

**FIRM BROCHURE  
(Part 2A of Form ADV)**

**March 31, 2023**

**CGI PLAN ADVISORS, INC.**

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**Part 2A of Form ADV (the “Brochure”) provides information about the qualifications and business practices of CGI Plan Advisors, Inc. If you have any questions about the contents of this Brochure, please contact us at (610) 854-1420 and/or [bpalmer@cgiadvisors.com](mailto:bpalmer@cgiadvisors.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.**

**CGI Plan Advisors, Inc. is registered as an investment adviser with the U.S. Securities and Exchange Commission; however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made.**

**Additional information about CGI Plan Advisors, Inc. is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**ITEM:1. COVER PAGE**

Please refer to previous page.

**ITEM:2. MATERIAL CHANGES**

As of December 31, 2022, CGI Plan Advisors, Inc.'s ("CGI," or the "Firm") Regulatory Assets Under Management ("RAUM") had fallen below \$200 million, the minimum amount required to maintain the Firm's exemption from the prohibition on SEC registration under Rule 203A-2(a) of the Investment Advisers Act of 1940 (the "Advisers Act"). RAUM as of that date was \$194 million. However, CGI Plan Advisors remains eligible to maintain its SEC registration as a "related advisor" under Rule 203A-2(b) of the Advisers Act, because it is under common control with and has the same principal office and place of business as CGI Wealth Advisors, Inc., an SEC registered investment advisor. CGI Plan Advisors has updated its applicable SEC filing to reflect this change in its registration status.

There have been no other material changes since CGI Plan Advisors' Brochure was last updated.

Additional information about the Firm and its investment adviser representatives is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may also visit our website at [www.cgiadvisors.com](http://www.cgiadvisors.com) or contact us at [bpalmer@cgiadvisors.com](mailto:bpalmer@cgiadvisors.com).

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## **ITEM:4. ADVISORY BUSINESS**

### **A. Description of Firm**

CGI Plan Advisors, Inc. (“CGI Plan Advisors” or the “Firm”) is a southeastern Pennsylvania investment advisory firm founded in 2020. CGI Plan Advisors is incorporated in the state of Pennsylvania and is currently registered with the Securities and Exchange Commission (“SEC”) as an investment adviser. The Investment Advisers Act of 1940 references “advisers” instead of our preferred spelling of “advisors”. The Firm conducts business primarily in Pennsylvania, but can work with clients domiciled in other states. CGI Plan Advisors is 100% owned by V. Bradley Palmer. Although the Firm was first organized in 2020, Brad Palmer has over 17 years of advisory experience with other registered investment advisory firms and over 35 years of experience in the financial services industry.

### **B. Types of Advisory Services Offered**

CGI Plan Advisors primarily provides investment advisory services to 401(k) and other profit sharing or pension plans. As discussed more fully below, CGI Plan Advisors helps plan sponsors and their plan trustees decide what types of investment options to make available to plan participants, and then provides the consulting services needed to establish performance criteria for these investments, monitor their performance, and document the process to help reduce the fiduciary liability of the trustees and other plan fiduciaries. The Firm also offers “Other Consulting Services” customized to help each client achieve their unique objectives.

In recommending the types of investment options to make available to plan participants, CGI Plan Advisors relies heavily on the principles of “Modern Portfolio Theory” and “Diversified Asset Allocation.” These principles emphasize the value of diversification through the allocation of investment portfolios amongst multiple types of basic stock, bond, and cash asset classes. By giving plan participants multiple asset classes from which to choose, a high level of diversification is attainable by each participant and the fiduciary liability of trustees and other plan fiduciaries is reduced. These investment options can be chosen from a menu of mutual funds, Exchange Traded Funds (ETFs), Collective Investment Trusts (CITs), or Separate Accounts. The Firm does not have discretionary authority to invest any assets of the plan, but the Firm helps the plan decide which investment options to make available to participants, and the participants make their own decision as to which options to utilize in their own account. The Firm is not an investment manager to any mutual fund, ETF, CIT or Separate Account.

In addition to providing advice to the plan on what types of investment options to offer, CGI Plan Advisors also advises on the criteria to use in selecting specific funds to represent each asset class offered. Typical criteria includes rate of return, risk, manager tenure, and other factors believed to be indicators of a fund’s adherence to its original asset style and its ability to sustain acceptable rate of return performance.

This process of receiving and accepting advice by the trustees and other plan fiduciaries is then documented by an Investment Policy Statement and several other potential documents, depending upon the client situation, that form a “Governance Package”. An Investment Policy

Monitoring (IPM) system is then used on a recurring basis to monitor ongoing investment performance and help further reduce potential fiduciary liability of trustees and other plan fiduciaries.

In addition to providing services to the plan sponsor and/or trustees, the Firm may also provide investment education and guidance to the plan participants to assist them in choosing investment options that are most suitable for their situation. The Firm does not make the decision for the participant, but provides information and guidance to allow the participant to make a more informed decision.

In connection with providing advisory services to a plan, the Firm may be asked to provide information regarding other consulting, plan design, and plan administration services that are not directly related to investments. CGI Plan Advisors regularly conducts due diligence through detailed Requests for Information (RFIs) of various third party administrators, recordkeepers, or other service providers, and prepares comparative reports at no charge to aid trustees and other plan fiduciaries in selecting service providers best suited to their situation and objectives. Some desired services may relate to specific ERISA or Department of Labor requirements for which the plan seeks assistance. The Firm expects these additional services to be infrequent, but can be quoted on an as-needed basis by a plan.

### **C. General Information About CGI Plan Advisors' Advisory Services**

#### **1. Gathering Individual Client Information**

Before any advice is provided to a plan, the Firm will meet with representatives of the Plan to learn the specific needs, limitations, desires, goals, and concerns of the plan, and to understand the demographics of the participants. Once the client situation is understood, the Firm will make recommendations they believe are suitable for that particular plan. The recommendations may be based on a variety of factors, including investment risk tolerance level of the plan trustees and participants, objectives, any industry or other limitations, investment risk exposure and investment style of each investment vehicle, relative costs and expenses of each investment vehicle, any applicable ERISA or other restrictions, and comparisons of available investment options.

#### **2. Advisory Agreements**

Prior to engaging CGI Plan Advisors to provide investment advisory services, the client, which in most cases will be the plan itself, will be required to enter into a written agreement with the Firm setting forth the specific services desired, the fees to be charged, and the terms and conditions under which it will render its services. CGI Plan Advisors will provide a Brochure and one or more Brochure Supplements to each client or prospective client prior to or contemporaneously with the execution of a Client Service Agreement. The advisory relationship will continue until terminated by the client or CGI Plan Advisors in accordance with the provisions of these agreements.

#### **D. Wrap-Fee Programs**

CGI Plan Advisors does not provide portfolio management services to any wrap fee programs, as that term is defined the instructions to Form ADV Part 2.

#### **E. Discretionary and Nondiscretionary Assets Advised**

As of December 31, 2022, the Firm advised plans with assets totaling approximately \$194,000,000 on a non-discretionary basis. As of the date of this Brochure, the Firm has no plans which are advised on a discretionary basis.

### **ITEM:5. FEES AND COMPENSATION**

#### **A. Advisory Fees**

Prior to engaging CGI Plan Advisors to provide advisory services, the client will be required to enter into a written agreement with the Firm setting forth the terms and conditions and the fees under which it will render its services. Fees may be subject to negotiation under certain circumstances as agreed on by the Firm and the client. CGI Plan Advisors generally recommends a fixed fee calculation rather than the ongoing percent of assets fee that many advisors recommend which can result in unwanted annual fee increases that may go unnoticed. The following description of fees outlines the typical fee structure under which CGI Plan Advisors renders its services. The actual schedule of fees, as it applies to a particular client, will be clearly outlined in the Client Agreement, or in an Addendum or Supplement to the Agreement.

##### **1. Initial One Time Fees**

CGI Plan Advisors generally charges an initial fee for the Governance Package referenced earlier that identifies the type of investments to be offered and the criteria that will be used to select and monitor these investment options.

##### **2. Ongoing fees**

(a) **Investment Policy Monitoring**: Clients pay a fixed fee for each investment offered. Separate fees exist depending upon type of investment, which may include actively managed funds, passively managed funds, Age-Based Target Maturity Funds, Risk-Based Model Portfolios, etc.

(b) **Plan Service Fees**: Clients pay a fixed fee for oversight of industry legislation and compliance modifications that may be needed to monitor investments for fund mergers, name changes, and the introduction of new, cheaper share classes. Clients pay a separate fixed fee for 404(c) disclosure statements designed to increase fiduciary liability protection. Clients also have the option to pay a fixed fee for the preparation of Investment Committee Meeting minutes.

(c) **Enrollment Meetings**: A fixed fee will be charged for each enrollment meeting conducted by CGI Plan Advisors.

(d) Participant Service Fees: A fixed fee based upon the lesser of the number of plan participants or the volume of assets is charged for the availability of CGI Plan Advisors to plan participants for service questions and guidance.

(e) Client Requested Revisions: Client initiated change considerations, such as the addition of a new asset class to the menu of investments offered, will be charged fixed fees for the research and/or documentation needed for each change made or considered.

### 3. Fees for Other Consulting Services or Plan Specific Fees

In some instances, a plan may request a unique service(s) not listed in the normal fee agreement. In such a case, the Firm will specify in a supplement to the advisory agreement with the plan the exact fees that may apply. Some of these fees may be based on a per participant basis, a per investment option basis, an hourly consulting fee, or other specific fees for specific reports or services requested.

**Minimum Fee** — CGI Plan Advisors has no minimum fee and welcomes start up plans and/or small takeover plans where the Firm will establish a fee schedule that is affordable and below average in cost based upon the size of the plan in terms of participants and assets.

## **B. Billing Method**

Fees can be paid in a variety of ways and frequently combines several methods in one plan.

### 1. Direct Billed to Plan Sponsor

In this case, all bills are submitted to the plan sponsor for payment and none of the Firm's fees are charged at the participant account level.

### 2. Billed to Participant Accounts

(a) Fixed Fee Per Capita: Participants pay a fixed fee, such as \$80 per year, toward the total fee charged to the plan.

(b) Percent of Assets: Participants pay a percent of assets based upon the total fixed fee as a percent of the total plans assets. This method is discouraged when a plan has a wide range of participant account values to avoid those with large balances from paying a disproportionate amount of the total fee.

(c) Addendum: Fees are itemized and disclosed as an addendum to the service agreement.

## **C. Other Fees and Expenses**

Clients should be aware additional fees are imposed by other service providers and determine their level of responsibility in allocating these costs as well. CGI Plan Advisors can

usually help determine these expenses. In addition, mutual funds, ETFs, CITs and Separate Accounts typically charge fees to their shareholders, which are described in their respective prospectus documents, and usually include a management fee, administrative and operations fees, and certain distribution fees such as 12b(1) and Sub Transfer Agent fees. These fees generally comprise a fund's "expense ratio," are deducted at the fund level, and have a direct bearing on the fund's performance (and the client's net investment return). In some cases, through a process called revenue sharing, mutual funds may distribute some of the fees they collect in their expense ratio to service providers as an inducement to use their funds. CGI Plan Advisors accepts no revenue sharing and when revenue sharing is available, endeavors to have it returned to the participant's account from which it was taken. The Firm's preference is to use funds that do not engage in revenue sharing.

In addition, some mutual funds offer different share classes of the same fund, and one share class can have a higher expense ratio than another. Front or back-end sales charges and/or redemption fees may exist in some share class. CGI Plan Advisors endeavors to recommend the lowest cost share class available to a plan and avoid funds with front or back-end sales charges or redemption fees. It is possible the cheapest share class may have a minimum account size.

All fees paid to CGI Plan Advisors for its services are separate and distinct from the fees and expenses outlined above.

#### **D. Termination of Services**

CGI Plan Advisors bills clients quarterly in arrears. Terminating clients are charged a pro-rated amount for unpaid fees. Either the client or CGI Plan Advisors may terminate the Firm's services without penalty at any time. The Firm determines the amount to be collected from the client, if any, by calculating the pro-rata portion of quarterly fees earned as of the time of termination. Any amount owed but not collected from plan assets prior to termination will be billed directly to the client.

#### **E. No Compensation For Sale of Securities**

CGI Plan Advisors does not accept compensation for the sale of securities or other investment products.

### **ITEM:6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

CGI Plan Advisors does not charge performance-based fees (*i.e.*, fees calculated based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client).

### **ITEM:7. TYPES OF CLIENTS**

CGI Plan Advisors provides advisory services primarily to 401(k) and other profit sharing and pension plans. There is no minimum account size and start-up plans are welcome.



## ITEM:8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

### A. Methods of Analysis

In formulating investment advice, CGI Plan Advisors utilizes detailed data published by organizations such as Morningstar and research conducted by other industry subject matter experts.

### B. Investment Strategies

The primary investment strategy used to implement any investment advice given is to offer a diversified portfolio of investment options for participants to use in matching their personal tolerance for risk to an asset allocation strategy with a similar exposure to risk.

### C. Risk of Loss

Clients should be aware that investing in securities always involves some risk of loss, and no amount of analysis or forecast can eliminate all risk of loss, nor can the Firm or any other investment adviser ever guaranty that an investor will not suffer future losses.

Some of the risks factored into advice from CGI Plan Advisors include, but are not limited, to the following:

1. Interest-Rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

2. Market Risk: The price of a stock, bond, mutual fund or other security may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances.

3. 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.

4. Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

5. Political and Legislative Risks: Companies face a complex set of laws and circumstances in each country in which they operate. The political and legal environment can change rapidly and without warning, with significant impact, especially for companies operating outside of the United States.

6. Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

7. Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

8. Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

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

#### **ITEM:9. DISCIPLINARY INFORMATION**

Registered investment advisers such as CGI Plan Advisors are required to disclose all material facts regarding any legal or disciplinary event that would be material to a client's or prospective client's evaluation of the Firm or the integrity of its management. Neither CGI Plan Advisors, nor any of its personnel, has been subject to any such legal or disciplinary event, and thus has no information to disclose with respect to this Item.

#### **ITEM:10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Neither CGI Plan Advisors, nor any of its employees, is registered as a securities broker-dealer, a registered representative of a broker-dealer, a futures commission merchant, commodity pool operator or commodity trading advisor.

The Firm does not have any affiliation with any related person who is a broker-dealer, investment company, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, real estate broker or dealer, or an entity that creates or packages limited partnerships.

CGI Plan Advisors does not receive compensation directly or indirectly from other advisers that creates a material conflict of interest, nor does it have other business relationships with advisers that would create a material conflict of interest.

CGI Plan Advisors is, however, part of a group of related companies. CGI Plan Advisors is under common control with The Conestoga Group, Inc. and CGI Wealth Advisors, Inc. The Conestoga Group, Inc. acts in the nature of a holding company entity of both CGI Plan Advisors and CGI Wealth Advisors, and the three companies are considered to make up the Conestoga Group. The Conestoga Group, Inc. is not a registered investment advisory firm, but its employees engage in insurance brokerage activities. CGI Wealth Advisors is a registered investment advisory firm, and concentrates its business on serving individual clients, while CGI Plan Advisors concentrates its business on serving pension plan clients. The principals and

employees of the three companies largely overlap. All three companies are controlled by V. Bradley Palmer.

## **ITEM:11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **A. Code of Ethics Summary**

The principals and staff of CGI Plan Advisors have adopted a Code of Ethics for the purpose of instructing its personnel in their ethical obligations and to provide rules for their personal securities transactions. The Firm owes a duty of loyalty, fairness and good faith towards its clients, and the obligation to adhere not only to the specific provisions of the Code but to the general principles that guide the Code. The Code of Ethics covers a range of topics that may include: general ethical principles, receipt and giving of gifts, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code of Ethics, review and enforcement processes, amendments to Form ADV and supervisory procedures. We will provide a copy of the Code of Ethics to any client or prospective client upon request.

### **B. Participation or Interest in Client Transactions and Personal Trading**

It is CGI Plan Advisors' policy to remain conflict free in its offering of investment advice. This means CGI Plan Advisors will not solicit clients to purchase investments in which CGI Plan Advisors or its associated persons have any conflict of interest. Additionally, as part of CGI Plan Advisors' fiduciary duty to clients, the Firm and its associated persons will endeavor at all times to put the interests of the clients first, and at all times are required to adhere to the Firm's Code of Ethics.

The Firm's principals and associated persons may have positions in securities that we also recommend to clients. CGI Plan Advisors' recommendations to clients may differ from client to client, based on each client's unique circumstances. The Firm may also recommend the purchase of a security for one client while recommending the sale of that security for another. However, as a co-fiduciary CGI Plan Advisors aims to act for the benefit of clients and place clients' interests before its own.

### **C. Timing of Trade Orders**

All trades for clients are subject to the trading policies of the custodian with whom they are contracted. At no time will CGI Plan Advisors receive preferential service or treatment over that of a client.

## **ITEM:12. BROKERAGE PRACTICES**

CGI Plan Advisors primarily engages in recommending investment options for plans to make available to the participants of the plan. As such, the Firm does not directly engage in making securities trades, and does not select brokers, recommend brokers, negotiate commissions, or engage in other brokerage practices that a fully discretionary investment

manager might. The broker-dealer is not affiliated with CGI Plan, and the broker-dealer does not supervise CGI Plan, its agents, or activities, or its regulatory compliance.

## **ITEM:13. REVIEW OF ACCOUNTS**

### **A. Review of Accounts and Reviewers**

The Firm and its advisors review client accounts on a frequency agreed to in the Service Agreement, usually quarterly. Advisors have Accredited Investment Fiduciary (AIF<sup>®</sup>) or similar credentials. These reviews can include some or all of the following issues:

- Investment performance according to the Investment Policy Statement
- Fee benchmarking
- Share class expense analysis
- Participant utilization based upon deferral amounts, maximization of any employer match, diversification, and retirement funding adequacy, frequently known as “Gap Analysis”

### **B. Review Triggers**

The Firm may also conduct unscheduled reviews for certain situations such as:

- Changes in legislation
- Changes in Morningstar data or methodology
- Sale and mergers of funds or service providers
- Product changes

### **C. Regular Reports**

CGI Plan Advisors typically prepares and maintains copies of Investment Policy Monitoring reports on a quarterly basis and maintain a record of these fiduciary documents along with the governance documents created at implementation.

## **ITEM:14. CLIENT REFERRALS AND OTHER COMPENSATION**

The Firm does not presently pay referral fees to independent persons or firms (“Solicitors”) for introducing clients to us. It is also the Firm’s policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

**ITEM:15. CUSTODY**

CGI Plan Advisors does not have actual custody of any client assets at any time. To mitigate any potential conflicts of interests, all client assets are maintained with an independent qualified custodian. Furthermore, clients will receive statements on at least a quarterly basis directly from the qualified custodian that holds and maintains their assets. The custodian is not affiliated with CGI Plan, and the custodian does not supervise CGI Plan, its agents, or activities, or its regulatory compliance.

**ITEM:16. INVESTMENT DISCRETION**

Most advisory services rendered by CGI Plan Advisors are done on a non-discretionary basis. Investment decisions to invest in different investment options are made by the plan participants directly, and not by the Firm.

**ITEM:17. VOTING CLIENT SECURITIES**

CGI Plan Advisors' policy and practice is to not vote proxies on behalf of its clients and therefore, the Firm shall have no obligation to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities offered in a client's plan. Consequently, clients retain the responsibility for receiving and voting all proxies for securities offered in the client's plan.

**ITEM:18. FINANCIAL INFORMATION**

The Firm does not believe it has any financial commitments that may impair its ability to meet contractual and/or fiduciary obligations to clients. The Firm has not been the subject of a bankruptcy proceeding.