

**Cornerstone Planning Group, Inc.**

350 Passaic Ave, Suite 201  
Fairfield, NJ 07004  
973-487-3220

[www.cspgllc.com](http://www.cspgllc.com)

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This brochure provides information about the qualifications and business practices of Cornerstone Planning Group Inc. (“Cornerstone Planning Group”). If you have any questions about the contents of this brochure, please contact us at 973-487-3220 or [ccorino@cspgllc.com](mailto:ccorino@cspgllc.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Registration does not imply a certain level of skill or training. Additional information about Cornerstone Planning Group is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The site may be searched by a unique identifying number known as a CRD number. Cornerstone Planning Group’s CRD number is 307189.

## Item 2- Material Changes

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In 2023, Cornerstone Planning Group contracted with Pontera, an unaffiliated third-party platform that enables the Firm to provide investment management to “Held Away” assets (e.g., 401(k), 529 etc.) For more information please refer to items 4, 5 and 10 regarding this relationship. Additionally, the Firm no longer participates in the T.D. Ameritrade Institutional Program.

There have not been any other material changes to our advisory business or personnel since the filing of its most recent Annual ADV Amendment filing.

### Full Brochure Available:

We will provide a new version of the Firm Brochure as necessary when updates or new information are added, at any time, without charge. To request a complete copy of our Firm Brochure, contact us by telephone at 973-487-3220 or by email to Carmine Corino at ccorino@cspgllc.com.

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## **Item 4- Advisory Business**

### Firm Description

Cornerstone Planning Group (the “Firm” or “Advisor”) is a SEC registered adviser. Carmine Corino, Managing Member and Owner, founded the Firm in 2007 and has been registered with the SEC since December 2019 to provide client investment management and financial planning services.

Cornerstone Planning Group is a fee-only, independent firm. We do not accept any sales commissions, referral fees or other forms of compensation from any third parties. We do not have any relationships with any brokerage, insurance or mutual fund company. We are a fiduciary to our clients and are under an obligation to always act in the client's best interest.

### Types of Advisory Services

#### *Investment Management Services*

We are in the business of managing individually tailored investment portfolios on a discretionary basis. Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation targets. We will also review and discuss a client's prior investment history, as well as family composition and background.

Account supervision is guided by the stated objectives of the client (e.g., maximum capital appreciation, growth, income, or growth, and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Fees pertaining to this service are outlined in Item 5 of this brochure.

#### *Investment Management Services for “Held Away” Accounts*

We offer an additional investment management service for “Held Away accounts,” such as 401(k), 403(b), HSA, and 529 plan accounts. These accounts are not opened at TD Ameritrade or Charles Schwab. We use a third-party platform, Pontera, to leverage an Order Management System to

implement asset allocation and opportunistic rebalancing strategies on behalf of clients. We regularly review the available investment options in these accounts, monitor them, and rebalance and implement our strategies in the same way we do other accounts, though using different tools, as necessary.

A link will be provided to Clients allowing them to connect account(s) to the platform. Once a client's account is connected to the platform, we will review the current account allocations. When deemed necessary, we will rebalance the account considering the Client's investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least quarterly and allocation changes will be made as deemed necessary. The Pontera's platform allows us to avoid having custody of Clients' funds since we do not have direct access to Client log-in credentials. We are not affiliated with Pontera and receive no compensation from Pontera for using their platform. Pontera charges AWMML an annual fee of 0.25% of the assets on their platform.

### *Financial Planning*

The Advisor takes the client through establishing their goals and values around money. They will be required to provide information to help complete the following areas of analysis: net worth, cash flow, insurance, credit scores/reports, employee benefits, retirement planning, insurance, investments, college planning, investment analysis and estate planning. Once the client's information is reviewed, their plan will be built and analyzed, and then the findings, analysis and potential changes to their current situation will be reviewed with the client. Clients subscribing to this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives. If a follow-up meeting is required, we will meet at the client's convenience. The plan and the client's financial situation and goals will be monitored throughout the year and follow-up phone calls and emails will be made to the client to confirm that any agreed upon action steps have been carried out.

We may make certain assumptions regarding interest and inflation rates and the use of past trends and performance of the market and economy. Past performance is in no way an indication of future

results. We do not offer any guarantees or promises that your financial goals and objectives will be met. For certain situations we take an interdisciplinary approach to financial planning, bringing in other professionals, such as estate planning attorneys or CPAs, who can advise you on the execution of specialized elements of your financial plan.

### *Retirement Plan Services*

We offer services to both plan sponsors and participants of retirement benefit plans. Such services may consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. In providing employee benefit plan services, our firm does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, "Excluded Assets").

We offer assistance in creating and establishing a plan's asset allocation and in evaluating, and monitoring investment options. This may include reviewing appropriate investment options for the plan, asset classes and investment styles, evaluating and recommending investment managers, types and selection of investment options. We may also conduct periodic reviews of the plan's investments to evaluate performance, risk characteristics and expenses and recommend changes where appropriate.

In addition, we provide services to encourage participation and help plan participants choose appropriate deferral rates and investment selections by holding enrollment meetings and providing online or printed educational materials. We may also work directly with plan participants to help them evaluate their retirement savings goals and implement appropriate contribution amounts and investments available in the plan.

To assist plan sponsors in fulfilling their ERISA fiduciary responsibilities, we may compare a plan's services, investments, features and fees against those of comparable plans in similar sized organizations, provide educational resources to help plan sponsors understand and meet their fiduciary obligations and provide detailed listings and explanations of all fees paid by the plan and participants to service providers and identify appropriate opportunities for cost savings. The

following services are considered fiduciary consulting services:

- Plan design consulting
- Investment Policy Statement development and refinement
- Asset allocation and model portfolios
- Manager evaluation and selection
- Qualified Default Investment Alternative evaluation and recommendation
- Fiduciary investment reviews
- Participant advisory services

The Firm acknowledges that in performing the fiduciary consulting services listed above that it is acting as a “fiduciary” as such term is defined under either Section 3(21) or Section 3(38) of the Employee Retirement Income Security Act of 1974 (“ERISA”). Depending on client needs, the Firm may act as a 3(21) fiduciary and provide nondiscretionary investment advice only. Advisor acts in a manner consistent with the requirements of a fiduciary under ERISA if, based upon the facts and circumstances, such services cause Advisor to be a fiduciary as a matter of law. However, in providing the fiduciary consulting services, Advisor (a) has no responsibility and does not (i) exercise any discretionary authority or discretionary control respecting management of the client’s retirement plan, (ii) exercise any authority or control respecting management or disposition of assets of the client’s retirement plan or (iii) have any discretionary authority or discretionary responsibility in the administration of the client’s retirement plan or the interpretation of retirement plan documents, (b) is not an “investment manager” as defined in Section 3(38) of ERISA and does not have the power to manage, acquire or dispose of any plan assets and (c) is not the “Administrator” of the client’s retirement plan as defined in ERISA. If the client needs a 3(38) fiduciary investment manager, the Firm may act in that capacity in lieu of being a 3(21) fiduciary. This will be determined in writing between the Firm and Client in advance of their engagement.

The Firm does not serve as administrator or trustee of the plan. The Firm does not act as custodian for any client account or have access to client funds or securities (with the exception of some accounts having written authorization from the client to deduct our fees). In addition, we do not implement any transactions in a retirement plan or participant’s account. For retirement plan consulting services, the retirement plan or the plan participant who elects to implement any

recommendations made by us is solely responsible for implementing all transactions.

### *Educational Seminars*

The Firm may host a series of seminars and workshops on various financial topics for clients and the general public. Participants can increase their knowledge during these educational events and have the opportunity to ask specific questions by interacting with financial professionals and experts who will instruct such events.

Sample wealth education topics (whether addressed individually or in seminars and workshops) might include, but are not limited to: Financial Plans, Estate Planning, Succession Planning, Retirement Planning, Insurance (all types), Medicare or Social Security Enrollment and Administration. There is no cost to attend these educational events.

### **A. Tailored Relationships**

Cornerstone Planning Group offers the same suite of services to all of its clients. The management services and recommendations offered by Cornerstone are based on the individual needs of our clients and the suitability of products and services. Specific client financial plans and their implementation are dependent upon the client's Investment Policy Statement which outlines each client's current situation (income, objectives, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets. Clients may impose restrictions on investing in certain securities or types of securities in accordance with their values and beliefs. Cornerstone Planning Group will make every effort to comply with the wishes of the client but cannot guarantee absolute adherence due to its use of indexed products, funds, and ETF's that are controlled by third-party managers.

### **B. Assets Under Management**

When calculating regulatory assets under management, an Investment Adviser must include the value of any advisory account over which it exercises continuous and regular advisory or management services. As of December 2022, Cornerstone Planning Group manages approximately \$340 million in client assets on a discretionary basis and \$80 million on a non-discretionary basis, for a combined AUM of approximately \$420 million.



## **Item 5- Fees and Compensation**

### **A. Description and Billing**

Please note, unless a Client has received the firm's Disclosure Brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the Client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

### **Investment Management Services**

Our standard advisory fee ranges from .50 to 1.35% and depends in part on the complexity of the portfolio, the risk profile of the portfolio, the number of accounts in the household, the amount of assets managed for the household and relationship of the client to the Firm.

The annual fees are negotiable, pro-rated and paid in arrears on a monthly basis. The advisory fee is a tiered and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart and applying the fee to the account value as of the last day of the previous quarter, resulting in a combined weighted fee. We calculate period-end account values after all dividends settle in the account, therefore, the account value used to calculate advisory fees may differ from that of the custodial account statement. Our billing invoice will indicate the total account value used to calculate the advisory fee.

Advisory fees are directly debited from client accounts, or the client may choose to pay by check. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no refund will be needed upon termination of the account.

### **Financial Planning**

Financial planning fees range from \$500 to \$50,000 or may be payable hourly at a rate of \$200 to \$400 an hour and depends on the complexity of the client's financial circumstances. Financial planning

fees are paid in advance, though the Firm may allow payment to be made in installments, in the sole discretion of the Firm. The fee may be negotiable in certain cases. Fees for this service are billed directly to the client. Upon termination of any agreement, the fee will be prorated, and any unearned fee will be refunded to the Client.

The upfront portion of the Comprehensive Financial Planning fee is for Client onboarding, data gathering, and setting the basis for the financial plan. This work will commence upon receipt of all client information which is provided to the Firm. The upfront portion of the fee will not be paid more than 6 months in advance.

#### Retirement Planning Fees

Cornerstone Planning Group will be compensated for Employee Benefit Plan services according to the value of plan assets not to exceed 2.00% of total plan assets. This does not include fees to other parties, such as Recordkeepers, Custodians, or Third Party-Administrators. Fees for this service are either paid directly by the plan sponsor or deducted directly from the plan assets by the Custodian on a quarterly basis, and Cornerstone's fee is remitted to Cornerstone.

#### Other Fees and Payments

There may be additional fees or charges that result from the maintenance of or trading within a client's account. These are fees that are imposed by third parties in connection with investments made through a client's account, including but not limited to, brokerage fees, no-load mutual fund 12(b)-1 distribution fees, certain deferred sales charges on previously purchased mutual funds, and IRA and Qualified Retirement Plan fees.

For advisory accounts that maintain a household balance below \$50,000, Cornerstone Planning Group will assess an annual charge of \$24.00 to cover the costs associated with its third-party technology provider, Black Diamond.

#### **B. Refund and Termination Policy**

Our advisory services continue until terminated in writing by you or us. On the effective date of termination, any fees owed become immediately due. We will discontinue all services and responsibilities to your account. You release Cornerstone Planning Group from all responsibilities as of the effective date of termination.

In addition, you have the right to terminate our advisory services without penalty within five (5) business days after entering into the Investment Advisory Agreement. Termination will not affect the validity, liability, and obligations of the Investment Advisory Agreement for actions taken before the termination.

### **C. Other Compensation**

Neither Cornerstone Planning Group nor do its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

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

### **A. Performance-Based Compensation**

We do not accept performance-based fees – that is, fees based on a share of capital gains or appreciation of the assets of a client.

### **B. Side-by-Side Management**

We do not participate in side-by-side management.

## **Item 7- Types of Clients**

We provide our advisory services to individuals, high net worth individuals, and businesses, as well as foundations and charities, trusts, estates and qualified retirement plans, to assist them in meeting their financial objectives. The Firm does not require minimum income levels, minimum level of assets or other conditions for its financial planning, investment consultation, or portfolio management services.

We reserve the right to waive or reduce certain fees based on unique individual circumstances, special arrangements, pre-existing relationships, or as otherwise determined by our firm principal. We also reserve the right to decline services to any prospective client for any non-discriminatory reason.

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

### **A. Investment Strategies**

When engaged to provide our investment advice, we first gather and consider information regarding several factors, including (but not limited to) your current financial situation, current and long-term needs, investment goals and objectives, level of investment knowledge, social concerns or other reasonable restrictions, and tolerance for risk.

Cornerstone Planning Group employs fundamental analysis to develop our investment strategies. This includes evaluating economic factors such as interest rates, the current state of the economy, future growth of an issuer or sector, among others. In addition to our own research, the firm's recommendations may also be drawn from research sources that include financial publications, investment analysis and reporting software, materials from outside sources, annual reports, prospectuses and other regulatory filings, and company press releases. We make asset allocation and investment policy decisions based on these and other factors. We will discuss with you how, in our best judgment, to meet your objectives while at the same time, seeking a prudent level of risk exposure.

Cornerstone Planning Group generally supports passive investing, using low-cost mutual funds and ETFs which follow a passive asset class investment philosophy with low holdings turnover. The investment strategy for a specific client is based upon the objectives stated by the client during consultations as well as the client's risk tolerance. The client may change these objectives at any time. Each client executes an investment policy statement that documents their objectives and their desired investment strategy and assigns a model portfolio. Cornerstone Planning Group supervises the accounts and manages to that model portfolio on a discretionary or non-discretionary basis.

### **B. Risk of Loss**

**Clients need to be aware that investing in securities involves the risk of loss of the principal.** Every method of analysis has its own inherent risks. To perform an accurate market analysis, Cornerstone Planning Group must have access to current/new market information. Cornerstone Planning Group has no control over the dissemination rate of market information; therefore, unbeknownst to Cornerstone Planning Group, certain analyses may be compiled with outdated

market information, severely limiting the value of Cornerstone Planning Group's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

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 Cornerstone Planning Group) will be profitable or equal any specific performance level(s). Cornerstone Planning Group does not represent, warrant, or imply that its 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. Notwithstanding Cornerstone's method of analysis or investment strategy, the assets within the client's portfolio are subject to the risk of devaluation or loss. The client should be aware that many different events can affect the value of the client's assets or portfolio including, but not limited to, changes in the financial status of companies, market fluctuations, changes in exchange rates, trading suspensions and delays, economic reports, and natural disasters. All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind.

Investors face the following investment risks:

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

Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events.

Inflation Risk: When any type of inflation is present, a dollar will be worth more today than a dollar next year, because purchasing power is eroding at the rate of inflation.

Prepayment Risk: The returns on the collateral for the deal can change dramatically at times if the debtors prepay the loans earlier than scheduled.

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

Business Risk: This risk is associated with a particular industry or a particular company within an industry.

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

Risk Factors relevant to specific securities utilized include:

Equity Securities: The value of the equity securities are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and riskier than some other forms of investment.

Exchange Traded Funds ("ETF"): ETFs represent an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with the fund, but instead, are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the

ETF's performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses. Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.

Mutual Fund Shares: Some of the risks of investing in mutual fund shares include: (i) the price to invest in mutual fund shares is the fund's per share net asset value (NAV) plus any shareholder fees that the fund imposes at the time of purchase (such as sales loads), (ii) investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs, and (iii) investors typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.

Fixed Income Securities: Prices of fixed income securities tend to move inversely with changes in interest rates. Typically, a rise in rates will adversely affect fixed-income security prices. The longer the effective maturity and duration of the client's portfolio, the more the portfolio's value is likely to react to interest rates. For example, securities with longer maturities sometimes offer higher yields but are subject to greater price shifts as a result of interest rate changes than debt securities with shorter maturities. Some fixed income securities give the issuer the option to call, or redeem, the securities before their maturity dates. If an issuer calls its security during a time of declining interest rates, we might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates. During periods of market illiquidity or rising interest rates, prices of callable issues are subject to increased price fluctuation.

Real Estate Related Securities: Investing in real estate related securities includes, among others, the following risks: possible declines in the value of real estate; risks related to general and local economic conditions, including increases in the rate of inflation; possible lack of availability of mortgage funds; overbuilding; extending vacancies of properties; increases in competition, property taxes and operating expenses; changes in zoning laws; costs resulting from cleanup of,

and liability to third parties for damages resulting from environmental problems; casualty or condemnation losses; uninsured damages from floods, earth quakes or other natural disasters; limitations on and variations in rents; and changes in interest rates. Investing in Real Estate Investment Trusts (“REITs”) involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs are dependent upon management skills, are not diversified, and are subject to heavy cash flow dependency, default by borrowers and self-liquidation.

While this information provides a synopsis of the events that may affect a client’s investments, this listing is not exhaustive. Although Cornerstone Planning Group’s methods of analysis and investment strategies do not present any significant or unusual risks, all investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Clients should understand that there are inherent risks associated with investing and depending on the risk occurrence; clients may suffer LOSS OF ALL OR PART OF THE CLIENT’S PRINCIPAL INVESTMENT.

#### C. Recommendation of Specific Types of Securities

Our allocation models primarily utilize ETFs and mutual funds. Investments may include but are not limited to; exchange listed securities, fixed-income securities, open and closed-end mutual funds and ETFs.

### **Item 9- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that are material to your evaluation of Cornerstone Planning Group or the integrity of our management. Cornerstone Planning Group has no legal or disciplinary events to disclose.

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

#### A. Financial Industry Activities

Cornerstone Planning Group is not a registered broker-dealer and does not have an application



pending to register as a broker-dealer. Furthermore, none of Cornerstone Planning Group's management or supervised persons are registered representatives of, nor have an application pending to register as a representative of, a broker-dealer.

#### Receipt of Insurance Commissions

While Cornerstone Planning Group does not sell such insurance products to its investment advisory clients, Cornerstone Planning Group does permit its Supervised Persons, in their individual capacities as licensed insurance agents, to sell insurance products to its investment advisory clients. A conflict of interest exists when Cornerstone Planning Groups' supervised persons recommends insurance products and receives compensation from its advisory clients. In this instance, any such conflict is fully disclosed to the client.

#### **B. Financial Industry Affiliations**

Cornerstone Planning Group is not a registered Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor and does not have an application pending to register as such.

#### **C. Other Material Relationships**

Cornerstone Planning Group does not have any arrangements that are material to its advisory business or its clients with a related person who is a broker-dealer, investment company, financial planning firm, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships other than those already disclosed herein.

#### **D. Other Investment Advisers**

Cornerstone Planning Group does not have any material arrangements with other investment advisers that are material to its advisory clients.

#### *Pontera Platform*

Cornerstone Planning Group is not affiliated with Pontera in any way and receives no compensation from Pontera in connection with our use of the Pontera Platform. Clients are advised that our management of accounts via the Pontera Platform is subject to the limitations and restrictions imposed by the underlying sponsor, issuer, and/or custodian of the client's held-away assets. For example, our instructions to rebalance holdings within your held-away account through the Pontera Platform may not be implemented by the account sponsor, issuer, or custodian for up to one (1) business day or more following entry. We may also not be able to view real-time account value and holdings data over the Pontera Platform. Clients understand that our investment of the assets held within such accounts is limited to allocation of the client's assets among the various investment options made available by the account sponsor, issuer, or custodian.

Upon entering into an agreement for advisory services with us, clients authorize us to use unrelated third-party service providers (including Pontera) to service their account, including billing and the deduction of fees from client accounts. Clients agree to allow us to share non-public, personal information with these unrelated third-party service providers for the purpose of administering and managing the clients' accounts. We require unrelated third-party service providers to execute a confidentiality agreement and not share client information with any unauthorized person or entity. The use of unrelated third-party service providers will not cause the client to incur any additional fees. We pay unrelated third-party service providers (including Pontera) for services out of the total advisory fee charged to the client.

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

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

Cornerstone Planning Group has adopted a formal Code of Ethics. This Code of Ethics includes requirements to make sure that we meet our fiduciary responsibilities:

1. We will put your interests before our own interests.
2. You have the unrestricted right to specify your investment objectives, guidelines, and/or conditions on the overall management of your account.
3. We will not make investment decisions for our personal portfolio(s) if the decision

is based on information that is not also available to the investing public.

4. We will not participate in private placements or initial public offerings (IPO's) that may affect your investments without disclosure to you.
5. We will comply with all applicable federal and state regulations governing registered investment advisers.

**A. Participation or Interest in Client Transactions**

Cornerstone Planning Group does not recommend or effect transactions in securities in which any related person may have material financial interest.

**B. Proprietary/Simultaneous Trading**

On occasion, we may buy or sell securities that we recommend to clients. This practice would create a conflict of interest if the transactions were structured to trade on the market impact caused by recommendations made to our clients. Carmine Corino, Managing Member, reviews our personal transactions quarterly. Our Code of Ethics requires him to pre-approve personal transactions in some cases. We believe that we have adopted sufficient controls so that our personal transactions are consistent with advice given to clients. The full text of our Code of Ethics is available to you upon request.

**Item 12- Brokerage Practices**

**A. Selection and Recommendation**

You are free to select any brokerage firm you choose. If you would like Cornerstone Planning Group to recommend a brokerage firm, you will get a recommendation based on the brokerage firm's costs, skills, reputation, dependability and compatibility with you, rather than upon a financial arrangement between Cornerstone Planning Group and the recommended brokerage firm. In making a recommendation, we consider the brokerage firm's quality of executions, commission structure, competitiveness of commission rates and fees, and other services.

**B. Research and Other Soft Dollar Benefits**

Cornerstone Planning Group may receive "soft dollar arrangements" when we direct client commissions to a broker-dealer that provides research and brokerage services to our firm.

Under "soft dollar" arrangements, one or more of the brokerage firms would provide or pay the costs of certain services, equipment, or other items. These soft dollar benefits are attributed to the investment advisor by reducing its expenses; however, the amount of the fee paid to the investment advisor by the client would not be reduced. Making allocations to brokerage businesses with soft dollar arrangements could enhance the ability to obtain research, optimal execution and other benefits on behalf of clients.

#### **C. Brokerage for Client Referrals**

Cornerstone Planning Group does not receive client referrals from third parties for recommending the use of specific broker-dealer brokerage services.

#### **D. Directed Brokerage**

Securities transactions may be executed by brokers selected by Cornerstone Planning Group in its discretion and without the consent of clients. Cornerstone Planning Group generally will not recommend, request, or require clients to direct the Firm to execute transactions through a specified broker-dealer. Not all investment advisers require their clients to direct brokerage.

#### **E. Order Aggregation**

When we transmit orders for the same securities for two or more clients (including our personal accounts), we may place concurrent orders with the brokerage firm to be executed together as a single "block" in order to facilitate orderly and efficient execution. Where orders are aggregated, each client account will be charged or credited with the average price per unit. We receive no additional compensation or remuneration of any kind for the aggregation of client trades. Order aggregation is generally only available for equities and ETFs.

### **Item 13- Review of Accounts**

## **A. Periodic Reviews**

The frequency and level of review are determined by the complexity of your portfolio, changes in economic or market conditions, tax laws, and/or your individual situation. Client-level reviews are completed on an annual basis and include a review of the portfolio along with a review of the client's investment guidelines and objectives.

## **B. Intermittent Review Factors**

Intermittent reviews may be triggered by substantial market fluctuation, economic or political events, or changes in the client's financial status (such as retirement, termination of employment, relocation, inheritance, etc.). Clients are advised to notify Cornerstone Planning Group promptly if there are any material changes in their financial situation, investment objectives, or in the event they wish to place restrictions on their account.

## **C. Reports**

Brokerage firms and custodians send account statements to you at least quarterly, but usually monthly. These account statements show money balances, investment values, and transactions. We urge you to compare the account statements you receive with reports and invoices that you receive from us. Please let us know if there are any discrepancies.

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

### **A. Economic Benefits From Others**

Some of the professionals that we recommend will refer their clients to us. As a result, this creates an incentive on our part to refer clients to only those professionals that send us referrals, rather than to someone who may provide better services at lower cost. To address this conflict, we want you to understand:

1. Cornerstone Planning Group does not accept any economic benefit from referring clients to another professional without first notifying you of such possibilities. We act completely in a fiduciary capacity – putting your interests first.

2. You are under no obligation to use any professional we recommend to prepare planning documents (i.e., estate, insurance, tax, etc.). You are free to choose anyone to implement the recommendations made in your financial plan.
3. Certain professionals (insurance agents and brokerage firm representatives) may receive the commissions from purchases that you may make through their employer.

#### **B. Compensation to Unaffiliated Third Parties**

We may suggest the need for you to consult with an attorney, CPA, insurance agent or other professional. We do not share in any fees you pay to these professionals.

### **Item 15- Custody**

#### **A. Custodian of Assets**

Custody means holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them. When we manage your investments, the custodian of your account(s) will directly debit your account(s) for the payment of our advisory fees. You will not give us the authority to withdraw securities or funds (other than advisory fees) from your account. SEC regulations include the ability to deduct advisory fees from your account(s) in their definition of “custody.” For this reason, our firm is considered to exercise custody over your funds. However, your funds and securities will be held with a bank, brokerage firm, or other independent qualified custodian at all times. We do not accept physical custody of any of your funds and/or securities. The only checks that we are permitted to accept are those payable for our fees. We do not produce account statements. You will receive account statements from the custodian holding your funds and securities at least quarterly. These account statements will indicate the amount of our advisory fees deducted from your account(s) each billing period. We urge you to review these account statements for accuracy. Please let us know if there are any discrepancies.

#### **B. Account Statements**

Although Cornerstone Planning Group is the client’s adviser, the client’s statements will be mailed or made available electronically by the broker-dealer or custodian. When the client receives these statements, they should be reviewed carefully. Clients should compare asset values, holdings, and

fees on the statement to that in the account statement issued the previous period.

#### **Item 16- Investment Discretion**

When you engage our services, you may sign a limited power of attorney to give Cornerstone Planning Group discretion over the selection and amount of securities to be bought or sold and the timing of transactions so that we will not ask for your consent or approval of each transaction. This investment authority may be subject to specified investment objectives and guidelines and/or conditions imposed by you, as described above in “Investment Management.”

#### **Item 17- Voting Client Securities**

Cornerstone Planning Group will not vote proxies which are solicited for securities held in client accounts. Cornerstone Planning Group will not be required to render any advice with respect to the voting of proxies solicited by or with respect to the issuers of securities in which assets of the client’s account may be invested in occasionally. Furthermore, Cornerstone Planning Group will not take any action or render any advice with respect to any securities held in any client’s accounts that are named in or subject to class action lawsuits. Cornerstone Planning Group will, however, forward to the client any information received by Cornerstone Planning Group regarding class action legal matters involving any security held in the client’s account.

#### **Item 18- Financial Information**

Cornerstone Planning Group is not a qualified custodian of client funds or securities and does not require prepayment of fees of more than \$500 per client, six (6) months or more in advance. Cornerstone Planning Group does not have any financial impairment that would preclude the Firm from meeting contractual commitments to clients. Cornerstone Planning Group has not been the subject of a bankruptcy petition at any time during the last 10 years.