



GEN-WEALTH PARTNERS

*244 East Main Avenue
Zeeland, MI 49464
Phone: (616) 931-1270
Fax: (616) 931-1274
Email: gen-wealth@gen-wealth.com
Website: www.gen-wealth.com*

FIRM BROCHURE (ADV PART 2A)

MAY 11, 2021

This brochure provides information about the qualifications and business practices of Gen-Wealth Partners, Inc. If you have any questions about the contents of this brochure, please contact David L. Wilson at (616) 931-1270. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Gen-Wealth Partners, Inc. is a registered investment adviser. Registration of an Investment Advisor does not imply any level of skill or training. The written communications of an Advisor provide you with information about which you determine to hire or retain an Advisor.

Additional information about Gen-Wealth Partners, Inc. is available on the SEC's website www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The Advisor's CRD number is 281330.

2. MATERIAL CHANGES

Our last annual update to this firm brochure was filed on February 22, 2021; we have the following material changes to report:

- New Broker-Dealer relationship with Private Client Services, LLC. Please see Item 10 for additional details.

TABLE OF CONTENTS

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

4. ADVISORY BUSINESS

A. OWNERSHIP/ADVISORY HISTORY

Gen-Wealth Partners, Inc. (“the Advisor”) was established as a Michigan corporation in August 2015. It was subsequently registered as a Michigan investment adviser until 2020 when it became registered with the U.S. Securities and Exchange Commission. The Advisor’s owner and investment adviser representative is David L. Wilson (“Mr. Wilson”).

B. ADVISORY SERVICES OFFERED

The Advisor’s services include portfolio management services, financial planning and recommendations and monitoring of Institutional Strategists. The Advisor will meet with a client to evaluate the individual client’s investment needs, goals and objectives. After the evaluation, the Advisor may recommend one or more of the services described below.

i. FINANCIAL PLANNING

The Advisor offers clients financial planning services to evaluate their financial situation, goals and risk tolerance. Through a series of personal interviews and the use of questionnaires, the Advisor will collect pertinent data, identify goals, objectives, financial problems, potential solutions, prepare specific recommendations and implement recommendations. As a result of these actions, the Advisor’s advice may be provided on financial and cash management, risk management, financial issues relating to divorce or marital issues, estate planning, tax issues, stretch IRA planning, Investment Planning/Asset Allocation, retirement planning, educational funding, goal setting, or other needs as identified by the client and Advisor. The Advisor may offer broad-based planning services, or the client may desire advice on certain planning components; the Advisor can tailor services as desired by the client. At the conclusion of the Financial Planning Service the Advisor will present the client with a written financial plan.

ii. PORTFOLIO MANAGEMENT

Advisor and the client will create a customized portfolio that Advisor will manage on a discretionary basis for the client. Through a series of personal interviews, the Advisor works with the client to formulate an individualized asset allocation model for the client’s portfolio based upon his/her objectives, time frame, risk parameters and other investment considerations. Once the portfolio is created, the Advisor may also recommend one or more Institutional Strategists.

iii. Recommendation and Monitoring of Institutional Strategists

After an initial meeting with the client and when deemed appropriate, we may recommend the services of Institutional Strategists, who are independent investment advisers (“Institutional Strategist”), to manage the client’s account. Our recommendation will depend on the client’s circumstances, goals and objectives, strategy desired, account size, risk tolerance, or other factors. We work with the client to determine which Institutional Strategist may be appropriate. Clients are never obligated to use a recommended Institutional Strategist.

The Institutional Strategist will be part of either the Model Market Center (“MMC”), an offering of TD Ameritrade, Inc. or the Envestnet Asset Management, Inc.’s unified management account platforms. (“Envestnet” CRD # 111694). These platforms give us access to the services of

hundreds of Institutional Strategists whose investment philosophies range from conservative to aggressive.

We use these platforms to design portfolios that match a client's investment style with an Institutional Strategist's investment style. For example, we will recommend an active management Institutional Strategist when a client seeks an actively managed portfolio. Clients preferring a passively invested portfolio will be recommended a passive Institutional Strategist. The investment styles may also be combined to create a portfolio that is part actively managed and part passively managed.

Prior to recommending an Institutional Strategist we conduct a due diligence review of the available Institutional Strategists available on the platforms. We consider the following factors during our review: fees, reputation, performance, financial strength, management, price, reporting capabilities, client's financial situation, client's goals, client's needs, client's risk tolerance and client's investment objectives. After our review, we present the client with one or more recommendations. The client will be given a copy of the Institutional Strategists Form ADV Part 2A. Clients are encouraged to read and understand this disclosure document.

We will not refer a client to an Institutional Strategist unless it is registered, notice filed or exempt from registration as an investment adviser in the client's state of residence.

iv. Retirement Plan Services

Adviser provides participant education services on retirement plans. Additional services may be offered based on the needs of the qualified plan.

C. TAILORED SERVICES

As described above, the Advisor's services are individualized to each client. Portfolio management clients may impose restrictions on investment in certain securities or types of securities. All restrictions must be presented to the Advisor in writing.

D. WRAP PROGRAM

The Advisor does not sponsor or manage a wrap fee program.

E. CLIENT ASSETS MANAGED

As of January 26, 2021, we manage \$132,938,729 in client assets on a discretionary basis and \$0 in client assets on a non-discretionary basis.

5. FEES AND COMPENSATION

FINANCIAL PLANNING

The Advisor's financial planning services are offered on a fixed fee and hourly fee basis.

The Advisor charges a fixed fee when a client requests a financial plan on multiple topics. The fixed financial planning fee ranges \$1,000 to \$10,000. The fee is negotiable and is based upon the number of topics covered, the amount of time required to write the plan, and the areas of research involved.

The Advisor charges an hourly fee when clients request financial planning for an isolated topic. The hourly fee is \$250. The fee is negotiable based upon the type of planning selected and the amount of research to be conducted.

One half of the estimated hourly fee and fixed fee is due upon signing the financial planning agreement. The remainder is due upon the conclusion of the financial planning service. The client can pay for these services by check, credit/debit card or have fee deducted from an account managed by Adviser. For prepaid fees in excess of \$500, services will be completed within six months of the date fees are received.

A client may terminate the financial planning service for any reason within the first five (5) business days after signing the contract without any cost or penalty. Thereafter, the contract may be terminated by either the client or the Advisor at any point in time through written notice to the party's respective address of record. After the first five (5) business days, for hourly financial planning services the client will receive a prorated refund of the prepaid fees based upon the number of hours completed. For example, if client prepaid \$500 and one hour of work was completed, the client will receive a \$250 refund. The refund will be paid to the client by company check within 30 days of receipt of termination. Also, after the first five (5) business days, for fixed fee financial planning services the client will receive a prorated refund of the prepaid fees based upon the amount of work completed. For example, if client prepaid \$1,000 and 25 percent of the work was completed, the client will receive a \$750 refund. ($\$1,000 - \$250 = \750) The refund will be paid to the client by company check within 30 days of receipt of termination.

PORTFOLIO MANAGEMENT SERVICES AND RECOMMENDATION AND MONITORING OF INSTITUTIONAL STRATEGISTS

Fees will be based on a percentage of the assets under management. Each platform has its own fee schedule.

Custodian Reported Value	Annual Management Fee
Up to \$250,000	1.50%
\$250,000.01 to \$500,000	1.35%
\$500,000.01 to \$1,000,000	1.20%
\$1,000,000.01 to \$2,000,000	1.00%
Above \$2,000,000	.80%

All fees will be calculated, accrued and due quarterly in advance. The fee is negotiable based upon the size of the account and/or if the client has multiple accounts within his/her household managed by the Advisor. The fee will be based upon the previous quarter end account value. The client will be asked to authorize the Advisor with the ability to withdraw the fee directly from the client's account.

When we use the services of the Institutional Strategist, the above fees are separate and distinct from the platform fee and the Institutional Strategist's management fee. The maximum Envestnet annual platform fee is 0.50%. The Envestnet platform fee is calculated and collected quarterly in advance at the same time the Advisor's fee is collected. The maximum MMC annual platform fee is 0.75%. The MMC annual fee is calculated and collected monthly in arrears, which is at a separate

interval than the Advisor's fee. Envestnet and MMC's platform fees include the Institutional Strategists' management fees.

Notwithstanding our above fee schedule, the minimum annual fee is \$3,500, not to exceed 2.35% of assets under management. In addition, a quarterly \$10.00 technology fee will be charged to each account.

Additionally, clients may incur certain charges imposed by custodians, brokers, and other third parties such as fees charged by mutual fund managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Clients may choose to pay those fees individually, or they may pay an asset-based annual custodian fee of 0.15% per year based on the client's assets under management. The asset-based annual fee covers all ticket charges and brokerage transaction fees. Mutual funds and exchange traded funds also charge internal management fees, as disclosed in a fund's prospectus, which are separate and distinct from the firm's fee. The fee is paid directly to TD Ameritrade.

A client may terminate the Investment Management Agreement for any reason at any time and, within the first five (5) business days after signing the contract and receive a 100% refund of any fees paid without any cost or penalty. The refund will be paid by direct deposit back into the client's account. Thereafter, the Agreement may be terminated at any time by giving seven (7) days written notice. The written notice of termination must be sent to Gen-Wealth Partners, Inc., 244 East Main Avenue, Zeeland, MI 49464. Because Advisor's fee is charged in advance, the client will receive a prorated refund of unearned fees during the termination quarter. For example, if a client terminates an account 30 days into a 90-day quarter, the client will receive a refund of 67% of the fees charged at the beginning of the month. ($30/90 = 33\%$; $100\% - 33\% = 67\%$ refund) If permitted by the client's custodian the refund will be deposited into the client's account otherwise the refund will be paid to the client by company check directly to the client within 15 days of termination notice receipt.

RETIREMENT PLAN SERVICES

Adviser will charge an annual fee based on a percentage of assets in the qualified retirement plan. Our annual fee ranges from 0.25% to 0.75% depending on the size of the plan and the services provided. Our fee is negotiable. The fee will be calculated and collected quarterly, in arrears by the Plan Sponsor and paid to Adviser. The client will be asked to authorize the Plan Sponsor to withdraw the fee directly from the plan's assets.

Advisers fee does not include other third-party fees, such as transactions fees, recordkeeper fees or other related costs and expenses. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to, our fee and we will not receive any portion of these commissions, fee, and costs.

A client may terminate the Investment Management Agreement for any reason at any time and, within the first five (5) business days after signing the contract and receive a 100% refund of any fees paid without any cost or penalty. The refund will be paid by direct deposit back into the client's account. Thereafter, the Agreement may be terminated at any time by giving seven (7) days written notice. The written notice of termination must be sent to Gen-Wealth Partners, Inc., 244 East Main Avenue, Zeeland, MI 49464.

6. PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT

The Advisor does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) nor perform side-by-side management.

7. TYPES OF CLIENTS

The Advisor's services are offered to individuals and high net worth individuals. The Advisor requires a minimum of \$250,000 in managed accounts per household. This requirement may be waived at the discretion of the Advisor.

8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

The Advisor primarily uses two types of methods of analysis which are asset allocation and Modern Portfolio Theory. At the beginning of the relationship the Advisor creates an individualized asset allocation method for each client. When deciding on the asset allocation for a client, the Advisor takes into account the client's risk tolerance, goals, investment objectives and other data gathered during the client meetings. Asset Allocation is an investment strategy that aims to balance risk and reward by apportioning a portfolio's assets according to an individual's goals, risk tolerance and investment horizon among various asset classes. The asset classes typically include equities, fixed-income, and cash and equivalents. The risk associated with asset allocation is that each class has different levels of risk and return, so each will behave differently over time. Also, despite being diversified there is no guarantee that an account will grow.

Once the Advisor has created an individualized asset allocation for the client it creates a client's portfolio using Modern Portfolio Theory. Modern Portfolio Theory proposes that investing in a predetermined asset mix derived from the efficient frontier (dictated to achieve a specific client objective within a certain risk tolerance) and rebalancing with discipline, the portfolio is diversified across the various asset classes to mitigate unnecessary risk. This also provides for a portfolio that can operate without reliance on market timing and security selection; however, as with all equity investments positive returns are not guaranteed. In conjunction to investing in a diversified portfolio, each portfolio is constructed to meet specific parameters set forth in the individual client's investment policy statement and/or other documents. These parameters can include - but are not limited to - tax efficiency, concentrated stock positions and management history. Once again, the risk associated with a diversified portfolio is that each class has different

levels of risk and return, so each will behave differently over time and despite being diversified there is no guarantee that an account will grow.

Advisor purchases securities with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year. The risk associated with using a long-term purchase strategy is that it generally assumes the financial markets will go up in the long-term, which may not be the case. There is also the risk that the segment of the market that the client is invested in or perhaps just that client's particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

Advisor's analysis of securities and advice relating thereto may be based upon information obtained from annual reports, prospectuses and filings made with the Securities and Exchange Commission, corporate ratings services, financial newspapers and magazines, research materials prepared by others and financial data services. Advisor may also utilize computer models for performance analysis, asset allocation and risk management.

B. RECOMMENDED SECURITIES AND INVESTMENT RISKS

The Advisor uses various securities in client portfolios including, but not limited to, exchange traded funds and notes, mutual funds, unit investment trusts, common and preferred stocks, convertible securities, bonds (including government, municipal and corporate), traded and non-traded real estate investment trusts, alternative investments, money market funds and cash or cash equivalents.

All investments bear different types and degrees of risk and **investing in securities involves risk of loss that clients should be prepared to bear**. While the Advisor uses investment strategies that are designed to provide appropriate investment diversification, some investments have significantly greater risks than others. Obtaining higher rates of return on investments entails accepting higher levels of risk. Recommended investment strategies seek to balance risks and rewards to achieve investment objectives. A client needs to ask questions about risks he/she does not understand. The Advisor would be pleased to discuss them.

An investment could lose money over short or even long periods. A client should expect his/her account value and returns to fluctuate within a wide range, like the fluctuations of the overall stock and bond markets. A client's account performance could be hurt by:

- **Credit risk:** This is the risk that an issuer of a bond could suffer an adverse change in financial condition that results in a payment default, security downgrade, or inability to meet a financial obligation.
- **Inflation Risk:** This is the risk that inflation will undermine the performance of your investment and/or the future purchasing power of your assets.
- **Interest rate risk:** The chance that bond prices overall will decline because of rising interest rates. Interest rate risk will vary for the Advisor, depending on the amount of Client assets invested in bonds.

- **International Investing Risk:** Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, and regulatory and financial reporting standards, that differ from those of the U.S.
- **Liquidity Risk:** Liquidity risk exist when particular investments are difficult to purchase or sell, possibly preventing the ability to sell such illiquid securities at an advantageous time or price, or possibly requiring the client to dispose of other investments at unfavorable times or prices in order to satisfy its obligations.
- **Manager risk:** The chance that the proportions allocated to the various securities will cause the Client's account to underperform relevant to benchmarks or other accounts with a similar investment objective.
- **Stock market risk:** The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.

Additional risks associated with the Alternative Investments

- **Alternative Investments Risk:** Many alternative investments do not have secondary markets, which may result in the lack of liquidity. Additional risks will vary with each offering. Clients should read each offering memorandum. Advisor is willing to answer any questions regarding the investments.
- **Credit risk:** This is the risk that an issuer of a bond could suffer an adverse change in financial condition that results in a payment default, security downgrade, or inability to meet a financial obligation.

9. DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events within the past 10-years that would be material to your evaluation of the Advisor or the integrity of its management. The Advisor and its owners have no information applicable to this Item because they have never been the subject of any administrative, civil, criminal, regulatory (SEC or State) or self-regulatory proceedings.

10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. BROKER-DEALER AFFILIATIONS

The Advisor's investment adviser representatives are registered representatives of Private Client Services, LLC, an independent broker-dealer. The investment adviser representatives may recommend these services to clients. These other business activities pay commissions or advisory fees that are separate from the fees described in Item 5 above. This is a conflict of interest because the commissions or advisory fees give the investment adviser representatives a financial incentive to recommend and sell additional securities or advisory services to clients. However, the

investment adviser representatives attempt to mitigate any conflicts of interest to the best of their ability by placing the client's interests ahead of their own, through their fiduciary duty and by informing clients that they are never obligated to use recommended services through anyone associated with the Advisor.

B. FUTURES/COMMODITIES FIRM AFFILIATION

The Advisor and its owners are not affiliated with a futures or commodities broker.

C. OTHER INDUSTRY AFFILIATIONS

The Advisor's investment adviser representatives are independent life and health insurance agents. They may recommend this service to clients. This outside business activity pays them commissions that are separate from the fees described above. This is a conflict of interest because the commissions give the investment adviser representatives a financial incentive to recommend and sell clients the insurance products. However, they attempt to mitigate any conflicts of interest to the best of their ability by placing the client's interests ahead of their own, through their fiduciary duty and by informing clients that they are never obligated to purchase recommended insurance through any associated with the Advisor.

D. SELECTION OF INSTITUTIONAL STRATEGISTS

The Advisor may recommend the services of institutional strategists. This information can be found under Items 4 and 5, above. In some instances, the Advisor receives a portion of the Institutional Strategist's management fee, this creates a financial incentive to recommend Institutional Strategists that pay a higher percentage of the fee. The Advisor attempts to mitigate the conflict of interest to best of it ability by placing the client's interest ahead of its own, through its fiduciary duty and by following its Code of Ethics that establishes ideals for ethical conduct. The Advisor will ensure that the Institutional Strategist is properly registered or exempt from registration in the client's state of residence prior to making any recommendation.

11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. DESCRIPTION

The Advisor's Code of Ethics establishes ideals for ethical conduct upon fundamental principles of openness, integrity, honesty, and trust. The Advisor will provide a copy of its Code of Ethics to any client or prospective client upon request.

The Advisor's Code of Ethics covers all supervised persons and it describes its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at the Advisor must acknowledge the terms of the Code of Ethics annually, or as amended.

B. MATERIAL INTEREST IN SECURITIES

The Advisor and the owners do not have a material interest in any securities that are used in client portfolios.

C. INVESTING IN OR RECOMMENDING THE SAME SECURITIES

The Advisor's investment adviser representatives may buy or sell for their own accounts the same securities at or about the same time that they recommended to buy or seller purchase for client accounts. This causes a conflict of interest because they can trade ahead of client trades. The Advisor mitigates the conflict of interest in two ways. First, the Advisor's Code of Ethics requires employees to: 1) report personal securities transactions on at least a quarterly basis, and 2) provide the Advisor with a detailed summary of certain holdings (both upon commencement of employment and quarterly thereafter) in which the investment adviser representatives have a direct or indirect beneficial interest. The reports are reviewed to ensure the investment adviser representatives do not trade ahead of client accounts. Second, the Advisor requires client transactions be placed ahead of investment adviser representative's personal trades or they may place personal trades as part of Advisor's block trades (Please see Item 12.B for details on Advisor's block trading practices). The records of all associates' personal and client trading activities are reviewed and made available to regulators to review on the premises.

12. BROKERAGE PRACTICES

A. RECOMMENDATION CRITERIA

The Advisor currently recommends the clearing and custody services of TD Ameritrade Institutional, which is a division of TD Ameritrade, Inc. ("TD Ameritrade"), member FINRA/SIPC. Some of the primary considerations in determining reasonableness of commissions are: rates charged by other brokers that provide clearing or custody services for registered investment advisers; reputation and financial strength; breadth and depth of available products, with an important factor being the broker's no-transaction-fee mutual fund universe; accuracy with which transactions are processed; customer service responsiveness; availability of technology solutions interoperable with our systems and suitable for managing multiple accounts; as well as client satisfaction. The Advisor periodically evaluates the foregoing factors, and while it may conclude based on its review that commission rates paid by clients are reasonable, lower commissions may be available from other brokers or in conjunction with retail (non-advisory) accounts, and certain mutual funds that carry a transaction fee may be available on a no-transaction-fee basis from other brokers or directly from the fund company.

i. RESEARCH AND SOFT DOLLARS

"Soft dollars" are defined as a form of payment investment firms can use to pay for goods and services such as news subscriptions or research. When an investment firm gives its business to a particular brokerage firm, the brokerage firm in return can agree to use some of its revenue to pay for these types of services. The Advisor does not receive "soft dollars" from any vendor, service provider or custodian.

ii. BROKERAGE FOR CLIENT REFERRALS

The Advisor does not receive client referrals or any other incentive from any broker-dealer or custodian.

iii. DIRECTED BROKERAGE

The Advisor does not allow directed brokerage.

B. TRADE AGGREGATION

The Advisor may aggregate orders with respect to the same security purchased for different clients. When orders are aggregated, each participating account receives the average share price for the transaction and bears a proportionate share of all transaction costs, based upon each account's participation in the transaction, subject to our discretion depending on factual or market conditions. Clients participating in block trading may include proprietary or related accounts. Such accounts are treated as client accounts and are neither given preferential nor inferior treatment versus other client accounts. Allocations of orders among client accounts must be made in a fair and equitable manner.

13. REVIEW OF ACCOUNTS

A. PERIODIC REVIEWS

The Advisor's owner, Mr. Wilson and Investment Adviser Representatives, attempt to meet with each client in person, by video conference or by telephone annually.

B. OTHER REVIEWS

Reviews may also be triggered by events within client's lives, as well as pertinent news events, changes in federal and state regulatory or tax regimes, and overall economic events.

C. REPORTS

Portfolio management clients will receive monthly reports from their custodian unless there is no activity in the account, in which case they will receive quarterly statements.

14. CLIENT REFERRALS AND OTHER COMPENSATION

A. OTHER COMPENSATION

As disclosed under Item 12, above, the Advisor participates in TD Ameritrade's institutional customer program and Advisor recommends TD Ameritrade to clients for custody and brokerage services. There is no direct link between the Advisor's participation in the program and the investment advice it gives to its clients, although the Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving the Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then

allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to the Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by the Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program will benefit the Advisor but may not benefit its client accounts. These products or services assist Advisor in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by the Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, the Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by the Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

B. CLIENT REFERRALS

The Advisor does not pay for client referrals or use solicitors.

15. CUSTODY

All client funds, securities and accounts are held at third-party custodians. The Advisor does not take possession of a client's funds, securities or accounts. However, portfolio management clients will be asked to authorize the Advisor with the ability to deduct its fees directly from the client's account. This authorization will apply to the Advisor's management fees only. A client may cancel the Advisor's ability to deduct the fees from the Account by notifying the Advisor at any time. The Account's custodian will send a quarterly account statement, indicating the amount of fees withdrawn from the client's Account. The Advisor urges clients to carefully review their statements and notify the firm of any discrepancies as soon as possible.

At times, we assist some clients with the ability to move money from one account to another. In these situations, you will sign standing letter of instruction ("SLOAs") with your custodian that grants us the ability to facilitate the transfer. When your money is transferred between accounts with different titles, this is considered a limited form of custody. In 2017, the SEC issued a no-action letter ("Letter") with respect to the Rule 206(4)-2 ("Custody Rule") under the Investment Advisers Act of 1940 ("Advisers Act"). We and your custodian follow the safeguards outlined in the letter. These safeguards include:

- The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.

- The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization and provides a transfer of funds notice to the client promptly after each transfer.
- The client can terminate or change the instruction to the client's qualified custodian.
- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
- The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

16. INVESTMENT DISCRETION

The Advisor offers discretionary investment management services. In order to grant the Advisor discretionary power over the account the client must sign the investment management agreement. The Advisor's investment management agreement contains a limited power of attorney that allows the firm to select the securities to be bought and sold and the amount of securities to be bought and sold in the client's account. It also allows the Advisor to place each such trade without the client's prior approval. Also, the client's custodian may request the client to sign the custodian's limited power of attorney. This varies with each custodian. The Advisor will discuss all limited powers of attorney prior to their execution. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account, and any other investment policies, limitation or restrictions.

17. VOTING CLIENT SECURITIES

The Advisor does not vote proxies. Clients will receive proxy materials directly from their account's custodian or Institutional Strategist. Any proxy solicitation materials received by the Advisor will be forwarded to clients for response and voting. In the event a client has a question about proxy solicitation, the client should contact his/her investment adviser representative.

18. FINANCIAL INFORMATION

A. BALANCE SHEET

The Advisor is not required to provide a balance sheet because the Advisor does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance.

B. FINANCIAL CONDITION

Registered investment advisers are required to provide you with certain financial information or disclosures about the Advisor's financial condition. The Advisor has no financial commitment that impairs its ability to service its clients.

C. BANKRUPTCY

The Advisor, its owner and its investment adviser representatives have not been the subject of a bankruptcy proceeding.