



## **Retirement Fund Management, LLC**

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### **FORM ADV PART 2A BROCHURE**

This brochure provides information about the qualifications and business practices of Retirement Fund Management, LLC. If you have any questions about the contents of this brochure, contact us at 770-399-8803. 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 Retirement Fund Management, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Retirement Fund Management, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## **Item 2 Summary of 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 an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last annual updating amendment we have no material changes to report.

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## Item 4 Advisory Business

Retirement Fund Management, LLC ("RFM") was formed in 1995. While RFM primarily provides retirement plan management/consulting services to corporate/institutional clients with retirement plans, it also offers portfolio management services to individuals with IRA portfolios.

Mark Edward McCoy is the sole principal owner of RFM. Please see **Brochure Supplements** for more information on Mr. McCoy and other individuals who formulate investment advice and have direct contact with clients, or have discretionary authority over client accounts.

### SERVICES OFFERED

#### Retirement Plan Advisory Services

Establishing a sound fiduciary governance process is vital to good decision-making and to ensuring that prudent procedural steps are followed in making investment decisions. RFM will provide Retirement Plan consulting services to Plans and Plan Fiduciaries as described below. The particular services provided will be detailed in the agreement. The appropriate Plan Fiduciary(ies) designated in the Plan documents (e.g., the Plan sponsor or named fiduciary) will (i) make the decision to retain our firm; (ii) agree to the scope of the services that we will provide; and (iii) make the ultimate decision as to accepting any of the recommendations that we may provide. The Plan Fiduciaries are free to seek independent advice about the appropriateness of any recommended services for the Plan. Retirement Plan consulting services may be offered separately or as part of a comprehensive suite of services.

The Employee Retirement Income Security Act of 1974 ("ERISA") sets forth rules under which Plan Fiduciaries may retain investment advisers for various types of services with respect to Plan assets. For certain services, RFM will be considered a fiduciary under ERISA. For example, RFM will act as an ERISA § 3(21) fiduciary when providing non-discretionary investment advice to the Plan Fiduciaries by recommending a mix of investments as choices among which Plan Participants may select. Also, to the extent that the Plan Fiduciaries retain RFM to act as an investment manager within the meaning of ERISA § 3(38), RFM will provide discretionary investment management services to the Plan.

With respect to any account for which RFM meets the definition of a fiduciary under Department of Labor rules, RFM acknowledges that both RFM and its Related Persons are acting as fiduciaries. Additional disclosure may be found elsewhere in this Brochure or in the written agreement between RFM and Client.

RFM provides retirement plan management and consulting services primarily to corporate/institutional clients with retirement plans.

The RFM total retirement plan management approach includes two components.

#### Investment Process Services

- Proprietary system to screen, analyze and select funds representing 57 different asset classes
- Evaluate and select complementary asset classes to provide an optimum mix of investment options for participants that will accommodate various retirement plan scenarios

#### Additional Plan Services

- Evaluate and select retirement plan custodians, record-keepers, third party administrators and trustees
- Develop a customized retirement plan Investment Policy Statement
- Conduct education and enrollment programs for retirement plan participants

### **Fiduciary Investment Consulting or Investment Advice Services**

- *Investment Selection Services* - RFM will provide Plan Fiduciaries with recommendations of investment options consistent with ERISA section 404(c). Plan Fiduciaries retain responsibility for the final determination of investment options and for compliance with ERISA section 404(c).
- *Non-Discretionary Investment Advice* - RFM provides Plan Fiduciaries and Plan Participants general, non-discretionary investment advice regarding assets classes and investments.
- *Investment Monitoring* - RFM will assist in monitoring the plan's investment options by preparing periodic investment reports that document investment performance, consistency of fund management and other relevant factors. The investment options will conform to the guidelines set forth in the investment policy statement and RFM will make recommendations to maintain or remove and replace investment options. The details of this aspect of service will be enumerated in the agreement between the parties.

### **Fiduciary Investment Management Services**

- *Discretionary Management Services* - When retained as an investment manager within the meaning of ERISA § 3(38), RFM provides continuous and ongoing supervision over the designated retirement plan assets. RFM will actively monitor the designated retirement plan assets and provide ongoing management of the assets. When applicable, RFM will have discretionary authority to make all decisions to buy, sell or hold securities, cash or other investments for the designated retirement plan assets in the our sole discretion without first consulting with the Plan Fiduciaries. We also have the power and authority to carry out these decisions by giving instructions, on your behalf, to brokers and dealers and the qualified custodian(s) of the Plan for our management of the designated retirement plan assets.
- *Discretionary Investment Selection Services* - RFM will monitor the investment options of the Plan and add or remove investment options for the Plan without prior consultation with the Plan Fiduciaries. RFM will have discretionary authority to make and implement all decisions regarding the investment options that are available to Plan Participants.
- *Investment Management via Model Portfolios (i.e. Custom Target Retirement Date or Risk-Based)* - RFM will provide discretionary management of Model Portfolios among which the participants may choose to invest as Plan options. Plan Participants will also have the option of investing only in options that do not include Model Portfolios (i.e., the Plan Participants may elect to invest in one or more of the core investment options made available in the Plan, and choose not to invest in the Model Portfolios at all).

### **Non-Fiduciary Services**

- *Participant Education* - RFM can provide education services to Plan Participants about general investment principles and the investment alternatives available under the Plan. Education presentations will not take into account the individual circumstances of each Plan Participant and individual recommendations will not be provided. Plan Participants are responsible for implementing transactions in their own accounts.
- *Participant Enrollment* - RFM can assist with group enrollment meetings designed to increase retirement Plan participation among employees and investment and financial understanding by the employees.

### **Individual Client Services**

RFM can provide investment management advice to a very limited number of individuals with IRA portfolios. These individual accounts are not solicited and must be initiated by the individual, through their connection with a current RFM corporate institutional client. In such circumstances, RFM provides ongoing management of the portfolio.

For portfolio management of individuals, RFM spends time with the client, asking questions, discussing the client's investment experience and financial circumstances, and reviewing options for the client. Based on its reviews, RFM generally develops with each client:

- a financial outline for the client based on the client's financial circumstances and goals, and the client's risk tolerance level (the "Financial Profile" or "Profile"); and
- the client's investment objectives and guidelines (the "Investment Plan" or "Plan").

To implement the client's retirement plan, RFM will manage the client's investment portfolio on a discretionary basis. As a discretionary investment adviser, RFM will have the authority to supervise and direct the portfolio without prior consultation with the client.

The Financial Profile is a reflection of the client's current financial picture and a look to the future goals of the client. The Investment Plan outlines the types of investments RFM will make on behalf of the client to meet those goals. The Profile and the Plan are discussed regularly with each client, but are not necessarily written documents. The Investment Plan will be updated from time to time when requested by the client, or when determined to be necessary or advisable by RFM based on updates to the client's financial or other circumstances.

To implement the client's retirement plan, RFM will manage the client's investment portfolio on a discretionary basis. As a discretionary investment manager, RFM will have the authority to supervise and direct the portfolio without prior consultation with the client.

Notwithstanding the foregoing, clients may impose certain written restrictions on RFM in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments in an investment portfolio or prohibiting the sale of certain investments held in the account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client's investment portfolio. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of RFM.

### **Assets Under Management**

As of December 31, 2022, we provide continuous management services for \$660,894,637 in client assets on a non-discretionary basis.

## **Item 5 Fees and Compensation**

### **General Fee Information**

Fees paid to RFM are exclusive of all custodial and transaction costs paid to the client's custodian, brokers or other third party consultants. Please see **Item 12 - Brokerage Practices** for additional information. Fees paid to RFM are also separate and distinct from the fees and expenses charged by mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund's prospectus or offering materials). The client should review all fees charged by funds, brokers, RFM and others to fully understand the total amount of fees paid by the client for investment and financial-related services.

## **Retirement Plan Management/Consulting Fees**

The annual fee schedule, based on a percentage of assets under management, is as follows:

On the first \$3,000,000	0.60%
On the next \$3,000,000	0.45%
On the next \$4,000,000	0.30%
All above \$10,000,000	0.20%

The minimum portfolio value is generally set at \$5,000,000. The minimum annual fee for any account is \$20,000. RFM may, at its discretion, make exceptions to the foregoing or negotiate special fee arrangements where RFM deems it appropriate under the circumstances.

Portfolio management fees are generally payable quarterly, in arrears. If management begins after the start of a quarter, fees will be prorated accordingly. With client authorization and unless other arrangements are made, fees are normally debited directly from client account(s).

Either RFM or the client may terminate their Investment Management Agreement at any time, subject to any written notice requirements in the agreement. In the event of termination, any paid but unearned fees will be promptly refunded to the client based on the number of days that the account was managed, and any fees due to RFM from the client will be invoiced or deducted from the client's account prior to termination.

## **Individual Client Service Fees**

Fees for individuals who retain RFM for management services are negotiated individually, based upon the level of service needed and the client's individual circumstances. Fees may be charged on a percentage of the managed assets, or on an hourly or fixed fee basis.

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

RFM does not have any performance-based fee arrangements. "Side-by-Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because RFM has no performance-based fee accounts, it has no side-by-side management.

## **Item 7 Types of Clients**

RFM serves individuals, pension and profit-sharing plans, trusts, and estates. With some exceptions, the minimum portfolio value eligible for conventional investment advisory services is \$5,000,000 and the annual minimum fee charged is \$20,000. Under certain circumstances and in its sole discretion, RFM may negotiate such minimums.

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

### **Methods of Analysis and Investment Strategies**

RFM primarily invests in mutual funds, collective trust funds, ETFs and individual fixed income securities. Mutual funds and ETFs are generally evaluated and selected based on a variety of factors, including, without limitation, past performance, fee structure, portfolio manager, fund sponsor, overall ratings for safety and returns, and other factors. Specifically, RFM utilizes an 8 step evaluation process to select investments:

1. Minimum qualitative criteria
2. Place fund in correct asset class
3. Incorporate additional style criteria
4. Determine best index to evaluate funds within an asset class
5. Quantitative analysis of five factors
6. Apply weightings to each of the five factors
7. Qualitative issues are evaluated
8. Fund selection and ongoing monitoring

Fixed income investments may be used as a strategic investment, as an instrument to fulfill liquidity or income needs in a portfolio, or to add a component of capital preservation. RFM will generally evaluate and select individual bonds or bond funds based on a number of factors including, without limitation, rating, yield and duration.

Securities are continually monitored by RFM to identify any significant material change to a fund's leadership or investment philosophy. At minimum, a monthly analysis of each holding is performed to determine if the initial fund screening criteria for its asset class are still being met. Quarterly evaluations are used to confirm that each holding remains representative of its selected asset class and continues to remain in the top echelon of its peer fund group. At any of these points a holding that is identified as deficient in any area would undergo an extensive review, and a possible replacement would be considered.

### **Investment Strategies**

RFM's strategic approach is to invest each portfolio in accordance with the Plan that has been developed specifically for each client. While RFM is generally a long-term investor, some short term trading could occur, depending on market conditions.

### **Risk of Loss**

While RFM seeks to diversify clients' investment portfolios across various asset classes consistent with their Investment Plans in an effort to reduce risk of loss, all investment portfolios are subject to risks. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money.

Below is a description of several of the principal risks that client investment portfolios face.

*Management Risks.* While RFM manages client investment portfolios based on RFM's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that RFM allocates client assets to individual securities and/or asset classes that are adversely affected by unanticipated market movements, and the risk that RFM's specific investment choices could underperform their relevant indexes.

*Risks of Investments in Mutual Funds, ETFs and Other Investment Pools.* As described above, RFM will generally invest client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

*Equity Market Risks.* RFM will usually invest portions of client assets directly into equity investments, usually into pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

*Fixed Income Risks.* RFM may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

*Foreign Securities Risks.* RFM may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

## **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 a client's evaluation of RFM or the integrity of RFM's management. RFM has no disciplinary events to report.

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

Neither RFM nor its Management Person has any other financial industry activities or affiliations to report.

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

### **Code of Ethics and Personal Trading**

RFM has adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. RFM's Code has several goals. First, the Code is designed to assist RFM in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, RFM owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires persons associated RFM (managers, officers and employees) to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits such associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for RFM's associated persons. Under the Code's Professional Standards, RFM expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, RFM associated persons are not to take inappropriate advantage of their positions in relation to RFM clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time, RFM's associated persons may invest in the same securities recommended to clients. Under its Code, RFM has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code's personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of such trading and pre-clearance of certain types of personal trading activities. These policies are designed to discourage and prohibit personal trading that would disadvantage clients. The Code also provides for disciplinary action as appropriate for violations.

### **Participation or Interest in Client Transactions**

Because client accounts are invested almost exclusively in open-end mutual funds and ETFs, there is little opportunity for a conflict of interest between personal trades by RFM associated persons and trades in client accounts, even when such accounts invest in the same securities. However, in the event of other identified potential trading conflicts of interest, RFM's goal is to place client interests first.

Consistent with the foregoing, RFM maintains policies regarding participation in initial public offerings ("IPOs") and private placements to comply with applicable laws and avoid conflicts with client transactions. If a RFM associated person wishes to participate in an IPO or invest in a private placement, he or she must submit a pre-clearance request and obtain the approval of the Chief Compliance Officer.

Finally, if associated persons trade with client accounts (i.e., in a bundled or aggregated trade), and the trade is not filled in its entirety, the associated person's shares will be removed from the block, and the balance of shares will be allocated among client accounts in accordance with RFM's written policy.

## **Item 12 Brokerage Practices**

### **Best Execution and Benefits of Brokerage Selection**

When given discretion to select the brokerage firm that will execute orders in client accounts, RFM seeks "best execution" for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, RFM may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of RFM's clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

RFM recommends that clients establish brokerage accounts with Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, as qualified custodian to maintain custody of clients' assets. RFM may also effect trades for client accounts at Schwab, or may in some instances, consistent with RFM's duty of best execution and specific agreement with each client, elect to execute trades elsewhere. Although RFM may recommend that clients establish accounts at Schwab, it is ultimately the client's decision to custody assets with Schwab. RFM is independently owned and operated and is not affiliated with Schwab.

Schwab Advisor Services provides RFM with access to its institutional trading, custody, reporting and related services, which are typically not available to Schwab retail investors. Schwab also make available various support services. Some of those services help RFM manage or administer our clients' accounts while others help RFM manage and grow our business. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them. These services are not soft dollar arrangements, but are part of the institutional platform offered by Schwab. Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For RFM client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. These services are not soft dollar arrangements, but are part of the institutional platform offered by Schwab. Schwab Advisor Services also makes available to RFM other products and services that benefit RFM but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of RFM accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist RFM in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide pricing and other market data; (iv) facilitate payment of RFM's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Advisor Services also offers other services intended to help RFM manage and further develop its business enterprise. These services may include: (i) technology, compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers.

Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to RFM. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to RFM.

Schwab Advisor Services may also provide other benefits such as educational events or occasional business entertainment of RFM personnel. In evaluating whether to recommend that clients custody their assets at Schwab, RFM may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

### **Directed Brokerage**

RFM does not generally allow directed brokerage accounts.

### **Aggregated Trade Policy**

RFM typically directs trading in individual client accounts as and when trades are appropriate based on the client's Investment Plan, without regard to activity in other client accounts. However, from time to time, RFM may aggregate trades together for multiple client accounts, most often when these accounts are being directed to sell the same securities. If such an aggregated trade is not completely filled, RFM will allocate shares received (in an aggregated purchase) or sold (in an aggregated sale) across participating accounts on a pro rata or other fair basis; provided, however, that any participating accounts that are owned by RFM or its officers, directors, or employees will be excluded first.

## Item 13 Review of Accounts

Securities, primarily mutual funds and collective trust funds, are continually monitored by RFM to identify any significant material change to a fund's leadership or investment philosophy. At minimum, a monthly analysis of each Plan's holdings is performed to determine if the initial fund screening criteria for its asset class are still being met. Quarterly evaluations are used to confirm that each holding remains representative of its selected asset class and continues to remain in the top echelon of its peer fund group. At any of these points a holding that is identified as deficient in any area would undergo an extensive review, and a possible replacement would be considered. Annually the plan is reviewed with the Plan Sponsor to measure the overall effectiveness, any new asset classes to be added, investment process enhancements and all operational procedures and fees. Reviews are performed by Mark McCoy, Principal and Chief Investment Officer, and reviewed with RFM's Investment Adviser Representative assigned to client's account as the Plan Advisor. This review is compared to the Plan's Investment Policy Statement established by RFM.

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms. In addition, on a quarterly basis, RFM provides fund performance data to the plan sponsor. Additional reports are available at the request of the client.

## Item 14 Client Referrals and Other Compensation

As noted above, RFM receives an economic benefit from Schwab in the form of support products and services it makes available to RFM and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit our firm, and the related conflicts of interest are described in **Item 12 - Brokerage Practices**. The availability of Schwab's products and services to RFM is based solely on our participation in the programs and not in the provision of any particular investment advice. Neither Schwab nor any other party is paid to refer clients to RFM.

## Item 15 Custody

It is the account custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify RFM of any questions or concerns. Clients are also asked to promptly notify RFM if the custodian fails to provide statements on each account held.

From time to time and in accordance with RFM's agreement with clients, RFM will provide additional reports. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend reporting and pending trades.

## Item 16 Investment Discretion

As described in **Item 4 - Advisory Business**, RFM will accept clients on either a discretionary or non-discretionary basis. For *discretionary accounts*, a Limited Power of Attorney ("LPOA") is executed by the client, giving RFM the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of

advisory fees directly from the account. RFM then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment management agreement with RFM and the requirements of the client's custodian.

For *non-discretionary* accounts, the client also generally executes an LPOA, which allows RFM to carry out trade recommendations and approved actions in the portfolio. However, in accordance with the investment advisory agreement between RFM and the client, RFM does not implement trading recommendations or other actions in the account unless and until the client has approved the recommendation or action. As with discretionary accounts, clients may limit the terms of the LPOA, subject to RFM's agreement with the client and the requirements of the client's custodian.

## **Item 17 Voting Client Securities**

### **Retirement Plan Management/Consulting**

For retirement plans where RFM serves as an Advisor/Consultant, RFM will generally not have the authority to vote proxies on behalf of the Plan's assets.

### **Individual Client Service Accounts**

Where RFM has authority to vote proxies, RFM will seek to vote proxies in the best interest of the client(s) holding the applicable securities. In voting proxies, RFM considers factors that RFM believes relate to the client's investment(s) and factors, if any, that are set forth in written instructions from the client.

In general, RFM believes that voting proxies in accordance with the following guidelines, with respect to such routine items, is in the best interests of our clients. Accordingly, RFM generally votes **for**:

- The election of directors (where no corporate governance issues are implicated);
- Proposals that strengthen the shared interests of shareholders and management;
- The selection of independent auditors based on management or director recommendation, unless a conflict of interest is perceived;
- Proposals that RFM believes may lead to an increase in shareholder value;
- Management recommendations adding or amending indemnification provisions in charter or by-laws; and
- Proposals that maintain or increase the rights of shareholders.

RFM will generally vote **against** any proposals that RFM believes will have a negative impact on shareholder value or rights. If RFM perceives a conflict of interest, RFM's policy is to notify affected clients so that they may choose the course of action they deem most appropriate.

As stated earlier, RFM's goal is to vote proxies in the best interest of the client(s). A copy of our complete policy, as well as records of proxies voted; are available to clients upon request. As required under the Advisers Act, such records are maintained for a period of five (5) years.

## **Item 18 Financial Information**

RFM does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore has no disclosure required for this item.