



FPC Investment Advisory, Inc.

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Form ADV Part 2A – Disclosure Brochure

Effective: December 1, 2023

This Form ADV Part 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of FPC Investment Advisory, Inc. (referred to as “we,” “our,” “us,” “Advisor,” or “FPC”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (707) 795-0500.

FPC is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about FPC to assist you in determining whether to retain the Advisor.

Additional information about FPC and its investment adviser representatives is available on the SEC’s website at www.adviserinfo.sec.gov by searching with our firm name or our CRD No. 12272.

Item 2 Material Changes

This version of FPC's Disclosure Brochure, December 1, 2023, is our Annual Amendment brochure document and discusses our business and material changes in fiscal year 2023. FPC believes that communication and transparency are the foundation of its relationship with clients and will continually strive to provide you with complete and accurate information at all times. It contains information regarding our business practices as well as a description of potential conflicts of interest relating to our advisory business that could affect a client's account with us. FPC encourages all current and prospective clients to read this Disclosure Brochure and discuss any questions you have with the Advisor.

Material Changes Since the Last Update

Blair McCarthy is no longer with the firm and Bijan Golkar, CFP® will assume his duties as CCO.

Future Changes

From time to time, we will amend this Disclosure Brochure to reflect changes in business practices, regulations, and other routine updates as required by the respective regulators. This complete Disclosure Brochure or a Summary of Material Changes will be provided to you annually and if a material change occurs.

At any time, you can view the current Disclosure Brochure online at the SEC's Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with our firm name or our CRD No. 122728. You can also request a copy of this Disclosure Brochure at any time, by contacting us at (707) 795-0500.

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Item 4 Advisory Services

Who we Are

FPC Investment Advisory, Inc. (referred to as “we,” “our,” “us,” “Advisor,” or “FPC”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The Advisor is organized as a corporation under the laws of the State of California. FPC has been registered as an investment advisor since February 1994. The principal owners of FPC are Bijan Golkar, Chief Executive Officer and Tyler Schalch, Chief Investment Officer.

The Advisor serves as a fiduciary to clients, as defined under applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each client and seeks to mitigate potential conflicts of interest. FPC’s fiduciary commitment is further described in the Advisor’s Code of Ethics. For more information regarding our Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading, below.

Services We Offer

Prior to offering any services, we conduct interviews with you to determine your financial needs and objectives. This will cover your current financial situation, investment goals, and strategies. Based on this initial discussion, we will offer you one or more of our advisory services:

Financial Planning Services

We provide financial planning and analysis in one or more specific areas of concern. We review your situation and make an assessment as to what financial planning/analysis will be needed or required. We will then provide financial planning based on your situation, which can include one or more of the following areas:

- Budgeting / Cashflow
- Retirement Analysis
- Education Funding
- Income Tax Planning
- Insurance Planning
- Investment Planning
- Estate Planning
- Employee Benefits
- Business Planning

These services are available to new and existing clients. Any financial planning in an area of concern is done on an as-needed basis. A fee is assessed for any financial planning and can be waived at our discretion. The client is under no obligation to act upon our recommendations, or to implement our recommendations through our firm.

Financial Consulting & Administrative Services

We can provide consultation(s) and/or administrative services that address your particular needs and financial objectives. These consultations/services are to provide our expertise in specific topics regarding investment and/or financial concerns of the client.

- 401k & IRA Rollover
- Investment Analysis & Selection
- 401k Review and Allocation
- Estate Distribution
- General Financial Planning

These services are available to new and existing clients. These are normally done on an as-needed basis and are charged a fee which can be waived or reduced at our sole discretion. The client is under no obligation to act upon our recommendations, or to implement our recommendations through our firm.

Investment Management Services

We manage investment assets by buying and selling securities in client accounts. We implement our investment strategy with diversified investment vehicles that we select, such as mutual funds and exchange-traded funds (“ETFs”). Each client’s portfolio is managed according to the risk tolerance level selected, in consultation with the client, upon execution of the investment management agreement.

Clients can select a different risk tolerance level at any time, should their specific circumstances change. We encourage clients to discuss their goals and situation with us to make sure we are providing the most appropriate management of their assets.

FPC will tailor a program for each individual client. This will include an interview session to get to know the client’s specific needs and requirements as well as a plan that will be executed by FPC on behalf of the client. FPC will use model portfolios together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients can impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent FPC from properly servicing the client account, or if the restrictions would require FPC to deviate from its standard suite of services, FPC reserves the right to end the relationship.

At no time will FPC accept or maintain custody of a client’s funds or securities except for the limited authority as outlined in Item 15 – Custody. All client assets will be managed within their designated account[s] at the Custodian, pursuant to the terms of the client investment management agreement. For additional information, please see Item 12 – Brokerage Practices.

Income Tax Preparation Services

FPC can provide income tax preparation and tax planning advice in accordance with the rules of the IRS and applicable state laws. Normally, FPC will only prepare income tax returns for individuals and small businesses. Income tax preparation services are normally offered to advisory clients of FPC but can be extended to other non- advisory customers. FPC can decline to prepare any income tax return due to the complexity and scope involved.

There is no requirement that any advisory clients have their income tax returns prepared by FPC. Fees for services rendered are due after the consultations are completed. Tax preparation fees are separate and independent of investment management and financial planning fees.

Wrap Fee Program

FPC does not participate in and is not a sponsor of wrap fee programs.

Wrap Fee Programs are arrangements between broker-dealers, investment advisers, banks and other financial institutions, and affiliated and unaffiliated investment advisers through which the clients of such firms receive discretionary investment advisory, execution, clearing and custodial services in a “bundled” form. In exchange for these “bundled” services, the clients pay an all-inclusive (or “wrap”) fee determined as a percentage of the assets held in the wrap account.

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

September 30, 2023, FPC manages \$225,307,017.36 in client assets on a discretionary basis and \$0.00 on a non-discretionary basis.

Item 5 Fees and Compensation

The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each client engaging the Advisor for services described herein shall be required to enter into a written agreement with the Advisor.

Financial Planning, Financial Consulting & Administrative Services

FPC can offer to provide financial consultations, financial planning services, or administrative services on an hourly or fixed fee basis. The hourly fee ranges begins at \$400, plus expenses. The estimated fee, as well as the total fee to be charged, is based on the scope and complexity of the client engagement. These consultations can include administrative overview, investment allocation review, budgeting, income tax analysis, estate distribution, account setup and financial planning.

Bills are sent upon completion of the consulting project and are due and payable upon receipt unless other arrangements are made in advance.

The financial planning fee is no longer refundable upon completion of the consultation and/or presentation of written advice to the client. If the client terminates the financial planning agreement before the consultation is completed, FPC will provide a copy of any materials prepared and issue an invoice for the services rendered.

All financial planning or financial consulting fees are payable by check. In some cases, clients will request to pay by credit card or transfer of funds through an independent third-party payment processor. The client may also request the firm to directly debit the fees from the Client's account(s) under management.

Investment Management Services

Upon engagement, FPC will charge clients an account setup fee in addition to the investment management fee for its investment advisory services. The account set up fee begins at \$3,000 and increases due to the complexity of the client's situation, such as the volume of accounts and transfers, and projected time required to complete the account set up.

Fees for investment management services are calculated as a percentage of assets under management. These fees are billed monthly in advance, based on the assets under management as of the last day of the previous month. Our standard fee schedule is:

Assets Under Management (\$)	Annual Rate (%)
First \$1,000,000	1.00%
Next \$2,000,000 (up to \$3,000,000)	0.90%
Next \$2,000,000 (up to \$5,000,000)	0.70%
Next \$5,000,000 (up to \$10,000,000)	0.50%
On amounts above \$10,000,000	0.30%

*Note that as more assets are added, the rate charged on the entire portfolio will decrease, as it is blending the rates charged on the later tiers with that of the initial ones.

Legacy clients are billed at the fee schedule in place at the time they became a client, which can differ from the fee schedule listed above. Under certain circumstances, the account set up fee and investment management fees can be negotiable at the sole discretion of the Advisor based on the size of the account, prospective growth, and other factors. In certain other individual circumstances, clients will receive a discount on the above investment management rates depending on the relationship, such as if the client is a close friend or relative. Multiple portfolios with a common interest can be treated as one for billing purposes. They can also be provided fee breaks, based off familial relationships that have had their assets under management aggregated. In all such cases the applicable fee will be disclosed in writing.

We require that you provide authorization for us to deduct our fees directly from your investment account. Important information about the deduction of management fees:

- You must provide authorization for us to deduct fees by initialing the appropriate section of our contract.
- You will receive a detailed invoice each month which outlines our fees and how they are calculated at the same time we request payment from the custodian.
- You will receive a statement from your custodian which shows your holdings.
- You are responsible for reviewing the accuracy of the fees being billed, as the custodian will not do so.

You can end our advisory relationship, at any time, by providing five (5) days written notice. Upon termination of your investment management services, we will prorate the advisory fees earned through the termination date and send you a refund of the prepaid, unearned portion of your fee. The refund amount will be calculated as the difference between the total number of calendar days in the month in which the termination took place and the number of calendar days worked (the number of calendar days between the first day of the termination month and the effective date of termination), then multiplied by the monthly assets under management fee converted into a daily rate (the total number of calendar days in the termination month). We process refund payments within seven (7) calendar days of the effective termination date and will either send you a check or refund your investment account. In either case we will provide a final invoice detailing the calculation of the refund.

Income Tax Preparation Services

Fees for preparing a tax return will generally range from \$400 to \$2,500 depending on the complexity of the client's situation. Fees are normally assessed based on the forms associated with the client's return. The more forms in a return, the higher the associated fee. Advisory clients of FPC are offered a discount on their tax preparation fees. Tax preparation fees are separate and are NOT included as part of any financial planning agreement.

At the request of a client, FPC will provide income tax planning on an hourly rate basis starting at \$400, depending upon the level and scope of the service required and the professional rendering the service.

All income tax preparation services fees are payable by check. In some cases, clients will request to pay by credit card or transfer of funds through an independent third-party payment processor. Bills are sent upon completion of the income tax preparation services and are due and payable upon receipt unless other arrangements are made in advance.

Other Costs Involved

In addition to our advisory fee shown above, you are responsible for paying fees associated with investing for your account.

These fees include:

- **Mutual fund distribution fees.** We seek to select share classes that are lowest cost to you. In certain instances, we retain share classes which do not have trading costs but do have higher internal expense ratios than institutional share classes. We will ensure the selection aligns with the Client's financial objectives and state investment guidelines, taking into account specific custodial or mutual fund company constraints and material tax consideration. We also conduct an ongoing review of share classes and will convert as necessary to ensure the selection is in the client's best interest. These fees are paid to brokers as a form of commission.
- **Internal management fees for ETFs and mutual funds.** These are fees charged by the managers of the ETF or mutual fund and are a portion of the expenses of the ETF or mutual fund.
- **Brokerage costs and transaction fees for any securities or fixed income trades.** These are generally charged by your custodian and/or executing broker.

Additional information about brokerage costs and services is provided in Item 12 – Brokerage Practices.

Neither FPC or its supervised persons accepts any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. FPC does not charge for the publication of periodicals or wealth education services.

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

FPC does not charge performance-based fees for its investment advisory services. Performance-Based Fees ("Performance Fees") are based on a share of the capital gains or capital appreciation of the assets of a client. The fees we charge are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities.

FPC does not provided Side-By-Side Management. "Side-by-Side Management" refers to a situation in which the same adviser manages accounts that are billed based only on a percentage of assets under management and at the same time manages other accounts for which fees are performance-based. FPC does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its clients.

Item 7 Types of Clients

We typically provide investment advice to individuals and high net worth individuals. In addition, we provide investment advice and services to trusts, estates, charitable organizations, qualified retirement accounts, including Pension and Profit-Sharing Plans, Defined Benefit Plans, and 401(k)s, corporations, and other business entities.

Generally, we require that you maintain a minimum of \$1,000,000 in assets under management. However, at our sole discretion, we will reduce the minimum required asset level based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, the amount of time necessary to manage the assets, related account values, account composition, negotiations with client, etc.).

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

Methods of Analysis and Investment Strategies

FPC's method of analysis and investment strategy is a four-step process using Cyclical Tactical Asset Allocation as follows:

1. Analyze the economic conditions globally.
2. Review and evaluate the stock and bond markets globally.
3. Develop and revise five Asset Allocation models which are implemented with no-load mutual funds or ETFs with an emphasis on index funds.
4. Monitor the portfolios on an ongoing basis and rebalance to maintain the allocation with an emphasis toward a long-term investment horizon.

Asset Allocation is a diversification strategy that aims to balance risk versus reward by adjusting the percentage of each asset class in a portfolio to optimize an individual's goals, risk tolerance and time horizon among various investments. The cyclical approach to tactical asset allocation involves monitoring the economic environment for patterns that have historically led to trends in the stock and bond markets. FPC reviews this economic research along with market valuations to identify asset classes that are anticipated to outperform or underperform their long-term expectations, and then to develop different asset allocation models according to a client's risk profile and objectives. From these models, FPC selects mutual funds or ETF's to implement that allocation with an emphasis on index funds, if available. Once implemented, we rebalance the portfolio on an ongoing basis to maintain that allocation. This approach is called a cyclical economic approach to tactical asset allocation with ongoing rebalancing.

We revise these models as economic conditions and market valuations change. A particular asset allocation model is selected for you, based on our discussions with you and our assessment of your objectives and risk tolerance. Accounts are reviewed on an ongoing basis and rebalanced taking into consideration individual client needs (such as withdrawals, capital gains, deposits, etc.).

Material Risks

FPC uses mutual funds and/or ETF's to implement investment strategies in client accounts. FPC will also occasionally offer advice regarding additional types of investments as needed to address the individual needs, goals, and objectives of the client or in response to a client inquiry. We offer investment advice on most investments held by the client at the start of the advisory relationship.

All investments have different types and degrees of risk and investing in securities involves risk of loss that clients should be prepared to bear. An investment could lose money over short or even long periods. A client should expect their account values to fluctuate, much like the fluctuations of the overall stock and bond markets. While FPC uses investment strategies that are designed to reduce risk through diversification and rebalancing, some investments have significantly greater risks than others. Obtaining higher rates of return on investments entails accepting a higher level of risk. Our investment strategies seek to balance risk and reward to achieve a client's investment objectives. FPC does not represent, guarantee, or even imply that our services, investment strategies or methods of analysis can or will predict future results, identify market tops or bottoms, or insulate you from losses due to market corrections or declines. The client should be aware that there are many different events that can affect the value of the client's assets or portfolio including, but not limited to, changes in financial status of companies, market fluctuations, changes in exchange rates, trading suspensions and delays, economic reports, and natural disasters.

FPC strives to render its best judgment on behalf of its clients. Still, FPC cannot assure or guarantee clients that investments will be profitable or assure that no losses will occur in an investment portfolio. Past performance is an important consideration with respect to any investment or investment adviser but is not a reliable predictor of future results. FPC continuously strives to provide excellent long-term risk adjusted performance, but many economic and market variables beyond its control can affect the results of an investment portfolio.

A client's account performance is subject to the following material risks:

- Market Risk: Stock and bond markets can decline in reaction to tangible or intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances.
- Interest Rate Risk: The chance that bond prices overall will decline because of rising interest rates. Fluctuations in interest rates can cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Manager Risk: The investment strategies, research, analysis and the determination of a portfolio's securities by FPC will not always be successful. The risk of loss due to allocations in the various assets can cause the client's account to underperform relative to benchmarks or other accounts with a similar investment objective.
- International Investing and Currency Risk: FPC will use mutual funds or ETF's to invest in foreign securities, however, investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile, and can lose value because of adverse political, social or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. Foreign stocks are subject to additional risks such as differing financial accounting standards, instability in some markets and higher portfolio fund expenses compared to domestic equities.

Risk Factors relevant to specific securities utilized include:

- 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.
- Exchange Traded Funds ("ETF"): ETFs are a recently developed type of investment security, representing 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 can 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 does not always 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.

- **Fixed Income:** 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.
- **Equity Securities:** The value of the equity securities is 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.

While this information provides a synopsis of the events that can affect a client's investments, this listing is not exhaustive.

All investments involve different degrees of risk that clients should be prepared to bear. You should always be aware of your risk tolerance level and financial situation. We cannot guarantee the successful performance of an investment and we are expressly prohibited from guaranteeing accounts against losses arising from market conditions.

Item 9 Disciplinary Information

Registered investment advisers are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

There are no legal, regulatory, or disciplinary events involving FPC or any of its management persons.

FPC values the trust you place in us. As we advise all clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you engage. Our backgrounds are available on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with our firm name or our CRD# 122728.

Item 10 Other Financial Industry Activities and Affiliations

As a registered investment advisor, we are required to disclose when we, or any of our principals, have any other financial industry affiliations. Neither we nor any of our principals have outside business affiliations.

Broker/Dealer or Broker/Dealer Representative

Neither FPC nor its representatives are registered as, or have pending applications to become, a broker/dealer or a registered representative of a broker/dealer.

Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor

Neither FPC nor its representatives are registered as or have pending applications to become or associated persons of the forgoing entities.

Relationships Material to this Advisory Business and Possibly Conflicts of Interests

Neither FPC nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

FPC does not utilize nor select third-party investment advisers.

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

Code of Ethics

All employees of FPC must act in an ethical and professional manner. In view of the foregoing and applicable provisions of SEC rule 204A-1, we have adopted a set of enforceable guidelines (“Code of Ethics”), which describes unacceptable conduct by FPC and all persons associated with us (our “Supervised Persons”). Summarized, this Code of Ethics prohibits us from:

- Placing our interests before yours,
- Using non-public information gathered when providing services to you for our own gains, or
- Engaging in any act, practice or course of business that is, or might be considered, fraudulent, deceptive, manipulative, or in violation of any applicable law, rule, or regulation of a governmental agency.

Please contact us at (707) 795-0500 if you would like to receive a full copy of this Code of Ethics.

Recommendations Involving Material Financial Interest

We do not recommend that clients buy or sell any security in which our firm or a related person has a material financial interest.

Personal Trading for Supervised Persons

Our firm and our access persons can buy or sell some of the same securities for you that we already hold in our personal accounts. We can also buy for our personal account some of the same securities that you already hold in your account. It is our policy not to permit our Supervised Persons to trade in a way that takes advantage of price movements caused by your transactions.

Trades for our accounts (and those of our Supervised Persons) will be placed as part of a block trade with client trades, or individually after client trades have been completed.

Additional information about block trades is provided in the Aggregation of Orders section of Item 12 – Brokerage Practices. When our trades are placed after our client trades, we can receive a better or worse price than that received by the client.

FPC and its Supervised Persons can purchase or sell specific securities for their own account based on personal investment considerations without regard to whether the purchase or sale of such security is appropriate for clients.

To mitigate or remedy any conflicts of interest or perceived conflicts of interest, FPC requires all Supervised persons to provide their transactions quarterly. FPC monitors its proprietary and personal trading reports for adherence to its Code of Ethics.

Item 12 Brokerage Practices

The Custodian and Brokers We Use

We do not maintain custody of your assets that we manage, although we are deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15 – Custody). Your assets must be maintained in an account at a “qualified custodian,” generally a broker/dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. (“Schwab”), a registered broker/dealer, member SIPC, as the “qualified custodian”. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we will assist you in doing so.

Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below (see “Directed Brokerage”).

How We Select Brokers/Custodians

We seek to recommend a custodian/broker who will hold your assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below (see “Products and Services Available to Us from Schwab”)

Your Brokerage and Custody Costs

For accounts maintained by Schwab, 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 commissions, 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. We have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How We Select Brokers/Custodians”).

Soft Dollars

“Soft dollars” are typically generated when an investment advisor enters into an agreement with an executing broker to receive a portion of the commissions generated by the advisor’s client trades. The soft dollars are allocated to the investment advisor and can then be used to purchase items or services. The investment advisor has a fiduciary duty to its clients to obtain best execution, on an overall basis, for any securities transactions.

We do not use soft dollars as described above. The SEC recently changed the wording of certain questions on the Form ADV and has indirectly changed the definition of soft dollars. Due to the new wording, the receipt of goods and/or services from a third party in connection with providing advice to clients could be seen as “soft dollars.” The additional services we receive from Schwab, as disclosed in the section entitled “Products and Services Available to Us from Schwab” below, would fall under this description of soft dollars. Soft dollar benefits create a conflict of interest because we have an incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services rather than on our clients’ interest in receiving most favorable execution. We mitigate this risk by ensuring that our clients receive best execution.

Products and Services Available to Us from Schwab

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 generally are available on an unsolicited basis (we don’t have to request them) and at no charge to us.

The following is a more detailed description of Schwab’s support services:

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 of 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 Do Not Directly Benefit You. Schwab also makes available to us other products and services that benefit us but do 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 can use this research to service all or a 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
- Facilitate payment of our fees from our clients' accounts
- 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, including the payment of fees associated with the conference or event
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

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

FPC employees can attend meetings sponsored by Schwab and by other industry professionals that help us stay current with regulations, market trends, economic data, and other areas that can benefit us and our services to you.

Brokerage For Client Referrals

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

Directed Brokerage

You can instruct us to execute any or all securities transactions for your account with or through one or more broker/dealers designated by you. In these cases, you are responsible for negotiating the terms and conditions (including, but not limited to, commission rates) relating to all services to be provided by the broker/dealers and you are satisfied with the terms and conditions. We have no responsibility for obtaining the best prices or any particular commission rates for transactions with or through the broker/dealer in these situations. You recognize that the rates obtain will not always be as low as what you might otherwise obtain if we had discretion to select broker/dealers other than those chosen by you. If you would like us to cease executing transactions with or through the designated broker/dealer you must notify us in writing.

Aggregation of Orders

There are occasions on which portfolio transactions will be executed as part of concurrent authorizations to purchase or sell the same security for another client or one or more of our Supervised Persons.

We attempt to block (aggregate) trades in ETFs for your account[s] with those of other client accounts and personal accounts of our Supervised Persons traded on the same day. When we place a block trade, all participants included in the block receive the same price per share on the trade. The price is calculated by averaging the price of all the shares traded. Due to the averaging of price over all the participating accounts, aggregated trades could be either advantageous or disadvantageous. Commission costs are not averaged. You will pay the same commission whether your trade is placed as part of a block or on an individual basis. The objective of the aggregated orders will be to allocate the executions in a manner that is deemed equitable to the accounts involved.

When we trade mutual fund shares for our clients, the price for the shares will be the same during the same trading day. We do not block these trades.

Trade Error Policy

FPC maintains a record of any trading errors that occur in connection with investment activities of its clients. In accordance with SEC recommendations, FPC will bear any losses due to trading errors and the client account will benefit from any gains due to trading errors.

Item 13 Review of Accounts

We download client transactions daily. Our advisors review all portfolios daily and conduct rebalancing of allocations at the firm's discretion. On at least an annual basis, clients are contacted in order to update their personal and financial situation. The information is used to determine if there are any changes that could impact relevant account allocations, risk tolerance or other factors important to determining each client's investment portfolio.

Additional reviews are triggered by changes in the client's financial status. Clients can request an additional review at any time. Clients are advised to notify FPC 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.

Clients receive a quarterly report from FPC, which is in addition to the month-end or quarter-end report of their holdings that they receive from Schwab. Quarterly reports will be received electronically or in printed form, at the client's discretion, and include assets held, changes in value, fees paid, and portfolio performance. We urge you to compare the account statements received from us with those received from the custodian to verify the accuracy of their balances and fees.

Item 14 Client Referrals and Other Compensation

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12 Brokerage Practices). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

We do not directly or indirectly compensate anyone for client referrals.

Item 15 Custody

Custody means holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them. Your assets are held at a qualified custodian in accounts that are registered in your name. We have established a relationship with Schwab as a non-affiliated third-party clearing/custodian broker-dealer who is responsible for taking custody of and maintaining your funds and securities

For purposes of providing our advisory services, we do not maintain actual possession or custody of client assets. As disclosed in Form ADV Part 1A, we do have custody of client funds or securities under applicable SEC guidance for certain clients who have authorized us to deduct our advisory fees from their account or who have granted us the limited power to transmit funds to one or more first or third parties as specifically designated by the client through a Standing Letter of Authorization. However, even in such situations the custodian maintains actual possession of the clients' assets.

When a client instructs the custodian to accept instruction from FPC to direct funds from the client's account to specific accounts of the client ("First Party SLOA") or to third parties unrelated to FPC and its investment adviser representatives ("Third Party SLOA"), FPC will review each SLOA prior to acceptance to ensure it meets the below requirements. It will also periodically review the SLOAs it has from clients to ensure it meets these criteria.

First Party Standing Letters of Authorization

Under applicable SEC guidance, FPC can accept First Party SLOAs without being deemed to have custody if the First Party SLOAs meet the following criteria:

- a) It is authorized by the client.
- b) A copy of the authorization is provided to the qualified custodians.
- c) It clearly specifies the name and account numbers (including ABA routing numbers) on the sending and receiving accounts and the qualified custodian holding each of those accounts.
- d) It identifies the accounts as belonging to the client.

Third-Party Standing Letters of Authorization

In the case of Third-Party SLOAs, FPC can be deemed to have custody of such client's funds under applicable federal law. Under applicable SEC guidance, FPC will accept such custody without the requirement to obtain an annual surprise audit examination if the SLOAs meet the criteria set forth below.

- a) The Client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
- b) The client authorizes FPC, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- c) The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization and provides a transfer of funds notice to the client promptly after each transfer.
- d) The client has the ability to terminate or change the instruction to the client's qualified custodian.
- e) FPC and its investment adviser representatives 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 contained in the client's instruction.
- f) FPC maintains records showing that the third party is not a related party of the investment advisor or located at the same address as the investment advisor.
- g) The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Clients receive account statements directly from the custodian at least quarterly which will reflect the withdrawal of any fee, funds, or other account activity. These statements will be sent to the email or postal address you have provided to the custodian. You will also receive periodic account statements from us. We urge you to compare the account statements received from us with those received from the custodian to verify the accuracy of their balances and fees.

Item 16 Investment Discretion

As one of the conditions of managing your account, you are required to provide discretionary authority for us to manage your assets. Discretionary authority means that you are giving us a limited power of attorney to place trades on your behalf. This limited power of attorney does not allow us to withdraw money from your account, other than advisory fees.

You grant us discretionary authority by completing the following items:

- Sign a contract with us that provides a limited power of attorney for us to place trades on your behalf. Any limitations to the trading authorization will be added to this agreement.
- Provide us with discretionary authority on the new account forms that are submitted to the broker/dealer acting as custodian for your account[s].

When we manage your account, we need to be able to invest in mutual funds and ETFs at our discretion. We are unable to allow for any limitation on this discretion.

Item 17 Voting Client Securities

We vote all proxies that, in our reasonable judgment alone, we determine affect the value of your account. In so doing, we generally cast proxy votes in favor of proposals that increase shareholder value and generally cast against proposals having the opposite effect. Decisions on proxy voting are usually made after a discussion by appropriate persons within our firm. Neither FPC nor any related person has a material relationship with the companies in which clients are invested which would pose a conflict of interest. The proxies are voted in a prudent and diligent fashion and only after a careful evaluation of the issue presented on the ballot. You can provide direction regarding any proxy solicitation.

You can elect to retain the authority to vote the proxies yourself. In that case, you will receive proxies and other related paperwork directly from your custodian. Upon request, we will provide guidance about voting a specific proxy solicitation.

You can request a copy of our Proxy Policies and Procedures and/or information about how a proxy was voted at any time by contacting us via e-mail or telephone.

Item 18 Financial Information

FPC does not have any adverse financial situations that would reasonably impair the ability of FPC to meet all obligations to its clients. Neither FPC, nor any of its Advisory Persons, have been subject to a bankruptcy or financial compromise. FPC is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect fees of \$1,200 or more for services to be performed six months or more in advance.

FPC Investment Advisory, Inc. Privacy Policy

Effective: December 1, 2023

Our Commitment to You

FPC Investment Advisory, Inc. (“FPC” or the “Advisor”) is committed to safeguarding the use of personal information of our clients (also referred to as “you” and “your”) that we obtain as your Investment Advisor, as described here in our Privacy Policy (“Policy”).

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. FPC (also referred to as "we", "our" and "us") protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

FPC does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below. Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

Why you need to know?

Registered Investment Advisors (“RIAs”) must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

What information do we collect from you?

Driver’s license number	Date of birth
Social security or taxpayer identification number	Assets and liabilities
Name, address, and phone number[s]	Income and expenses
E-mail address[es]	Investment activity
Account information (including other institutions)	Investment experience and goals
Income tax information	

What Information do we collect from other sources?

Custody, brokerage, and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents

Transactional information with us or others	Other information needed to service account
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How do we protect your information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client's personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

How do we share your information?

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we will share your personal information.

Basis For Sharing	Do we share?	Can you limit?
Servicing our Clients We share non-public personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting.	Yes	No
Marketing Purposes FPC does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws give us the right to share your personal information with financial institutions where you are a customer and where FPC or the client has a formal agreement with the financial institution. We will only share information for purposes of servicing your accounts, not for marketing purposes.	No	Not Shared
Authorized Users Your non-public personal information will be disclosed to you and persons that we believe to be your authorized agent[s] or representative[s].	Yes	Yes
Information About Former Clients FPC does not disclose and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared

State-specific Regulations

California	In response to a California law, to be conservative, we assume accounts with California addresses do not want us to disclose personal information about you to non-affiliated third parties, except as permitted by California law. We also limit the sharing of personal information about you with our affiliates to ensure compliance with California privacy laws.
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Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us. Periodically we will revise this Policy and will provide you with a revised policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

Any Questions? You can ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at (707) 795-0500.