

## Item I Cover Page



# Comperio Retirement Consulting, Inc.

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## FORM ADV PART 2A BROCHURE

This Brochure provides information about the qualifications and business practices of Comperio Retirement Consulting, Inc. ["CRC"]. If you have any questions about the contents of this Brochure, please contact us at (800) 479-9869 and/or [jsotell@ComperioRC.com](mailto:jsotell@ComperioRC.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional Information about CRC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Comperio Retirement Consulting is 140786.

Comperio Retirement Consulting is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

## Item 2 – Material Changes

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

Comperio Retirement Consulting, Inc's business activities have not changed materially since the last update.

Currently, our Brochure may be requested by contacting James R. Sotell, Managing Director at (919) 401-3500 or [jsotell@comperiorc.com](mailto:jsotell@comperiorc.com).

Additional information about CRC is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with CRC who are registered, or are required to be registered, as investment adviser representatives of CRC.

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## Item 4 – Advisory Business

CRC was founded in May 2006 by two investment professionals with over twenty years of investment experience. CRC is principally owned today by James R. Sotell. As of 12/31/2020, CRC advises Plan Sponsors on approximately \$1,800,000,000 (\$1.8B) in retirement plan assets for ongoing retainer business.

### Retirement Plan Consulting Services

CRC's services will consist of the following components to provide a complete set of advisory services to retirement plan sponsors. Clients may choose to use any or all of these services.

Investment Policy Statement Preparation (hereinafter referred to as "IPS"): CRC will meet with the client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. CRC will then prepare a written Investment Policy Statement (IPS) stating those needs and goals and encompassing a policy under which these goals are to be achieved. The IPS will also list the criteria for selection of investment managers and the procedures and timing interval for monitoring of the investment manager's performance.

Selection of Investment Vehicles: CRC will review various investments to determine which investments are appropriate to implement the client's IPS. CRC will review various investments, consisting primarily of mutual funds (both passive and actively managed), collective trust and/or ETFs to determine which of these investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client and CRC, based upon the IPS.

Monitoring of Investment Performance: Client investments will be monitored continuously based on the procedures and timing intervals delineated in the IPS. Although CRC will not be involved in any way in the purchase or sale of these investments, CRC will supervise the client's portfolio and will make recommendations to the client as market factors and the retirement plan's needs dictate.

Evaluation of Total Plan Cost: CRC will provide support to the client in understanding and evaluating total plan cost and revenue sharing.

Employee Communications & Education: For retirement plans, including profit sharing and 401(k) plans where there are individual accounts with participants exercising control over assets in their own account ("self-directed plans"), CRC may also provide educational support and investment workshops designed for the Plan Participants. The nature of the topics to be covered will be determined by CRC and the client under the guidelines established in ERISA Section 404(c). Enrollment and educational meeting will cover investment principles and concepts, plan information, and the advantages of tax-deferred savings.

Plan information: CRC provides information that informs participants about the benefits of retirement plans, advantages of contributing to a plan or increasing their contributions, the tax status of contributions, terms of the plan and the impact of withdrawals or loans on retirement income. In addition, CRC provides information pertaining to the investments offered in the plan, such as investment objectives, risk and return characteristics of a particular fund and historical returns.

General financial and investment information: CRC may provide plan participants with information about general investment concepts, including concepts such as diversification, dollar-cost averaging, compounding, risk and return, the effect of inflation, and tax deferral. CRC also will include information about the historic differences in rates of return between different asset classes based on standard market indices (identifying, e.g., bonds, equities and cash as examples of asset classes). CRC may also assist participants with tools to estimate future retirement income needs, determine investment time horizons and assess risk tolerance.

Asset allocation model portfolios: CRC may provide information or materials that provide hypothetical asset allocation model portfolios with different time horizons and risk profiles. Under certain conditions for educational purposes, specific fund options may be identified with asset classes. CRC utilizes pie charts, graphs and case studies to show hypothetical allocation models based on generally accepted investment theories that take into account the historic returns of different asset classes over defined periods of time. Participants are provided with descriptions of material facts and assumptions to accompany the models, and facts and assumptions that figure in the model which may include retirement ages, income levels, rates of return, financial resources, replacement income ratios, and inflation rates.

Third Party Manager Search and Monitoring: CRC also provides third party manager search and monitoring services for Pension Plans (Defined Benefit Plans). Based on a client's individual circumstances and needs, CRC will determine which money manager's portfolio management services are appropriate for that client. Factors considered in making this determination include quantitative and qualitative factors including but not limited account size, risk tolerance and the investment philosophy of the independent money manager. Clients should refer to the independent money manager's legally required disclosure document for a full description of the services offered. CRC will meet with the client on a regular basis, or as determined by the client, to review the account.

If CRC believes that a particular independent money manager is performing inadequately, or if CRC believes that a different manager is more suitable for a client's particular needs, then CRC may recommend that the client contract with a different money manager. Under this scenario, CRC will assist the client in selecting a new money manager, and then monitor that money manager's performance.

## **Financial Planning Services**

CRC may also provide advice in the form of Financial Planning. Clients purchasing this service may receive a written financial plan, providing the client with a detailed financial plan designed to achieve their stated financial goals and objectives. In general, the financial plan may address any or all of the following areas of concern:

PERSONAL: Family records, budgeting, personal liability, estate information and financial goals.

TAX & CASH FLOW: Income tax and spending analysis and planning for past, current and future years. CRC may illustrate the impact of various investments on a client's current income tax and future tax liability.

DEATH & DISABILITY: Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.

RETIREMENT: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.

INVESTMENTS: Analysis of investment alternatives and their effect on a client's portfolio.

CRC gathers required information through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed, including a questionnaire completed by the client, and a written report may be prepared. Should a client choose to implement the recommendations contained in the plan, CRC suggests the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

## **Item 5 – Fees and Compensation**

In certain circumstances, fees may be negotiable depending on the total level of services agreed to between CRC and the client and the number of plan participants.

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. While this is no longer technically required by Form ADV Part 2 delivery rules, the client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

CRC's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed

by custodians, brokers, third party investment 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 (ETFs) also charge internal management fees, which are disclosed in a fund's prospectus. These fees will generally include a management fee and other fund expenses. All fees paid to CRC for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds, collective trusts and ETFs to their shareholders. The services provided by CRC which are designed, among other things, to assist the client in determining which mutual fund, collective trust, ETF or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by CRC to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Such charges, fees and commissions are exclusive of and in addition to CRC's fee, and CRC shall not receive any portion of these commissions, fees and expenses.

The specific manner in which fees are charged by CRC is established in a client's written agreement with CRC. CRC will generally bill its fees as a fixed or hourly fee. Clients will be billed in advance each calendar quarter. If a Client terminates during the quarter, they will be refunded the prorated amount as of the termination date. Clients may also elect to be billed directly for fees or to authorize Client's service provider to directly debit fees from client accounts.

Item 12 further describes the factors that CRC considers in recommending broker-dealers/custodians for *client* transactions and determining the reasonableness of their compensation (e.g., commissions).

### **Advisory Fees**

#### **Retirement Plan Consulting Services:**

CRC will charge Retirement Plan Consulting Services fees in one or more of the two ways listed below, upon mutual agreement with the advisory client:

1) **Fixed fee:** As a fixed project fee (for example: Fee Analysis Project, Benchmark Project, Target Date Project and Vendor Search Project), typically the fee ranges from \$10,000 to \$50,000, depending on the nature and complexity of the client's circumstances and upon mutual agreement with the client. 50% of this fee may be due upon signing the Advisory Agreement, with the balance due upon completion of the service. Advance payment will never exceed \$1,200 for work that will not be completed within six months;

Ongoing fiduciary consulting is typically priced as a flat fee amount and is based upon plan assets, plan complexity and services offered in ongoing consulting relationship.

2) **Asset Based Fees:** Ongoing fiduciary consulting can also be priced as a percentage of assets fee. This fee is calculated quarterly based on plan assets at the end of the calendar quarter. The fee typically ranges from 0.25% to 0.50%. The specific fee schedule fee will denoted in the Client's Advisory Agreement.

3) **Hourly basis:** CRC provides services on an hourly basis for independent project work that is outside the scope of the ongoing consulting services outlined and agreed to in the Advisory Agreement. Services are charged on an hourly basis, ranging from \$150 to \$250 per hour, depending on the nature and complexity of the client's circumstances and upon mutual agreement with the client. An estimate for total hours will be determined at the start of the project. 50% of this fee may be due upon signing the Advisory Agreement, with the remaining balance (based on actual hours) due upon completion of the service.

### **Financial Planning Services:**

Financial planning fees will be charged in one or both of two ways:

1. As a fixed fee, typically ranging from \$1,000 to \$3,000.
2. On an hourly basis, ranging from \$150 to \$250 per hour. If appropriate, an estimate for total hours will be determined at the start of the advisory relationship. A retainer may be requested upon completion of CRC's fact-finding session with the client; however, advance payment will never exceed \$1,200 for work that will not be completed within six months. The balance will be due upon completion of the plan or consulting service.

CRC's financial planning will be determined based on the nature of the services being provided and the complexity of each client's circumstances.

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

CRC 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). All fees charged are calculated as described above and are not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (Section 205(a)(1) of the Advisers Act).

As an investment adviser that solely provides Retirement Plan Consulting and Financial Planning services and does not charge performance-based fees, CRC does not have any side-by-side management conflicts to disclose.



## Item 7 – Types of Clients

CRC provides retirement plan consulting services to corporate retirement plans, pension plans and profit-sharing plans. CRC provides financial planning services to individuals and high net worth individuals.

### **Conditions for Managing Accounts:**

**Retirement Plan Consulting Services:** CRC generally requires a minimum plan asset size of \$10,000,000 for retirement plan consulting services. This minimum account size may be negotiable under certain circumstances.

**Financial Planning Services:** CRC does not have any minimum requirements for financial planning services.

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

CRC's methods of analysis and investment strategies are based on a number of factors including those derived from commercially available software technology, fund rating services, general market and financial information, due diligence reviews and specific investment analysis that clients may request.

CRC employs both a quantitative and qualitative analysis of funds. CRC has a detailed ranking process of funds through a multi factor weighted model. This is then followed up by a detailed analysis of quantitative factors on the funds. For example, manager tenure, expenses, style consistency and batting average to name a few factors being analyzed. In addition, CRC will conduct a qualitative review of possible funds.

***Investing in securities involves risk of loss that clients should be prepared to bear.***

The mutual funds and ETFs recommended by CRC may include funds invested in domestic and international equities, including Real Estate Investment Trust (REITs), corporate and government fixed income securities and commodities. Equity securities may include large capitalization, medium capitalization and small capitalization stocks. The prices of the common stocks, other securities or commodities held by the funds may decline (and the fund price may

in turn decline) in response to certain events taking place around the world, including those directly involving the issuers whose securities are owned by the funds; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; governmental or governmental agency responses to economic conditions; and currency, interest rate and commodity price fluctuations.

Certain funds recommended by CRC may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility, as more fully described in the respective fund's prospectus. These risks may be greater with investments in developing countries.

Certain funds recommended by CRC may invest in lower rated fixed income securities. Funds invested in lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher rated bonds. The return of principal for the bond holdings in mutual funds and ETFs is not guaranteed. Mutual funds and ETF shares are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Mutual funds and ETFs are subject to market fluctuations and involve the risk of loss that clients should be prepared to bear. Clients should carefully consider the investment objectives, risks and expenses of the various funds recommended by CRC. This and other important information is contained in each funds summary prospectus and prospectus, which can be obtained directly from your account custodian. Please contact CRC if you need assistance in obtaining additional information.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of CRC or the integrity of CRC's management. CRC has no information applicable to this Item and has no legal, regulatory or disciplinary events that have occurred or need to be disclosed.

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

Neither CRC nor any of its associates are affiliated with or maintain a material relationship or arrangement with any other financial services industry, such as a broker-dealer.

## **Item 11 – Code of Ethics**

CRC has adopted a Code of Ethics for all Supervised Persons of the firm describing 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, 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 CRC must acknowledge the terms of the Code of Ethics annually, or as amended. CRC requires that all Supervised Persons to act in accordance with applicable regulations governing registered investment advisory practices.

CRC anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which CRC, its affiliates and/or clients, directly or indirectly, have a position of interest. CRC's employees and persons associated with CRC are required to follow CRC's Code of Ethics. Subject to satisfying this policy and applicable laws, officers/directors and employees of CRC and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for CRC's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of CRC will not interfere with (i) making decisions in the best interest of advisory clients and (ii) recommending such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics, certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of CRC's clients. In addition, the Code of Ethics requires pre-clearance of certain transactions. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. However, based on CRC's business model and the types of investments recommended by CRC, there is a small probability of this occurring. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between CRC and its clients.

CRC's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting James Sotell at (919) 401-3500.

It is CRC's policy that the Firm will not affect any principal or agency cross securities transactions for client accounts. CRC will also not cross trades between client accounts.

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

CRC does not arrange for the execution of securities transactions as part of its advisory services. Clients must direct CRC as to the broker dealer/custodian to be used. In directing the use of a particular broker-dealer/custodian, it should be understood that CRC will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission/custodial fee charges may exist between the commissions/custodial fees charged to other clients. Not all advisers require their clients to direct brokerage.

CRC may recommend one of several broker-dealers/custodians, to advisory clients. Clients must independently evaluate these broker dealers before opening an account. The factors considered by CRC when making this recommendation are the broker dealer/custodian's ability to provide professional services, CRC's experience with the broker-dealer/custodian, the broker dealer/custodian's reputation, and the broker-dealer/custodian's financial strength, among other factors.

## **Item 13 – Review of Accounts**

### **Retirement Plan Consulting Services:**

Reviews: CRC will review client investment policy statements whenever there is a client indicating a change in circumstances regarding the needs of the plan. CRC will also review the investment options of the plan according to the agreed upon time intervals established in the investment policy statement. Such reviews will generally occur quarterly.

Reports: These client accounts will receive reports as contracted for at the inception of the advisory relationship.

## **Financial Planning Services:**

Reviews: These client accounts will be reviewed as contracted for at the inception of the advisory relationship.

Reports: Financial Planning clients may receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for at the inception of the advisory relationship.

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

CRC may from time to time compensate, either directly or indirectly, any person (defined as a natural person or a company) for client referrals. CRC is aware of the special considerations promulgated under Section 206(4)-3 of the Investment Advisers Act of 1940 and similar state regulations. Should CRC elect to compensate such persons, appropriate disclosure shall be made, all written instruments will be maintained by CRC and all applicable Federal and/or State laws will be observed.

Supervised Persons of CRC may be compensated based upon revenue generated by their own customers. This compensation is paid completely by CRC from the investment advisory fees earned which are not increased or passed along to a client in any way.

## **Item 15 – Custody**

CRC does not maintain custody of any accounts. Ultimately, clients choose their custodian independently.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. CRC urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

CRC generally acts in a non-discretionary role under Section 3(21)A of the Employee Retirement Securities Acts of 1974, as amended ("ERISA").

Under certain client agreements, CRC can act as an investment manager/discretionary fiduciary within the meaning of Section 3(38) of ERISA. CRC's appointment as an investment manager

extends only to the responsibilities of selecting, monitoring and replacing investments or investment options.

## **Item 17 – Voting *Client* Securities**

**Proxy Policy:** As a matter of policy and practice, CRC does not have any authority for the voting of any advisory client proxies for portfolio securities. In the event any client may request assistance about the proxy voting process, CRC may provide information to assist the client but the client maintains the responsibility for receiving and voting any client proxies.

**Class Actions, Bankruptcies and Other Legal Proceedings:** Clients should note that CRC will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct CRC to transmit copies of class action notices to the client or a third party. Upon such direction, CRC will make commercially reasonable efforts to forward such notices in a timely manner.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about CRC's financial condition. CRC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.