third party vendors

Some of the noted products and services made available to our firm by a custodian benefit our advisory firm but may not directly benefit a client account, and certain research and other previously referenced services qualify as "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934. The availability of these services benefits our firm because we do not have to produce or purchase them as long as clients maintain assets in accounts at our recommended custodian. There is a conflict of interest since our firm has an incentive to select or recommend a custodian based on our firm's interest in receiving these benefits rather than your interest in receiving favorable trade execution. We do not receive referrals from our preferred custodian; nor are client referrals a factor in our selection of a custodian. It is also important to mention that the benefit received by our firm through participation in any custodian's program does not depend on the amount of brokerage transactions directed to that custodian, and our selection of a custodian is primarily supported by the scope, quality, and cost of services provided as a whole -- not just those services that benefit only our advisory firm. We will act in the best interest of our clients regardless of the custodian we may select.

Advisory Firm Payments for Client Referrals

We do not engage in solicitation activities involving unregistered persons. A firm associate may hold individual membership or serve on boards or committees of professional industry associations. Generally, participation in any of these entities require membership fees to be paid, adherence to ethical guidelines, as well as in meeting experiential and educational requirements. A benefit these entities may provide to the investing public is the availability of online search tools that allow interested parties (prospective clients) to search for individual participants within a selected state or region. These passive websites may provide means for interested persons to contact a participant via electronic mail, telephone number, or other contact information, in order to interview the participating member. The public may also choose to telephone association staff to inquire about an individual within their area and would receive the same or similar information. A portion of these participant's membership fees may be used so that their name will be listed in some or all of these entities' websites (or other listings). Prospective clients locating our firm or an associate via these methods are not actively marketed by the noted associations. Clients who find us in this way do not pay more for their services than clients referred to us in another fashion, such as by another client. We do not pay these entities for prospective client referrals, nor is there a fee-sharing arrangement reflective of a solicitor engagement.

Item 15 - Custody

Your assets will be maintained by an unaffiliated, qualified custodian, such as a bank, broker/dealer (e.g., TD Ameritrade), mutual fund companies, or transfer agent. Your assets are not held by our firm or any associate. In keeping with this policy involving client funds or securities, Retirement Capital Management, LLC:

- Restricts the firm or an associate from serving as trustee or having general power of attorney over a client account;
- Prohibits any associate from having authority to directly withdraw securities or cash assets from a client account. Although we may be deemed to have "constructive custody" of your assets since we may request the withdrawal of advisory fees from an account, we will only do so through engagement of a qualified custodian maintaining client account assets, via prior written client approval;
- Does not accept or forward client securities (i.e., stock certificates) erroneously delivered to our firm;
- Will not collect advance fees of \$1,200 or more for services that are to be performed six months or more into the future;
- Will not authorize an associate to have knowledge of a client's account access information (i.e., online 401(k), brokerage or bank accounts) if such access would result in physical control of assets.

You will be provided with transaction confirmations and summary account statements sent directly to you by your custodian of record. Typically, statements are provided on at least a quarterly basis or as transactions occur within your account. Retirement Capital Management, LLC will not create a statement for you or serve as the sole recipient of your account statements.

Should you receive periodic reports from our firm that includes investment performance information, you are urged to carefully review and compare your account statements that you have received directly from your custodian of record with any report from our firm.

Item 16 - Investment Discretion

Investment Consultation Services

Should you ask us to assist you in any trade execution (including account rebalancing) it will only be done with your selected service provider and following your approval.

Investment Management Services

Third-party investment managers typically provide their services under *discretionary account* authority. Similar to a limited power of attorney, discretionary authority allows the third-party investment manager to implement investment strategies and trading decisions, such as the purchase or sale of a security on behalf of your account, without requiring your prior authorization for each transaction in order to meet your stated investment objectives.

This authority will be granted through your execution of the third-party manager agreement. The custodian of record will specifically limit their authority in your account to the placement of trade orders and the request for the deduction of advisory fees through your execution of their account opening documents.

If you require your account be managed in a non-discretionary manner, you should be aware that most third-party investment managers retain the right to either refuse or terminate an account or continue to manage the account under a higher asset-based fee due to increased operational costs. In light of the requirement for your pre-approval for a non-discretionary investment management account (if accepted), you must also make yourself available and keep both our firm and each selected third-party investment manager updated on your contact information so that instructions can be efficiently effected on your behalf.

Investment Supervisory Services

Retirement Capital Management, LLC typically provides its investment supervisory services on a *discretionary* basis as described above. In addition to our firm's client services agreement that describes our account authority, as well as the custodian of record's account opening documents, you will be required to complete their limited power of attorney form. This document will allow our firm to implement your investment or distribution decisions in order to meet your requests. You may amend our account authority by providing our firm revised written instructions. As noted in Item 4, we will allow for reasonable restrictions involving the management of your account. It remains your responsibility to notify us if there is any change in your situation and/or investment objective so that we may reevaluate previous investment recommendations or portfolio holdings.

Item 17 - Voting Client Securities

You may receive voting proxies or other similar solicitations sent directly from your custodian of record or transfer agent. Should we receive a duplicate copy please note that we do not forward these or any correspondence relating to the voting of securities, class action litigation, or other corporate actions.

Our firm does not vote proxies on your behalf nor do we offer guidance on how to vote proxies, to include those accounts we serve on a discretionary basis. You will maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities that are beneficially owned by you shall be voted, as well as making all other elections relative to mergers, acquisitions, tender offers or other events pertaining to your holdings.

Accounts managed through a selected third-party investment manager may have proxy voting executed by the portfolio manager or another qualified industry entity. It is important for you to review the selected third-party investment manager's Form ADV Part 2A to determine their proxy voting policies. You may also obtain copies of their written proxy voting policies and procedures as well as information on how proxies were voted for an account by requesting such information directly from that entity. They will generally not disclose proxy votes to other clients or third parties unless specifically requested, in writing, by you or your legal representative.

We do not offer guidance on or have the power, authority, responsibility, or obligation to take any action with regard to any claim or potential claim in any bankruptcy proceeding, class action securities litigation or other litigation or proceeding relating to securities held at any time in a client account, including, without limitation, to file proofs of claim or other documents related to such proceeding, or to investigate, initiate, supervise or monitor class action or other litigation involving client assets.

Item 18 - Financial Information

Our firm will not take physical custody of your assets, nor do we have the type of discretionary authority to have such control over account assets.

Fee withdrawals must be done through a qualified intermediary (e.g., account custodian of record), per the client's prior written agreement, and following the client's receipt of our firm's written notice (termed "constructive custody").

Our engagements do not require we will collect fees from you of \$1,200 or more for advisory services we will perform six months or more in advance.

Neither our firm nor its management serve as general partner for a partnership or trustee for a trust in which the firm's advisory clients are either partners of the partnership or beneficiaries of the trust.

The firm and its management do not have a financial condition likely to impair its ability to meet commitments to clients, nor has the firm and its management been the subject of a bankruptcy petition.

Due to the nature of our firm's advisory services and operational practices, an audited balance sheet is not required nor included in this brochure.