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**March 27, 2023**

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**FORM ADV PART 2A  
BROCHURE**

This brochure provides information about the qualifications and business practices of Venture Visionary Partners LLC. If you have any questions about the contents of this brochure, contact us at (419) 464-7401. 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 Venture Visionary Partners LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Venture Visionary Partners 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. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

## 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 our last annual updating amendment dated March 31, 2022, we have amended this Brochure to disclose the following material changes:

- This Brochure was amended to disclose that our firm is affiliated under common control and ownership with Venture Risk Consulting, LLC, a licensed insurance agency. Please refer to Item 10 of this Brochure (the "*Other Financial Industry Activities and Affiliations*" section) for more information.
- This Brochure was amended to disclose that our firm will enter into Promoter arrangements where we provide compensation for client referrals. Please refer to Item 14 of this Brochure (the "Client Referrals and Other Compensation" section) for more information.
- Although not material, Venture Visionary Partners has made disclosure enhancements and additions at Items 4, 7, 12, 15 and 20 below regarding investment risk, IRA rollover considerations, financial industry affiliations, brokerage practices, and custody.

If you have any questions about these changes, please contact us at (419) 464-7401 and ask to speak with your investment adviser representative and/or the Chief Compliance Officer.

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## Item 4 Advisory Business

### Description of Firm

Venture Visionary Partners LLC ("VVP") is a registered investment adviser based in Sylvania, Ohio. We are organized as a limited liability company ("LLC") under the laws of the State of Delaware. We have been providing investment advisory services since June 2019. Our firm is primarily owned by Craig D. Findley.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we," "our," and "us" refer to Venture Visionary Partners LLC and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

### Assets Under Management

As of December 31, 2022 we have approximately \$3,128,018,690 in discretionary assets under management and approximately \$28,566,701 in non-discretionary assets under management. We also provide retirement plan consulting advice to \$804,916,126 of pension and profit sharing retirement accounts. In total, as of December 31, 2022, VVP provided investment advice to \$3,961,501,516 in client assets.

### Investment Management Services

We offer discretionary investment management services. Our investment advice is tailored to meet our clients' needs and investment objectives. We manage investment portfolios for a wide variety of Clients, including individuals (including high net worth individuals), qualified retirement plans, trusts, charitable organizations, small businesses and corporations. We will work with a client to determine the client's investment objectives and investor risk profile. We use investment and portfolio allocation software to evaluate alternative portfolio designs. We evaluate a client's existing investments with respect to the client's risk tolerance and investment objectives. We will then monitor the client's portfolio holdings and the overall asset allocation strategy and hold review meetings with the client regarding the account, as necessary.

If you participate in our discretionary investment management services, we require you to grant us discretionary authority to manage your account. Subject to a grant of discretionary authorization, we have the authority and responsibility to formulate investment strategies on your behalf. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without obtaining your approval prior to each transaction. We will also have discretion over the broker or dealer to be used for securities transactions, and over the commission rates to be paid. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm, a power of attorney, or trading authorization forms.

You may place certain limitations on our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing.

We also offer non-discretionary investment management services. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account. Thus, in the event that VVP would like to make a transaction for you, and you may be unavailable, VVP will be unable to effect the account transaction (as it would for its discretionary clients) without first obtaining your consent. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

As part of our investment management services, in addition to other types of investments (see disclosures below in this section), we invest your assets according to one or more model portfolios developed by our firm. These models are designed for investors with varying degrees of risk tolerance ranging from a more aggressive investment strategy to a more conservative investment approach.

We have entered into a contractual relationship with Dynasty Financial Partners, LLC ("Dynasty"), which provides us with operational and back office support including access to a network of service providers. Through the Dynasty network of service providers, we may receive preferred pricing on trading technology, reporting, custody, brokerage, compliance and other related services. Dynasty charges a "Platform Fee," for which, unless otherwise disclosed, you will be charged, separate from and in addition to your annual investment management fee, as described in Item 5 below. In addition, Dynasty's subsidiary, Dynasty Wealth Management, LLC ("DWM") is an SEC registered investment adviser, that provides access to a range of investment services including: separately managed accounts ("SMA"), mutual fund and ETF asset allocation strategies, and unified managed accounts ("UMA") managed by external third party managers (collectively, the "Investment Programs"). We may separately engage the services of Dynasty and/or its subsidiaries to access the Investment Programs. Under the SMA and UMA programs, we will maintain the ability to select the specific, underlying third party managers that will, in turn, have day-to-day discretionary trading authority over the requisite client assets.

In light of the foregoing, VVP seeks at all times to ensure that any such conflicts are addressed on a fully-disclosed basis and investment decisions are handled in a manner that is aligned with your best interests. VVP does not receive any portion of the fees paid directly to Dynasty or the service providers made available through its platform, and VVP reviews all such relationships on an ongoing basis in an effort to ensure clients are receiving competitive rates in light of the services they receive.

DWM sponsors an investment management platform (the "Platform" or the "TAMP") that is available to the advisers in the Dynasty Network, such as us. Through the Platform, DWM and Dynasty collectively provides certain technology, administrative, operations and advisory support services that allow us to manage our own client portfolios and access independent third-party managers that provide discretionary services in the form of traditional managed accounts and investment models. We can allocate all or a portion of your assets among the different independent third-party managers via the Platform. We may also use the model management feature of the TAMP by creating our own asset allocation model and underlying investments that comprise the model. Through the model management feature, we may be able to outsource the implementation of trade orders and periodic rebalancing of the model when needed.

We will maintain the direct contractual relationship with you and obtain, through such agreements, the authority to engage independent third-party managers, DWM and/or Dynasty, as applicable, for services rendered through the Platform in service to you. We may delegate discretionary trading authority to DWM and/or independent third-party managers to effect investment and reinvestment of client assets with the ability to buy, sell or otherwise effect investment transactions and allocate client assets. If you are participating in certain Investment Programs, DWM or the designated manager, as applicable, is also authorized without prior consultation with either us or you to buy, sell, trade or allocate your assets in accordance with your designated portfolio and to deliver instructions to the designated broker-dealer and/or custodian of your assets.

On an ongoing basis, we will answer questions regarding your accounts and review periodically with you the performance of your accounts. We will periodically review your risk profile and discuss the rebalancing of your accounts to the extent appropriate. When applicable, we will provide to third-party managers any updated client financial information or account restrictions necessary for the third-party manager to provide advisory services.

In addition to managing the client's investment portfolio, we provide additional wealth management services to clients based on their unique circumstances and needs. Such services include consulting with clients on various financial areas including income and estate tax planning, business sale structures, college financial planning, retirement planning, insurance and risk management analysis, personal cash flow analysis, establishment and design of retirement plans and trust designs, among other things. VVP does not serve as an attorney, accountant, or insurance agent, and no portion of our services should be construed as same. Accordingly, VVP does not prepare legal documents, prepare tax returns, or sell insurance products. To the extent requested by you, we may recommend the services of other professionals for non-investment implementation purposes (i.e., attorneys, accountants, insurance, etc.). You are not under any obligation to engage any such professional(s), and you retain absolute discretion over all such implementation decisions and are free to accept or reject any recommendation from VVP and/or its representatives.

For certain clients, we agree to review the adequacy of current life insurance, long-term care and disability coverage, determine future needs, and develop an appropriate insurance strategy. From time to time, we may refer a client to an affiliate of VVP for developing or implementing an insurance strategy. Please see Item 10 – Other Financial Industry Activities and Affiliations for more information regarding these referrals, including a discussion of conflicts of interest related to these referrals. Clients have no obligation to purchase an insurance product through any affiliate of VVP.

### **Financial Planning Services**

We offer financial planning services which typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. These services can range from broad-based financial planning to consultative or single subject planning. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We also use financial planning software to determine your current financial position and to define and quantify your long-term goals and objectives. Once we specify those long-term objectives (both financial and non-financial), we will develop shorter-term, targeted objectives. Once we review and analyze the information you provide to our firm and the data derived from our financial planning software, we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to us. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm. Dependent on the type of financial planning or consulting services provided, there will be a conflict of interest due to the potential for the recommendation of our Firm to provide additional services, such as investment advisory services or retirement plan services.

Additionally, we provide advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, insurance, and/or annuity advice.

### **Retirement Plan Services**

VVP offers (1) Discretionary Investment Management Services, (2) Non-Discretionary Investment Advisory Services, and/or (3) Retirement Plan Consulting Services to employer-sponsored retirement plans and their participants. Depending on the type of the Plan and the specific arrangement with the

Sponsor, we may provide one or more of these services. Prior to being engaged by the Sponsor, we will provide a copy of this Form ADV Part 2 along with a copy of our Privacy Policy and a copy of the Agreement you sign with our firm that contains the information required under Sec. 408(b)(2) of the Employee Retirement Income Security Act ("ERISA"), as applicable.

The Agreement authorizes our Investment Adviser Representatives ("IARs") to deliver one or more of the following services:

#### **Discretionary Investment Management Services**

These services are designed to allow the Plan fiduciary to delegate responsibility for managing, acquiring and disposing of Plan assets that meet the requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"). We will perform these investment management services through our IARs and charge fees as described in this Form ADV and the Agreement. If the Plan is subject to ERISA, we will perform these services as an "investment manager" as defined under ERISA Section 3(38) and as a "fiduciary" to the Plan as defined under ERISA Section 3(21). Specifically, the Sponsor may determine that we perform the following services:

##### **SELECTION, MONITORING & REPLACEMENT OF DESIGNATED INVESTMENT ALTERNATIVES ("DIAs"):**

Advisor will review with Sponsor the investment objectives, risk tolerance and goals of the Plan and provide to Sponsor an IPS that contains criteria from which Advisor will select, monitor and replace the Plan's DIAs. Once approved by Sponsor, Advisor will review the investment options available to the Plan and will select the Plan's DIAs in accordance with the criteria set forth in the IPS. On a periodic basis, Advisor will monitor and evaluate the DIAs and replace any DIA(s) that no longer meet the IPS criteria.

##### **CREATION & MAINTENANCE OF MODEL ASSET ALLOCATION PORTFOLIOS ("MODELS")**

Advisor will create a series of risk-based Models comprised solely among the Plan's DIAs; and, on a periodic basis and/or upon reasonable request, Advisor will reallocate and rebalance the Models in accordance with the IPS or other guidelines approved by Sponsor.

##### **SELECTION, MONITORING & REPLACEMENT OF QUALIFIED DEFAULT INVESTMENT ALTERNATIVES ("QDIA(s)")**

Based upon the options available to the Plan, Advisor will select, monitor and replace the Plan's QDIA(s) in accordance with the IPS.

##### **MANAGEMENT OF TRUST FUND:**

Advisor will review with Sponsor the investment objectives, risk tolerance and goals of the Plan and provide to Sponsor an IPS that contains criteria from which Advisor will select, monitor and replace the Plan's investments. Once approved by Sponsor, Advisor will review the investment options available to the Plan and will select the Plan's investments in accordance with the criteria set forth in the IPS. On a periodic basis, Advisor will monitor and evaluate the investments and replace any investment(s) that no longer meet the IPS criteria.

#### **Non-Discretionary Fiduciary Services**

These services are designed to allow the Sponsor to retain full discretionary authority or control over assets of the Plan. We will solely be making recommendations to the Sponsor. We will perform these Non-Discretionary investment advisory services through our IARs and charge fees as described in this Form ADV and the Agreement. If the Plan is covered by ERISA, we will perform these investment advisory services to the Plan as a "fiduciary" defined under ERISA Section 3(21). The Sponsor may engage us to perform one or more of the following Non-Discretionary investment advisory services:



**INVESTMENT POLICY STATEMENT ("IPS"):**

Advisor will review with Sponsor the investment objectives, risk tolerance and goals of the Plan. If the Plan does not have an IPS, Advisor will provide recommendations to Sponsor to assist with establishing an IPS. If the Plan has an existing IPS, Advisor will review it for consistency with the Plan's objectives. If the IPS does not represent the objectives of the Plan, Advisor will recommend to Sponsor revisions to align the IPS with the Plan's objectives.

**ADVICE REGARDING DESIGNATED INVESTMENT ALTERNATIVES ("DIAs"):**

Based on the Plan's IPS or other guidelines established by the Plan, Advisor will review the investment options available to the Plan and will make recommendations to assist Sponsor with selecting DIAs to be offered to Plan participants. Once Sponsor selects the DIAs, Advisor will, on a periodic basis and/or upon reasonable request, provide reports and information to assist Sponsor with monitoring the DIAs. If a DIA is required to be removed, Advisor will provide recommendations to assist Sponsor with replacing the DIA.

**ADVICE REGARDING MODEL ASSET ALLOCATION PORTFOLIOS ("MODELS"):**

Based on the Plan's IPS or other guidelines established by the Plan, Advisor will make recommendations to assist Sponsor with creating risk-based Models comprised solely among the Plan's DIAs. Once Sponsor approves the Models, Advisor will provide reports, information and recommendations, on a periodic basis, designed to assist Sponsor with monitoring the Models. Upon reasonable request, and depending upon the capabilities of the recordkeeper, Advisor will make recommendations to Sponsor to reallocate and/or rebalance the Models to maintain their desired allocations.

**ADVICE REGARDING QUALIFIED DEFAULT INVESTMENT ALTERNATIVE ("QDIA(s)):**

Based on the Plan's IPS or other guidelines established by the Plan, Advisor will review the investment options available to the Plan and will make recommendations to assist Sponsor with selecting or replacing the Plan's QDIA(s).

**ADVICE REGARDING INVESTMENT OF TRUST FUND:**

Based on the Plan's IPS, Advisor will review the investment options available to the Plan and will make recommendations to assist Sponsor with selecting investments that meet the IPS criteria. Once Sponsor selects the investment(s), Advisor will, on a periodic basis and/or upon reasonable request, provide reports and information to assist Sponsor with monitoring the investment(s). If the IPS criteria require any investment(s) to be replaced, Advisor will provide recommendations to assist Sponsor with replacing the investment(s).

**Retirement Plan Consulting Services**

Retirement Plan Consulting Services are designed to allow our IARs to assist the Sponsor in meeting his/her fiduciary duties to administer the Plan in the best interests of Plan participants and their beneficiaries. Retirement Plan Consulting Services are performed so that they would not be considered "investment advice" under ERISA. The Sponsor may elect for our IARs to assist with any of the following services:

**Administrative Support**

Assist Sponsor in reviewing objectives and options available through the Plan

Review Plan committee structure and administrative policies/procedures

Recommend Plan participant education and communication policies under ERISA 404(c)

Assist with development/maintenance of fiduciary audit file and document retention policies

Deliver fiduciary training and/or education periodically or upon reasonable request

Assist with coordinating Plan participant disclosures under ERISA 404(a)



Recommend procedures for responding to Plan participant requests
<b>Service Provider Support</b>
Assist fiduciaries with a process to select, monitor and replace service providers
Assist fiduciaries with review of Covered Service Providers ("CSP") and fee benchmarking
Provide reports and/or information designed to assist fiduciaries with monitoring CSPs
Assist with use of ERISA Spending Accounts or Plan Expense Recapture Accounts to pay CSPs
Assist with preparation and review of Requests for Proposals and/or Information
Coordinate and assist with CSP replacement and conversion
<b>Investment Monitoring Support</b>
Periodic review of investment policy in the context of Plan objectives
Assist the Plan committee with monitoring investment performance
Educate Plan committee members, as needed, regarding replacement of DIA(s) and/or QDIA(s)
<b>Participant Services</b>
Facilitate group enrollment meetings and coordinate investment education
Assist Plan participants with financial wellness education, retirement planning and/or gap analysis

### **Potential Additional Retirement Services Provided Outside of the Agreement**

In providing Retirement Plan Services, VVP and its IARs may establish a client relationship with one or more Plan participants or beneficiaries. Such client relationships develop in various ways, including, without limitation:

- as a result of a decision by the Plan participant or beneficiary to purchase services from VVP not involving the use of Plan assets;
- as part of an individual or family financial plan for which any specific recommendations concerning the allocation of assets or investment recommendations relating to assets held outside of the Plan; or
- through a rollover of an Individual Retirement Account ("IRA Rollover").

If VVP is providing Retirement Plan Services to a plan, IARs may, when requested by a Plan participant or beneficiary, arrange to provide services to that participant or beneficiary through a separate agreement. If a Plan participant or beneficiary desires to affect an IRA Rollover from the Plan to an account advised or managed by VVP, IAR will have a conflict of interest if his/her fees are reasonably expected to be higher than those paid to VVP in connection with the Retirement Plan Services. IAR will disclose relevant information about the applicable fees charged by VVP prior to opening an IRA account. Any decision to affect the rollover or about what to do with the rollover assets remain that of the Plan participant or beneficiary alone.

In providing these optional services, we may offer employers' and employees' information on other financial and retirement products or services offered by VVP and our IARs.

### **Types of Investments**

We offer advice on equity securities, corporate debt securities (other than commercial paper), commercial paper, certificates of deposit, municipal securities, variable life insurance, variable annuities, mutual fund shares, United States government securities, options contracts on securities, money market funds, REITs, derivatives and ETFs.

Additionally, we will advise you on various types of investments based on your stated goals and objectives. We also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

Since our investment strategies and advice are based on each client's specific financial situation, the investment advice we provide to you can be different or conflicting with the advice we give to other clients regarding the same security or investment.

### **Miscellaneous Disclosures Regarding Our Services**

- **Limitations of Financial Planning and Non-Investment Consulting/Implementation Services:** To the extent specifically requested, we will generally provide planning and consulting services regarding non-investment related matters, such as tax, estate and insurance planning. We may agree to include these services in our fee referenced in Item 5 below or may discuss charging you an additional fee under a separate agreement depending on the nature of the engagement, amount of your assets under management, and the complexity of your planning needs. VVP does not serve as an attorney, accountant, or insurance agency, and no portion of our services should be construed as legal, accounting or insurance advice requiring licensing. VVP does not prepare legal documents, tax returns, or sell insurance products. To the extent requested by a client, we will recommend the services of other professionals for certain non-investment implementation purpose (i.e. attorneys, accountants, insurance agencies or agents). Some of these parties may be affiliates of VVP in their separate individual capacities as licensed insurance agents. You should review Item 10 below for additional information. You are under no obligation to engage the services of any recommended professional. You retain absolute discretion over all implementation decisions and are free to accept or reject any recommendation from VVP or its representatives. If you engage any recommended unaffiliated professional, and a dispute arises, you must seek recourse exclusively from and against the engaged professional. The recommendation by a VVP representative that a client purchase an insurance product presents a conflict of interest, as the receipt of commissions provides an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any insurance products from a VVP representative or engage any representative in any other professional capacity. Clients are reminded that they are free to purchase insurance products, accounting, legal or other services through other, non-affiliated parties. VVP's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above conflicts of interest.
- **Third-Party Investment Managers.** VVP may use or recommend using third-party investment managers to manage all or a portion of a client's account. We may use them to gain exposure to other investment strategies. The third-party manager is responsible for the discretionary management of the allocated assets. We will continue to supervise the third-party manager and provide ongoing monitoring and review of your account performance, asset allocation and investment objectives. If VVP determines that a particular third-party investment manager is not providing sufficient management services, or is not managing a client's portfolio in a manner consistent with the client's personal investment guidelines or asset allocation, VVP will remove the client's assets from that selected independent manager and may place the client's assets with another manager at VVP's discretion (for discretionary accounts). Clients may be required to execute documents to re-allocate assets amongst independent managers. For non-discretionary accounts, VVP will make recommendations to the client, as necessary. The fee charged by the third-party manager is in addition to our advisory fee discussed in Item 5 below.

- **Reporting Services.** VVP can also provide account reporting services, which can incorporate client investment assets that are not part of the assets that VVP manages (the "Outside Assets"). Unless agreed to otherwise, in writing, the client and/or his/her/its other advisors that maintain trading authority, and not VVP, shall be exclusively responsible for the investment performance of the Outside Assets. Unless also agreed to otherwise, in writing, VVP does not provide investment management, monitoring or implementation services for the Outside Assets. The client can engage VVP to provide investment management services for the Outside Assets pursuant to the terms and conditions of the *Investment Management Agreement* between VVP and the client.
- **Client Obligations.** In performing our services, we are not required to verify any information received from you or your other professionals and are authorized to rely on the information we receive. It remains your responsibility to promptly notify us if there is ever any change in your financial situation or investment objectives so that we can review, and if necessary, revise our previous recommendations.
- **Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by VVP) will be profitable or equal any specific performance level(s).
- **Disclosure Statement.** A copy of VVP's written Privacy Notice, Disclosure Brochure as set forth on Part 2 of Form ADV and Form CRS (Client Relationship Summary) shall be provided to each client prior to, or contemporaneously with, the execution of the advisory agreement with VVP.

## Item 5 Fees and Compensation

### Investment Management Services

Our fees, account minimums and their applications to family circumstances are negotiable.

The specific manner in which fees are charged by VVP is established in a Client's written agreement with VVP. Our annual fee for investment management services will not exceed 1.50%, and is dependent upon the market value of your assets under our management, the type and complexity of the asset management services provided, as well as the level of administration requested either directly or assumed by the client. Assets in each of your account(s) are included in the fee assessment unless specifically identified in writing for exclusion. Based on market value or in the absence thereof, fair market value is determined by independent third-party sources; your account balances on which we calculate fees may vary from account custodial statements based on independent valuations and other accounting variances, including mechanisms for including accrued interest in account statements.

If the investment management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

Our annual fee is billed and payable on a pro-rata basis, quarterly in advance, based upon the market value of the assets being managed by us on the last trading day of the previous quarter. Adjustments will be made for deposits and withdrawals in excess of \$50,000 during the quarter. If the investment management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the management fee is payable in proportion to the

number of days in the quarter for which you are a client. In the event the investment management agreement is terminated, the fee for the final billing period will be prorated through the effective date of termination, and the outstanding or unearned portion of the fee will be charged or refunded to you, as appropriate. Our management fee is negotiable, depending on your individual client circumstances.

At our discretion, we will combine the account values of family members living in the same household to determine the applicable advisory fee. For example, combined account values can include you and your minor children, joint accounts with your spouse, and other types of related accounts. If combining account values increases the asset total and you qualify for fee discounts, you would pay a reduced advisory fee.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy. In limited circumstances, at your request, we may invoice you directly for the payment of advisory fees.

### **Termination of Services**

A Client agreement may be terminated at any time, by either party, for any reason upon verbal or written notice. You will incur a pro rata charge for services rendered prior to the termination of the investment management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees. VVP will not be responsible for future allocations or transactional services (except limited closing transactions) upon receipt of a termination notice. It will also be necessary that we inform the custodian of record that the relationship between VVP and the client has been terminated. It is important to note that once an account has begun the account transfer process, it then becomes restricted/frozen at the custodian until the transfer is complete with the contra-firm. This means transactions cannot be processed within the account during this time. The transfer process can take several weeks.

### **Separate Independent Manager Fees**

As discussed above, we use Dynasty's TAMP services. TAMP related charges are not included in the investment management fee you pay to us. You will be charged, separate from and in addition to your investment management fee, any applicable Platform Fees as well as applicable independent manager fees. We do not receive any portion of the fees paid directly to Dynasty or the service providers made available through its platform, including the independent managers.

Each of the Platform Fee and independent manager fees are determined by the particular program(s) and manager(s) with which your assets are invested, and are calculated based upon a percentage of your assets under management, as applicable. The Platform Fee generally ranges from 0 - .45% annually, independent fixed income manager fees generally range from 0 - .90% annually, and independent equity manager fees generally range from 0 – 1.50% annually.

You will note the total fee reflected on your custodial statement will represent the sum of our investment management fee, Platform Fee(s) and independent manager fee(s), accordingly. You should review such statements to determine the total amount of fees associated with your requisite investments, and you should review your investment management agreement with us to determine the investment management fee you pay to us.

### **Financial Planning Services**

Financial Planning Services are typically provided at no additional charge to clients who have engaged our firm for Investment Management Services. We offer, at our discretion, standalone financial planning services in which case we will charge either an hourly or fixed fee depending on individual client circumstances. The fee is negotiable depending upon the complexity and scope of the plan, your financial situation, and your objectives. Fees are payable as invoiced. We do not require you to pay fees six or more months in advance. Should the engagement last longer than six months between acceptance of financial planning agreement and delivery of the financial plan, any prepaid unearned fees will be promptly returned to you less a pro rata charge for bona fide financial planning services rendered to date.

If you have engaged our firm for standalone financial planning, you may terminate the financial planning agreement upon written notice to our firm. If you have pre-paid financial planning fees that we have not yet earned, you will receive a prorated refund of those fees. If financial planning fees are payable in arrears, you will be responsible for a prorated fee based on services performed prior to termination of the financial planning agreement.

### **Retirement Plan Services**

Fees for the Retirement Plan Services ("Fees") are negotiated with the plan sponsor or named fiduciary on a case-by-case basis. Depending upon the capabilities and requirements of the Plan's recordkeeper or custodian, we may collect our Fees in arrears or in advance. Typically, Sponsors instruct the Plan's recordkeeper or custodian to automatically deduct our Fees from the Plan account; however, in some cases a Sponsor may request that we send invoices directly to the Sponsor or recordkeeper/custodian.

Sponsors receiving Retirement Plan Services may pay more than or less than a client might otherwise pay if purchasing the Retirement Plan Services separately or through another service provider. There are several factors that determine whether the costs would be more or less, including, but not limited to, the size of the Plan, the specific investments made by the Plan, the number of or locations of Plan participants, the Retirement Plan Services offered by another service provider, and the actual costs of Retirement Plan Services purchased elsewhere. In light of the specific Retirement Plan Services offered by VVP, the Fees charged may be more or less than those of other similar service providers.

In determining the value of the Account for purposes of calculating any asset-based Fees, we will rely upon the valuation of assets provided by the Sponsor or the Plan's custodian or recordkeeper without independent verification. If, however, there are circumstances which, in the Advisor's judgment, render the custodian's valuation inappropriate in which case Advisor will value securities listed on any national securities exchange at the closing price on the principal exchange on which they are traded and will value any other securities in a manner determined in good faith by Advisor to reflect fair market value. In all events, any such valuation will not be any guarantee of the market value of any of the assets in the Plan.

Unless we agree otherwise, no adjustments or refunds will be made in respect of any period for (i) appreciation or depreciation in the value of the Plan account during that period or (ii) any partial withdrawal of assets from the account during that period. If the Agreement is terminated by us or by the Sponsor, we will refund certain Fees to the Sponsor to the extent provided in Section 8 of the Agreement. Unless we agree otherwise, all Fees shall be based on the total value of the assets in the account without regard to any debit balance.

All Fees paid to VVP for Retirement Plan Services are separate and distinct from the fees and expenses charged by mutual funds, variable annuities and exchange-traded funds to their shareholders. These fees and expenses are described in each investment's prospectus. These fees



will generally include a management fee, other expenses, and possible distribution fees. If the investment also imposes sales charges, a client will pay an initial or deferred sales charge. The Retirement Plan Services provided by VVP include, among other things, assisting the client in determining which investments are most appropriate to each client's financial condition and objectives and to provide other administrative assistance as selected by the client. Accordingly, the client should review both the fees charged by the funds, the fund manager, the Plan's other service providers and the fees charged by VVP to fully understand the total amount of fees to be paid by the client and to evaluate the Retirement Plan Services being provided.

While not necessarily related to the Retirement Plan Services, various vendors, product providers, distributors and others provide non-monetary compensation by paying some expenses related to training and education, including travel expenses, and attaining professional designations. We might receive payments to subsidize our own training programs. From time to time, certain vendors invite us to participate in conferences, on-line training or provide publications that seek to further IARs' and employees' skills and knowledge. Some occasionally provide us with gifts, meals and entertainment of reasonable value consistent with industry rules and regulations.

If applicable, and in the event the payments are received in connection with or as a result of the Retirement Plan Services, we will disclose such fees to Sponsors in accordance with ERISA and Department of Labor regulations.

No increase in the Fees will be effective without prior written notice.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, refer to the *Brokerage Practices* section of this brochure.

### **Fee Dispersion**

In certain cases, and in our sole discretion, we will reduce, waive, propose or agree to a different fee structure with clients based upon certain criteria (e.g., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, competition, negotiations with client, clients grandfathered under previous fee arrangements). As a result, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. The agreed upon fee is identified in the contract between VVP and each client.

### **Compensation for the Sale of Securities or Other Investment Products**

Persons providing investment advice on behalf of our firm are registered representatives with PKS, a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In their capacity as registered representatives, these persons receive compensation in connection with the purchase and sale of securities or other investment products, including asset-based sales charges, service fees or 12b-1 fees, for the sale or holding, of mutual funds. Compensation earned by these persons in their capacities as registered

representatives is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice to advisory clients on behalf of our firm who are registered representatives have an incentive to recommend investment products based on the compensation received rather than solely based on your needs. Persons providing investment advice to advisory clients on behalf of our firm can select or recommend, and in many instances will select or recommend, mutual fund investments in share classes that pay 12b-1 fees when clients are eligible to purchase share classes of the same funds that do not pay such fees and are less expensive. This presents a conflict of interest. You are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm who receives compensation described above.

We may recommend that you purchase variable annuities to be included in your investment portfolio(s). In instances where the product is an *Advisory* annuity product with no commission-based compensation attached, we will charge you an advisory fee. However, in instances where the product is not an Advisory annuity product, investment adviser representatives of our firm earn commissions on the sale of such variable annuities in his or her capacity as a registered representative of PKS. If these persons earn commission-based compensation on the sale of variable annuities recommended to you, we will not include the annuity accounts in the total value used for our advisory billing/fee computation for two-year period of time after the annuity contract is sold. After the two-year period, the value of the annuity sub-accounts will be added to the value of your total assets for billing purposes. Annuities will be purchased for your account only after you receive a prospectus disclosing the terms of the annuity. You are under no obligation, contractually or otherwise, to purchase variable annuities through any person affiliated with our firm.

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

### **Margin Accounts**

A client may authorize the use of margin. Each client must sign a separate margin agreement before margin is extended to that client account. Fees for advice and execution on these securities are based on the total asset value of the account, which includes the value of any securities purchased on margin. The use of margin will also result in interest charges, assessed by and paid to the custodian, pursuant to the custodial agreement, in addition to all other fees and expenses associated with the security involved. VVP does not recommend the use of margin for investment strategy purposes. A margin account is a brokerage account that allows investors to borrow money to buy securities and/or for liquidity purposes. By using borrowed funds, the customer is employing leverage that will magnify both account gains and losses. The broker charges the investor interest for the right to borrow money and uses the securities as collateral. Should a client determine to use margin, VVP will include the entire market value of the margined assets when computing its advisory fee. Accordingly, VVP's fee shall be based upon a higher margined account value, resulting in VVP earning a correspondingly higher advisory fee. As a result, a conflict of interest arises since VVP will have a disincentive to recommend that the client terminate the use of margin. The use of margin can cause significant adverse financial consequences in the event of a market correction. VVP's Chief Compliance Officer remains available to discuss any questions that a client has regarding the use of margin.



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

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of a capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## Item 7 Types of Clients

We offer investment advisory services to individuals (other than high net worth individuals), high net worth individuals, pension and profit sharing plans (but not the plan participants), charitable organizations and corporations or other businesses not listed above. We shall generally price advisory services based upon various objective and subjective factors. As a result, clients could pay diverse fees based upon the type, amount and market value of their assets, the anticipated complexity of the engagement, the anticipated level and scope of the overall investment advisory and consulting services to be rendered. Additional factors effecting pricing can include related accounts, our employees and our affiliates' employees and each of their immediate family members accounts, competition, and negotiations. We will quote an exact percentage to each client based on both the nature and total dollar value of the account(s) and based on the requirements of the client. As a result, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. All fees are agreed upon prior to entering into a contract with any client.

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

### Our Methods of Analysis and Investment Strategies

We use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

**Technical Analysis** - involves studying past price patterns, trends and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

*Risk:* The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

*Risk:* The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Modern Portfolio Theory** - a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.

*Risk:* Market risk is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification.

**Long-Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

*Risk:* Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial information, liquidity needs and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio. **It is important that you notify us immediately with respect to any material changes to your financial circumstances, including for example, a change in your current or expected income level, tax circumstances, or employment status.**

#### **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Custodians and broker-dealers must report the cost basis of equities acquired in client accounts. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

#### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

#### **Other Risk Considerations**

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all-inclusive, but should be considered carefully by a prospective client before retaining our services.

**Liquidity Risk:** The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price or it may not be possible to sell the investment at all.

**Credit Risk:** Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

**Inflation and Interest Rate Risk:** Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.

**Horizon and Longevity Risk:** The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for people who are retired, or are nearing retirement.

### **Recommendation of Particular Types of Securities**

We recommend various types of securities and we do not primarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment. A description of the types of securities we may recommend to you and some of their inherent risks are provided below.

**Stocks:** There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") are but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

**Mutual Funds and Exchange Traded Funds:** Mutual funds and exchange traded funds ("ETF") are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open

end". So-called "open end" mutual funds continue to allow in new investors indefinitely whereas "closed end" funds have a fixed number of shares to sell which can limit their availability to new investors.

ETFs may have tracking error risks. For example, the ETF investment adviser may not be able to cause the ETF's performance to match that of the Underlying Index or other benchmark, which may negatively affect the ETF's performance. In addition, for leveraged and inverse ETFs that seek to track the performance of their Underlying Indices or benchmarks on a daily basis, mathematical compounding may prevent the ETF from correlating with performance of its benchmark. In addition, an ETF may not have investment exposure to all of the securities included in its Underlying Index, or its weighting of investment exposure to such securities may vary from that of the Underlying Index. Some ETFs may invest in securities or financial instruments that are not included in the Underlying Index, but which are expected to yield similar performance.

**Money Market Funds:** A money market fund is technically a security. The fund managers attempt to keep the share price constant at \$1/share. However, there is no guarantee that the share price will stay at \$1/share. If the share price goes down, you can lose some or all of your principal. The U.S. Securities and Exchange Commission ("SEC") notes that "While investor losses in money market funds have been rare, they are possible." In return for this risk, you should earn a greater return on your cash than you would expect from a Federal Deposit Insurance Corporation ("FDIC") insured savings account (money market funds are not FDIC insured). Next, money market fund rates are variable. In other words, you do not know how much you will earn on your investment next month. The rate could go up or go down. If it goes up, that may result in a positive outcome. However, if it goes down and you earn less than you expected to earn, you may end up needing more cash. A final risk you are taking with money market funds has to do with inflation. Because money market funds are considered to be safer than other investments like stocks, long-term average returns on money market funds tends to be less than long term average returns on riskier investments. Over long periods of time, inflation can eat away at your returns.

**Certificates of Deposit:** Certificates of deposit ("CD") are generally a safe type of investment since they are insured by the Federal Deposit Insurance Company ("FDIC") up to a certain amount. However, because the returns are generally low, there is risk that inflation outpaces the return of the CD. Certain CDs are traded in the market place and not purchased directly from a banking institution. In addition to trading risk, when CDs are purchased at a premium, the premium is not covered by the FDIC.

**Municipal Securities:** Municipal securities, while generally thought of as safe, can have significant risks associated with them including, but not limited to: the credit worthiness of the governmental entity that issues the bond; the stability of the revenue stream that is used to pay the interest to the bondholders; when the bond is due to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same amount of interest or yield to maturity.

**Bonds:** Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

**Commercial Paper:** Commercial paper ("CP") is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default. There is a less risk in asset based commercial paper (ABCP). The difference between

ABCP and CP is that instead of being an unsecured promissory note representing an obligation of the issuing company, ABCP is backed by securities. Therefore, the perceived quality of the ABCP depends on the underlying securities.

**Real Estate Investment Trust:** A real estate investment trust ("REIT") is a corporate entity which invests in real estate and/or engages in real estate financing. A REIT reduces or eliminates corporate income taxes. REITs can be publicly or privately held. Public REITs may be listed on public stock exchanges. REITs are required to declare 90% of their taxable income as dividends, but they actually pay dividends out of funds from operations, so cash flow has to be strong or the REIT must either dip into reserves, borrow to pay dividends, or distribute them in stock (which causes dilution). After 2012, the IRS stopped permitting stock dividends. Most REITs must refinance or erase large balloon debts periodically. The credit markets are no longer frozen, but banks are demanding, and getting, harsher terms to re-extend REIT debt. Some REITs may be forced to make secondary stock offerings to repay debt, which will lead to additional dilution of the stockholders. Fluctuations in the real estate market can affect the REIT's value and dividends.

**Options Contracts:** Options are complex securities that involve risks and are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss. It is generally recommended that you only invest in options with risk capital. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a certain date (the "expiration date"). The two types of options are calls and puts:

A call gives the holder the right to buy an asset at a certain price within a specific period of time. Calls are similar to having a long position on a stock. Buyers of calls hope that the stock will increase substantially before the option expires.

A put gives the holder the right to sell an asset at a certain price within a specific period of time. Puts are very similar to having a short position on a stock. Buyers of puts hope that the price of the stock will fall before the option expires.

Selling options is more complicated and can be even riskier.

The option trading risks pertaining to options buyers are:

- Risk of losing your entire investment in a relatively short period of time.
- The risk of losing your entire investment increases if, as expiration nears, the stock is below the strike price of the call (for a call option) or if the stock is higher than the strike price of the put (for a put option).
- European style options which do not have secondary markets on which to sell the options prior to expiration can only realize its value upon expiration.
- Specific exercise provisions of a specific option contract may create risks.
- Regulatory agencies may impose exercise restrictions, which stops you from realizing value.

The option trading risks pertaining to options sellers are:

- Options sold may be exercised at any time before expiration.
- Covered Call traders forgo the right to profit when the underlying stock rises above the strike price of the call options sold and continues to risk a loss due to a decline in the underlying stock.
- Writers of Naked Calls risk unlimited losses if the underlying stock rises.
- Writers of Naked Puts risk unlimited losses if the underlying stock drops.



- Writers of naked positions run margin risks if the position goes into significant losses. Such risks may include liquidation by the broker.
- Writers of call options could lose more money than a short seller of that stock could on the same rise on that underlying stock. This is an example of how the leverage in options can work against the option trader.
- Writers of Naked Calls are obligated to deliver shares of the underlying stock if those call options are exercised.
- Call options can be exercised outside of market hours such that effective remedy actions cannot be performed by the writer of those options.
- Writers of stock options are obligated under the options that they sold even if a trading market is not available or that they are unable to perform a closing transaction.
- The value of the underlying stock may surge or ditch unexpectedly, leading to automatic exercises.

Other option trading risks are:

- The complexity of some option strategies is a significant risk on its own.
- Option trading exchanges or markets and option contracts themselves are open to changes at all times.
- Options markets have the right to halt the trading of any options, thus preventing investors from realizing value.
- Risk of erroneous reporting of exercise value.
- If an options brokerage firm goes insolvent, investors trading through that firm may be affected.
- Internationally traded options have special risks due to timing across borders.

Risks that are not specific to options trading include market risk, sector risk and individual stock risk. Option trading risks are closely related to stock risks, as stock options are a derivative of stocks.

**Derivatives:** Derivatives are types of investments where the investor does not own the underlying asset. There are many different types of derivative instruments, including, but not limited to, options, swaps, futures, and forward contracts. Derivatives have numerous uses as well as various risks associated with them, but they are generally considered an alternative way to participate in the market. Investors typically use derivatives for three reasons: to hedge a position, to increase leverage, or to speculate on an asset's movement. The key to making a sound investment is to fully understand the characteristics and risks associated with the derivative, including, but not limited to counter-party, underlying asset, price, and expiration risks. The use of a derivative only makes sense if the investor is fully aware of the risks and understands the impact of the investment within a portfolio strategy. Due to the variety of available derivatives and the range of potential risks, a detailed explanation of derivatives is beyond the scope of this disclosure.

**Private Placements:** A private placement (non-public offering) is an illiquid security sold to qualified investors and are not publicly traded nor registered with the Securities and Exchange Commission.

**Risk:** Private placements generally carry a higher degree of risk due to illiquidity. Most securities that are acquired in a private placement will be restricted securities and must be held for an extended amount of time and therefore cannot be sold easily. The range of risks are dependent on the nature of the partnership and are disclosed in the offering documents.

**Structured Products:** A structured product, also known as a market-linked product, is generally a pre-packaged investment strategy based on derivatives, such as a single security, a basket of securities, options, indices, commodities, debt issuances, and/or foreign currencies, and to a lesser extent, swaps. Structured products are usually issued by investment banks or affiliates thereof. They have a

fixed maturity, and have two components: a note and a derivative. The derivative component is often an option. The note provides for periodic interest payments to the investor at a predetermined rate, and the derivative component provides for the payment at maturity. Some products use the derivative component as a put option written by the investor that gives the buyer of the put option the right to sell to the investor the security or securities at a predetermined price. Other products use the derivative component to provide for a call option written by the investor that gives the buyer of the call option the right to buy the security or securities from the investor at a predetermined price. A feature of some structured products is a "principal guarantee" function, which offers protection of principal if held to maturity.

**Risk:** These products are not always Federal Deposit Insurance Corporation insured; they may only be insured by the issuer, and thus have the potential for loss of principal in the case of a liquidity crisis, or other solvency problems with the issuing company. Investing in structured products involves a number of risks including but not limited to: fluctuations in the price, level or yield of underlying instruments, interest rates, currency values and credit quality; substantial loss of principal; limits on participation in any appreciation of the underlying instrument; limited liquidity; credit risk of the issuer; conflicts of interest; and other events that are difficult to predict.

### **Risk Disclosure (Digital Assets)**

"Digital Assets –We may invest client accounts in and/or advise clients on the purchase or sale of digital assets. This advice or investment may be in actual digital coins/tokens/currencies or via investment vehicles such as exchange traded funds (ETFs) or separately managed accounts (SMAs). The investment characteristics of Digital Assets generally differ from those of traditional securities, currencies, commodities. Digital Assets are not backed by a central bank or a national, international organization, any hard assets, human capital, or other form of credit and are relatively new to the market place. Rather, Digital Assets are market-based: a Digital Asset's value is determined by (and fluctuates often, according to) supply and demand factors, its adoption in the traditional commerce channels, and/or the value that various market participants place on it through their mutual agreement or transactions. The lack of history to these types of investments entail certain unknown risks, are speculative and may not be appropriate for all investors.

**Price Volatility of Digital Assets –** A principal risk in trading Digital Assets is the rapid fluctuation of market price. The value of client portfolios relates in part to the value of the Digital Assets held in the client portfolio and fluctuations in the price of Digital Assets could adversely affect the value of a client's portfolio. There is no guarantee that a client will be able to achieve a better than average market price for Digital Assets or will purchase Digital Assets at the most favorable price available. The price of Digital Assets achieved by a client may be affected generally by a wide variety of complex factors such as supply and demand; availability and access to Digital Asset service providers (such as payment processors), exchanges, miners or other Digital Asset users and market participants; perceived or actual security vulnerability; and traditional risk factors including inflation levels; fiscal policy; interest rates; and political, natural and economic events.

**Digital Asset Service Providers –** Service providers that support Digital Assets and the Digital Asset marketplace(s) may not be subject to the same regulatory and professional oversight as traditional securities service providers. Further, there is no assurance that the availability of and access to virtual currency service providers will not be negatively affected by government regulation or supply and demand of Digital Assets. Accordingly, companies or financial institutions that currently support virtual currency may not do so in the future.

**Custody of Digital Assets –** Under the Advisers Act, SEC registered investment advisers are required to hold securities with "qualified custodians," among other requirements. Certain Digital Assets may be deemed to be securities. Many Digital Assets do not currently fall under the SEC definition of security



and therefore many of the companies providing Digital Assets custodial services fall outside of the SEC's definition of "qualified custodian". Accordingly, clients seeking to purchase actual digital coins/tokens/currencies may need to use nonqualified custodians to hold all or a portion of their Digital Assets.

Government Oversight of Digital Assets – Regulatory agencies and/or the constructs responsible for oversight of Digital Assets or a Digital Asset network may not be fully developed and subject to change. Regulators may adopt laws, regulations, policies or rules directly or indirectly affecting Digital Assets their treatment, transacting, custody, and valuation.

**ESG Investing** - ESG Investing maintains a focus on Environmental, Social, and Governance issues. ESG investing may be referred to in many different ways, such as sustainable investing, socially responsible investing, and impact investing. ESG practices can include, but are not limited to, strategies that select companies based on their stated commitment to one or more ESG factors; for example, companies with policies aimed at minimizing their negative impact on the environment, social issues, or companies that focus on governance principles and transparency. ESG practices may also entail screening out companies in certain sectors or that, in the view of the investor, demonstrate poor management of ESG risks and opportunities or are involved in issues that are contrary to the investor's own principals.

Risk: "ESG Investing" is not defined in federal securities laws, may be subjective, and may be defined in different ways by different managers, advisers or investors. There is no SEC "rating" or "score" of ESG investments that could be applied across a broad range of companies, and while many different private ratings based on different ESG factors exist, they often differ significantly from each other. Different managers may weight environmental, social, and governance factors differently. Some ESG managers may consider data from third party providers which could include "scoring" and "rating" data compiled to help managers compare companies. Some of the data used to compile third party ESG scores and ratings may be subjective. Other data may be objective in principle, but are not verified or reliable. Third party scores also may consider or weight ESG criteria differently, meaning that companies can receive widely different scores from different third party providers. A portfolio manager's ESG practices may significantly influence performance. Because securities may be included or excluded based on ESG factors rather than traditional fundamental analysis or other investment methodologies, the account's performance may differ (either higher or lower) from the overall market or comparable accounts that do not employ similar ESG practices. Some mutual funds or ETFs that consider ESG may have different expense ratios than other funds that do not consider ESG factors. Paying more in expenses will reduce the value of your investment over time.

## Item 9 Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

## Item 10 Other Financial Industry Activities and Affiliations

In addition to investment advisory services, VVP also provides the following services to clients. These services may be provided individually or in combination for additional fees as agreed upon with a client and based upon the VVP advisory services provided:

- Record keeping and reporting;
- Income tax planning assistance;
- Financial education for family members;

- Family decision-making processes;
- Financial planning;
- Philanthropic consulting (private and public foundations);
- Estate planning;
- Multigenerational wealth planning;
- Coordination of outside professionals;
- Insurance analysis;
- Business succession planning.

### **Registrations with Broker-Dealer**

Persons providing investment advice on behalf of our firm are registered representatives with PKS a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. See the *Fees and Compensation* section in this brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

### **Affiliated Insurance Agency**

Our firm is affiliated through common control and ownership with Venture Risk Consulting, LLC ("VRC"), a licensed insurance agency. If you require insurance-related services, we will recommend that you use the services of our affiliate as Investment Adviser Representatives of our firm are also licensed insurance agents. Our advisory services are separate and distinct from the compensation paid to our affiliate for insurance services.

There is a conflict of interest where (i) VVP recommends the services of VRC or (ii) VRC recommends the services of VVP, because each firm has an incentive to recommend the affiliated firm over other non-affiliated firms. VVP believes this affiliation helps the firm provide more integrated consulting services to our clients. In efforts to mitigate these conflicts of interest, it is our firm's strict policy to act in our client's best interest. Clients are under no obligation to use the services of our affiliate, and may obtain comparable services and/or lower fees through other firms.

### **Dynasty Financial Partners Program**

We maintain a business relationship with Dynasty Financial Partners, LLC ("Dynasty"). Dynasty offers operational and back office core service support including access to a network of service providers. Through the Dynasty network of service providers, we may receive preferred pricing on trading technology, transition support, reporting, custody, brokerage, compliance, and other related consulting services.

While we believe this open architecture structure for operational services best serves the interests of our clients, this relationship may potentially present certain conflicts of interest due to the fact that Dynasty is paid by us or our clients for the services referenced above. In light of the foregoing, we seek at all times to ensure that any material conflicts are addressed on a fully-disclosed basis and handled in a manner that is aligned with your best interests. We do not receive any portion of the fees paid directly to Dynasty, its affiliates or the service providers made available through Dynasty's platform. In addition, we review such relationships, including the service providers engaged through Dynasty, on a periodic basis in an effort to ensure you are receiving competitive rates in relation to the quality and scope of the services provided.

### **General Disclosure Regarding Ability to Implement Through Non-Affiliated Entities**

No client is under any obligation to purchase any insurance products from a VVP representative or engage any such representative in any other professional capacity (i.e., CPA, attorney, etc.). Clients are reminded that they may purchase insurance products, accounting, legal, trust or other type

services through other, non-affiliated individuals and/or entities. Our Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above conflicts of interest.

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

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

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

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

### **Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

### **Block Trading**

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("aggregated trading"). Refer to the *Brokerage Practices* section in this brochure for information on our aggregated trading practices.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

## **Item 12 Brokerage Practices**

VVP does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. You will engage the broker-dealer/custodian (herein the "Custodian") to safeguard your assets and authorize VVP to direct trades to the Custodian as agreed upon in the investment management agreement. Further, VVP does not have the discretionary authority to negotiate commissions on behalf of you on a trade-by-trade basis.

While VVP does not exercise discretion over the selection of the Custodian, it will recommend the Custodian[s] to you for custody and execution services. You are not obligated to use the Custodian recommended by VVP and will not incur any extra fee or cost associated with using a custodian not recommended by VVP. However, VVP may be limited in the services it can provide if a recommended Custodian is not engaged. We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, the most favorable compared to other available providers and their services. We consider various factors, including:

- Capability to buy and sell securities for your account itself or to facilitate such services.
- The likelihood that your trades will be executed.
- Availability of investment research and tools.
- Overall quality of services.
- Competitiveness of price.
- Reputation, financial strength, and stability.
- Existing relationship with our firm and our other clients.

Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. In recognition of the value of the services the Custodian provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere. VVP does not maintain custody of client assets, although we may be deemed to have custody of client assets if the client gives us authority to withdraw assets from client's account or names an associated person as trustee (see *Item 15 – Custody*, below).

After a careful evaluation of the major custodians available, VVP will generally recommend that Clients establish their account[s] at either:

- Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer and member SIPC. Schwab will serve as the Client's "qualified custodian." VVP maintains an institutional relationship with Schwab, whereby VVP receives economic benefits from Schwab.
- Fidelity Clearing and Custody Solutions, a division of Fidelity Brokerage Services LLC and related entities and related entities of Fidelity Investments, Inc. (collectively "Fidelity"). Fidelity is an unaffiliated SEC-registered broker-dealer and FINRA member. Fidelity will serve as the Client's "qualified custodian." VVP maintains an institutional relationship with Fidelity, whereby VVP receives economic benefits from Fidelity.

VVP has established an institutional relationship with Schwab and Fidelity to assist VVP in managing Client account[s]. The platforms includes brokerage, custody, administrative support, record keeping, technology, and related services designed to support registered investment advisors like VVP in serving Clients. These services are intended to serve the best interests of VVP's Clients.

Schwab and Fidelity may charge brokerage commissions (securities transaction fees) for effecting certain securities transactions. Schwab and Fidelity enable the Advisor to obtain certain no-load mutual funds without securities transaction fees and other no-load funds at nominal transaction charges. Schwab and Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Schwab and Fidelity may be higher or lower than those charged by other custodians and broker-dealers.

### **Schwab - Your Custody and Brokerage Costs**

For our clients' accounts it maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. In addition to commission rates and/or asset-based

fees Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.

### **Schwab Advisor Services**

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we do not have to request them) and at no charge to us.

#### *Services that Benefit You*

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

#### *Services that May Not Directly Benefit You*

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data; o facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping and client reporting.

#### *Services that Generally Benefit Only Us*

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession;
- access to employee benefits providers, human capital consultants and insurance providers;
- discount of up to \$4,250 on PortfolioCenter® Reporting Software.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.



### **Our Interest in Schwab's Services**

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. These services may give us an incentive to recommend that you maintain your account with Schwab based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality and price of Schwab's services (based on the factors discussed above – see "The Custodian and Broker We Use") and not Schwab's services that benefit only us. We do not believe that maintaining our client's assets at Schwab for services presents a material conflict of interest.

### **Participation in Institutional Advisor Platform (Fidelity)**

VVP has established an institutional relationship with Fidelity to assist VVP in managing Client account[s]. As part of the arrangement, Fidelity also makes available to VVP, at no additional charge to VVP, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies. VVP may also receive additional services and support from Fidelity. As a result of receiving such services for no additional cost, VVP may have an incentive to continue to use or expand the use of Fidelity's services. VVP examined this potential conflict of interest when it chose to enter into the relationship with Fidelity and has determined that the relationship is in the best interests of certain VVP's Clients and satisfies its Client obligations, including its duty to seek best execution.

VVP receives access to software and related support without cost because VVP renders investment management services to Clients that maintain assets at Fidelity. The software and related systems support may benefit VVP, but not its Clients directly. In fulfilling its duties to its Clients, VVP endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits and financial support from a custodian creates a conflict of interest since these benefits may influence VVP's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Additionally, VVP receives financial support from Fidelity for the transition of Client account[s] to Fidelity ("Transition Assistance") by reimbursing Clients for transfer costs. Additional financial support is dependent upon the total assets under management that are transitioned to Fidelity. The following benefits are also received from Fidelity: receipt of duplicate Client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its institutional participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to Client accounts; and access to an electronic communication network for Client order entry and account information.

### **Research and Other Soft Dollar Benefits**

We do not have any soft dollar arrangements.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

### **Trade Errors**

From time-to-time we may make an error in submitting a trade order on your behalf. When this occurs, we may place a correcting trade with the broker-dealer which has custody of your account. If an investment gain results from the correcting trade, the gain will remain in your account unless the same

error involved other client account(s) that should have received the gain, it is not permissible for you to retain the gain, or we confer with you and you decide to forego the gain (e.g., due to tax reasons). If the gain does not remain in your account and Charles Schwab & Co. Inc. ("Schwab") is the custodian, Schwab will donate the amount of any gain \$100 and over to charity. If a loss occurs greater than \$100, we will pay for the loss. Schwab will maintain the loss or gain (if such gain is not retained in your account) if it is under \$100 to minimize and offset its administrative time and expense. Generally, if related trade errors result in both gains and losses in your account, they may be netted.

If your account custodian is Fidelity Brokerage Services, any trade error gains will generally be donated to Fidelity's default charity, The Red Cross. If you wish to benefit from a trade error resulting in a gain, you should request that we not correct the error and keep the original trade in your account. Gains from a trade error cannot be moved from our account to your account. Any net losses will be covered with a journal from our fee account at the custodian.

### **Block Trades**

We combine multiple orders for shares of the same securities purchased for discretionary advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. Generally, participating accounts will pay a fixed transaction cost regardless of the number of shares transacted. In certain cases, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs on any given day. In the event an order is only partially filled, the shares will be allocated to participating accounts in a fair and equitable manner, typically in proportion to the size of each client's order. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

We do not block trade for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary

## **Item 13 Review of Accounts**

The Investment Adviser Representative assigned to your account will monitor your accounts on an ongoing basis and will conduct account reviews at least annually to ensure the advisory services provided to you are consistent with your investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- a specific client request;
- contributions and withdrawals;
- evaluating the employed strategy(ies)
- year-end tax planning;
- market moving events;
- security specific events; and/or
- realizing tax losses in an account;
- changes in your risk/return objectives.

We will provide you with additional or regular written reports as requested. Reports we provide to you will contain relevant account and/or market-related information such as an inventory of account holdings and account performance, etc. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).



The Investment Adviser Representative assigned to your account will review financial plans as needed, depending on the arrangements made with you at the inception of your advisory relationship to ensure that the advice provided is consistent with your investment needs and objectives. Generally, we will contact you periodically to determine whether any updates may be needed based on changes in your circumstances. Changed circumstances may include, but are not limited to marriage, divorce, birth, death, inheritance, lawsuit, retirement, job loss and/or disability, among others. We recommend meeting with you at least annually to review and update your plan if needed. Additional reviews will be conducted upon your request. Such reviews and updates may be subject to our then current hourly rate. Written updates to the financial plan may be provided in conjunction with the review. If you implement financial planning advice, you will receive trade confirmations and monthly or quarterly statements from relevant custodians.

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

Dynasty has assisted us in negotiating or facilitating payments from Charles Schwab and Fidelity in the form of credits to be applied toward qualifying third-party service provider expenses incurred in relation to transition costs or the provision of core services. This may include, but is not limited to, support of our research, marketing, technology or software platforms. In some instances, Dynasty may serve in an administrative capacity to support the disbursement of these funds furnished by the custodian.

As disclosed under the *Fees and Compensation* section in this brochure, persons providing investment advice on behalf of our firm are licensed insurance agents, and are registered representatives with Purshe Kaplan Sterling Investments ("PKS"), a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. For information on the conflicts of interest this presents, and how we address these conflicts, refer to the *Fees and Compensation* section.

Refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with your account custodian.

We directly compensate outside consultants, individuals, and/or entities (Promoters) for client referrals. In some cases, Promoters may also be clients of VVP. In order to receive a referral fee from our firm, Promoters must comply with the requirements of the jurisdictions in which they operate. If you were referred to our firm by a Promoter, you should have received a copy of this Brochure along with the Promoter's disclosure statement at the time of the referral. If you become a client, the Promoter that referred you to our firm will receive a percentage of the advisory fee you pay our firm for as long as you are a client with our firm, or until such time as our agreement with the Promoter expires. You will not pay additional fees because of this referral arrangement. Referral fees paid to a Promoter are contingent upon your entering into an advisory agreement with our firm. Therefore, a Promoter has a financial incentive to recommend our firm to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms.

## **Item 15 Custody**

As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other qualified custodian. You will receive account statements from the qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should

carefully review account statements for accuracy. We encourage you to reconcile and compare any statements we provide you with statements from your account custodian(s). If you have a question regarding your account statement, or if you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure. The account custodian does not verify the accuracy of VVP's advisory fee calculation.

### **Wire Transfer and/or Check-Writing Authority and/or Standing Letter of Authorization**

Our firm, or persons associated with our firm, may effect wire transfers from client accounts to one or more third parties designated, in writing, by the client without obtaining written client consent for each separate, individual transaction, or we may have signatory and check writing authority for client accounts, as long as the client has provided us with written authorization to do so. Such written authorization is known as a Standing Letter of Authorization. An adviser with authority to conduct such third party wire transfers or to sign checks on a client's behalf has access to the client's assets, and therefore has custody of the client's assets in any related accounts.

However, we do not have to obtain a surprise annual audit, as we otherwise would be required to by reason of having custody, as long as we meet the following criteria:

1. You provide a written, signed instruction to the qualified custodian that includes the third party's name and address or account number at a custodian;
2. You authorize us in writing to direct transfers to the third party either on a specified schedule or from time to time;
3. Your qualified custodian verifies your authorization (e.g., signature review) and provides a transfer of funds notice to you promptly after each transfer;
4. You can terminate or change the instruction;
5. We have no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party;
6. We maintain records showing that the third party is not a related party to us nor located at the same address as us; and
7. Your qualified custodian sends you, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

We hereby confirm that we meet the above criteria.

### **Item 16 Investment Discretion**

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement and the appropriate trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s), the broker or dealer to be used for each transaction, and over the commission rates to be paid without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Refer to the *Advisory Business* section in this Brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

## **Item 17 Voting Client Securities**

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitations to vote proxies.

## **Item 18 Financial Information**

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and we do not require the prepayment of more than \$1,200 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.

We have not filed a bankruptcy petition at any time in the past ten years.

## **Item 19 Requirements for State-Registered Advisers**

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

## **Item 20 Additional Information**

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

### **IRA Rollover Considerations**

As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of:

1. Leaving the funds in your employer's (former employer's) plan.

2. Moving the funds to a new employer's retirement plan.
3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
  - a. Employer retirement plans generally have a more limited investment menu than IRAs.
  - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
  - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
  - b. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. Our strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond a certain age.
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
  - a. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.

### **IRA Rollover Recommendations**

For purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

**ANY QUESTIONS:** VVP's Chief Compliance Officer remains available to address any questions regarding this Part 2A Disclosure Brochure.