

**Part 2A of Form ADV: Firm Brochure**

**The Wealth Advisory Team, LLC  
DBA The Prosperity People**

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This brochure provides information about the qualifications and business practices of The Wealth Advisory Team, LLC DBA The Prosperity People. If you have any questions about the contents of this brochure, please contact us at 859-331-7755 or [Andy@MackeyAdvisors.com](mailto:Andy@MackeyAdvisors.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 The Prosperity People also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 124957.

## **Item 2     Material Changes**

This Firm Brochure is our disclosure document prepared per regulatory requirements and rules. Consistent with the rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

The material changes in this brochure from the last annual updating amendment on 01/25/2023 of The Prosperity People are described below. Material changes relate to The Prosperity People's policies, practices or conflicts of interests.

- The Wealth Advisory Team LLC DBA The Prosperity People have added Pontera to manage clients held away 401k assets. (Item 4)

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### Item 4 Advisory Business

The Wealth Advisory Team, LLC DBA The Prosperity People (TPP), is a state-registered investment adviser with its principal place of business located in

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Bellevue, Kentucky. TPP began conducting business in 2003.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Mackey M McNeill, Managing Partner

The Prosperity People offers the following advisory services to our clients:

### **INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL & MODEL PORTFOLIO MANAGEMENT**

Our firm provides continuous and non-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 and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Our firm provides portfolio management services and non-continuous portfolio management to clients using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal.

	<b><u>Target Return</u></b>
<b>Aggressive</b> (Objective: Aggressive) (expected worst single year at least = -46.5%) Highest risk tolerance Higher return potential; greatest variability of return (volatility). 90% to 97% equities (stocks & alternatives); 0% fixed income, 0% to 5% cash	<b>10% to 12%</b>
<b>Growth Tax Efficient</b> (Objective: Growth Tax Efficient) (expected worst single year at least = -46.5%) Highest risk tolerance. Higher return potential; greatest variability of return (volatility). 80% to 97% equities (stocks & alternatives); 0% to 10% fixed income, 0% to 5% cash	<b>10% to 12%</b>
	<b><u>Target Return</u></b>
<b>Equity with Income</b> (Objective: Equity Income) (expected single worst year at least = -46.5%)	<b>8% to 10%</b>

Highest risk tolerance.  
Higher return potential; greatest variability of return (volatility).  
70% to 80% equities (stocks & alternatives); 10% to 20% fixed income, 0% to 5% cash

**Moderate** (Objective: Balanced) **7% to 9%**

(expected single worst year at least = -33.3%)  
Above average risk tolerance.  
Relatively high return potential; relatively great variability of return.  
58% to 70% equities; 20% to 30% fixed income, 0% to 7% cash

**Income with Equity** (Objective: Income Primary with Growth Secondary) **5% to 8%**

(expected single worst year at least = -28.9%)  
Average risk tolerance.  
Relatively lower return potential; relatively low return variability.  
40% to 58% equities (stocks & alternatives); 30% to 45% fixed income, 0% to 10%

cash

**Income** (Objective: Income) **4% to 6%**

(expected single worst year at least = -24.4%)  
Average risk tolerance.  
Relatively lower return potential; relatively low return variability.  
35% to 50% equities (stocks and alternatives); 50% to 65% fixed income, 0% to 10%

cash

**Cash & Fixed Income** (Objective: Stability of Principal with Income) **1% to 5%**

(expected single worst year at least = -5.1%)  
Average risk tolerance.  
Lowest return potential; least variability of return.  
0% equities (stocks & alternatives); 50% to 97% fixed income, 0% to 50% cash

We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Through personal discussions with the client in which the client's goals and objectives are established, we determine if the model portfolio is suitable to the client's circumstances. Once we determine the suitability of the portfolio, the portfolio is managed based on the portfolio's goal, rather than on each client's individual needs. Clients, nevertheless, have the opportunity to place reasonable restrictions on the types of investments to be held in their account. Clients retain individual ownership of all securities.

Our investment recommendations are not limited to any specific product or service offered by a broker dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter

- Foreign issuers
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Other - MA occasionally offers clients investment advice on various types of instruments they may hold or be considering to purchase or sell, including commercial paper, investment company securities, options contracts, futures contracts, interests in miscellaneous partnerships, corporations, and/or proprietorships.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

1. send reminders to each Model Portfolio Management Services client requesting any updated information regarding changes in the client's financial situation and investment objectives. These reminders will be sent at a minimum, every three years;
2. discuss at each review with a participating client to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose investment restrictions or modify existing restrictions;
3. be reasonably available to consult with the client; and
4. maintain client suitability information in each client's file.

## FINANCIAL PLANNING

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax

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and budgetary planning, estate planning and business planning.

- Exchange-listed securities
- Securities traded over-the-counter
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests

Typically the financial plan is presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

### **CONSULTING SERVICES**

Clients can also receive investment advice on a more focused basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client.

### **PARTICIPANT ACCOUNT MANAGEMENT (PONTERA) -**

We use a third-party platform to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once Client account(s) is connected to the platform, Adviser will review the current account allocations. When deemed necessary, Adviser will rebalance the account considering client 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.

### **AMOUNT OF MANAGED ASSETS**

As of 12/31/2022, we were actively managing \$ 109,209,000.00 of clients' assets on a discretionary basis plus \$ 1,100,000.00 of clients' assets on a non-discretionary basis.

## **Item 5 Fees and Compensation**

### **INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL & MODEL PORTFOLIO MANAGEMENT FEES**

The annualized fee for Model Portfolio Management Services will be charged as a percentage of assets under management, according to the following schedule:

<b><u>Assets Under Management</u></b>		<b><u>Annual Fee</u></b>
First	0 - \$1,000,000	1.00%
Next	\$1,000,001 - \$3,000,000	0.75%
Next	\$3,000,001 - \$5,000,000	0.50%
Over	\$5 million	0.375%

For example, the fee structure for an \$8 million account is as follows:

\$1 million	x	1.00%	= \$10,000
\$2 million	x	0.75%	= \$15,000
\$2 million	x	0.50%	= \$10,000
\$3 million	x	0.375%	= <u>\$11,250</u>
TOTAL \$8 million			\$46,250

Clients are invoiced in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the clients account at the end of the previous quarter. Clients' fees are deducted directly from the appropriate account.

**Limited Negotiability of Advisory Fees:** Although The Prosperity People has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances

and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

### **FINANCIAL PLANNING FEES**

The Prosperity People's Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Financial Planning fees are calculated and charged on a fixed fee basis, typically ranging from \$300 to \$15,000 depending on the specific arrangement reached with the client.

We may request a retainer upon completion of our initial fact-finding session with the client; however, advance payment will never exceed \$500 for work that will not be completed within six months. The balance is due upon completion of the plan.

### **CONSULTING SERVICES FEES**

The Prosperity People's Consulting Services fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Consulting Services fees are calculated and charged on a fixed fee basis, typically ranging from \$300 to \$15,000, subject to the specific arrangement reached with the client.

### **GENERAL INFORMATION**

***Termination of the Advisory Relationship:*** A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded as of the date the termination is received. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

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**Mutual Fund Fees:** All fees paid to The Prosperity People for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee and other fund expenses. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

**Additional Fees and Expenses:** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

**Fee Disclosures:** For all fees stated above, the following information applies:

Clients will be invoiced in advance, at the beginning of each calendar quarter, based upon the month end values (market value or fair market value in the absence of market value, plus any margin balance of the client's account during the previous quarter. The value of the portfolio is determined on the nearest valuation date preceding the end of the quarter, which valuation date is defined as the last business day of the month.

Management of the account and the fee commences upon the signing of the agreement, unless otherwise agreed upon. If the agreement commences other than at the beginning of a quarter a pro rata charge will be made for the initial period the portfolio is under the advisor's management prior to the beginning of a quarter on the amount agreed upon.

A client agreement may be cancelled by the client at any time for any reason upon receipt of 30 days written notice. Upon termination of any account, any, prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

If this Agreement is terminated during a quarter, the fee will be prorated for the final period and an applicable refund will be made. For purposes of pro rata

calculation, upon receipt of the termination all fees cease and those each day thereafter are refunded.

**ERISA Accounts:** The Prosperity People is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, The Prosperity People may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset The Prosperity People's advisory fees.

**Advisory Fees in General:** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

**Limited Prepayment of Fees:** Under no circumstances do we require or solicit payment of fees in excess of \$500 more than six months in advance of services rendered.

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

The Prosperity People does not charge performance-based fees.

## **Item 7 Types of Clients**

The Prosperity People provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit-sharing plans (other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above

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

### **METHODS OF ANALYSIS**

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Charting.** In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

**Fundamental Analysis.** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis.** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

**Cyclical Analysis.** In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

**Quantitative Analysis.** We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

**Qualitative Analysis.** We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

**Asset Allocation.** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases

in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

**Mutual Fund and/or ETF Analysis.** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## **INVESTMENT STRATEGIES**

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term purchases.** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the

current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term purchases.** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

**Trading.** We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

**Margin transactions.** We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings.

**Risk of Loss.** Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

## **Item 9      Disciplinary Information**

We 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.

Our firm and our management personnel have no reportable disciplinary events to disclose.

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

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

Management personnel of our firm are also partners in the accounting firm of The Advisory Team, LLC dba Mackey™, where they are individually licensed and practicing Certified Public Accountants providing accounting services for separate and typical compensation.

Mackey™ typically recommends The Prosperity People to accounting clients in need of advisory services. Conversely, The Prosperity People typically recommends Mackey™ to advisory clients in need of accounting services.



Accounting services provided by Mackey™ are separate and distinct from our advisory services, and are provided for separate and typical compensation. There are no referral fee arrangements between our firms for these recommendations. No The Prosperity People client is obligated to use Mackey™ for any accounting services and conversely, no accounting client is obligated to use the advisory services provided by us. Mackey™ accounting services do not include the authority to sign checks or otherwise disburse funds on any of our advisory client's behalf.

Mackey™ is owned 99% by Mackey McNeill, CPA/PFS.  
The Wealth Advisory Team, LLC dba The Prosperity People is Owned 100% by Mackey McNeill, CPA/PFS.

Mackey™ conducts normal activities as a CPA firm whom specializes in the areas involving; Shared controller work, consulting and tax services. Mackey™ does not audit company's Financial statements.

The other companies that Mackey McNeill has controlling interest and their activities in are as follows:

- 1) 614 Prosperity Place, LLC is a holding company for a commercial and a residential real estate property.
- 2) WAWP, Inc. is a corporation with no revenue that is reserved for future use.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

The Prosperity People and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.



The Prosperity People's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [Andy@MackeyAdvisors.com](mailto:Andy@MackeyAdvisors.com), or by calling us at 859-331-7755.

The Prosperity People and individuals associated with our firm are prohibited from engaging in principal transactions.

The Prosperity People and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.

2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by Mackey M. McNeill, Andrew J. Pulsfort, and John P. Nunan.
6. We have established procedures for the maintenance of all required books and records.
7. Clients can decline to implement any advice rendered, except in situations where our firm is granted discretionary authority. When designating discretionary authority the client may set specific restrictions to be applied to the appropriate account.
8. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to termination.

## **Item 12 Brokerage Practices**

For discretionary clients, The Prosperity People requires these clients to provide us with written authority to determine the broker dealer to use and the commission costs that will be charged to these clients for these transactions.

These clients must include any limitations on this discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

As our firm does not have the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid, clients must direct The Prosperity People as to the broker-dealer to be used.

The Prosperity People requests that clients direct us to place trades through Charles Schwab & Co. Inc. ("Schwab"). The Prosperity People has evaluated Schwab and believes that it will provide our clients with a blend of execution services, commission costs and professionalism that will assist our firm to meet our fiduciary obligations to clients.

We reserve the right to decline acceptance of any client account for which the client directs the use of a broker other than Schwab if we believe that this choice would hinder our fiduciary duty to the client and/or our ability to service the account. In directing the use of Schwab, it should be understood that The Prosperity People will not have authority to negotiate commissions or to necessarily obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients (who may direct the use of another broker).

Clients should note, while The Prosperity People has a reasonable belief that Schwab is able to obtain best execution and competitive prices, our firm will not be independently seeking best execution price capability through other brokers. Not all advisers require clients to direct it to use a particular broker-dealer.

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, we may recommend the use of one of several brokers (including, but not limited to *Charles Schwab & Co. Inc.*, provided that such recommendation is consistent with our firm's fiduciary duty to the client. Our clients must evaluate these brokers before opening an account. The factors considered by The Prosperity People when making these recommendations are the broker's ability to provide professional services, our experience with the broker, the broker's reputation, the broker's quality of execution services and costs of such services, among other factors. Clients are not under any obligation to affect trades through any recommended broker.

The Prosperity People will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block. The Prosperity People's block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with The Prosperity People, or our firm's order allocation policy.

- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit and will enable The Prosperity People to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
- 6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.
- 7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by Mackey M. McNeill no later than the morning following the execution of the aggregate trade.
- 8) The Prosperity People's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
- 9) Funds and securities for aggregated orders are clearly identified on The Prosperity People's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.

10) No client or account will be favored over another.

The Prosperity People may *recommend* that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although we *recommend* that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. The Prosperity People is independently owned and operated and not affiliated with Schwab.

Schwab provides The Prosperity People with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional. These services *are not* contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to our firm other products and services that benefit The Prosperity People but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that provide access to client account data (such as trade confirmations and account statements);

- i. facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- ii. provide research, pricing and other market data;
- iii. facilitate payment of our fees from clients' accounts; and
- iv. assist with back-office functions, recordkeeping and client reporting.

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

- v. compliance, legal and business consulting;
- i. publications and conferences on practice management and business succession; and
- ii. access to employee benefits providers, human capital consultants and insurance providers.

Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to The Prosperity People. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

The Prosperity People may also recommend that client use an insurance company such as Jefferson National Life Insurance Company, Great West or others to custody their variable annuity assets which are transferred to The Prosperity People for supervision and management. The particular custodian or insurance company will be recommended on a case by case basis depending on the client's needs and objectives. The Prosperity People has used Jefferson National Life Insurance Company or Great West in most cases for custody of client variable annuity assets due to its "no-load" low cost flat fee structure, investment offerings and technology platform. The Prosperity People only recommends Jefferson National Life Insurance Company, or other companies products that are "no-load" to custody their variable annuity assets which are transferred to The Prosperity People for supervision and management.

## **Item 13    Review of Accounts**

### **ALL PORTFOLIOS**

**REVIEWS:** While the underlying securities within Model Portfolio Management Services are continually monitored, these accounts are reviewed according to the following schedule:

Reviews should occur based on the following assets under management:

\$0 - \$250,000 Yearly  
\$250,001 - \$500,000 Semi-Annually

> \$500,001 Quarterly

Reviews - Quarterly, semiannual or annual reviews of portfolios. Portfolio management accounts are reviewed in their entirety initially upon engagement and as described in the clients advisory agreement thereafter. Periodic review of accounts are conducted as needed to accommodate unusual price movements in any investment, to incorporate an investment objective change by a client, to meet asset allocation balancing requirements, or at client request.

Accounts are reviewed in the context of the investment objectives and guidelines of each model portfolio as well as any investment restrictions provided by the client. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by:

Mackey M. McNeill, CPA/PFS, CEO, The Wealth Advisory Team, LLC, All Accounts

- 1) Performs reviews as stated in clients advisory agreements or upon client request.
- 2) Conducts reviews as necessary to assess compliance with changes in client needs and objectives, which may or may not include a comprehensive or segmented financial plan.

Andrew J. Pulsfort, CFP, The Wealth Advisory Team, LLC, All Accounts

- 1) Performs reviews as stated in clients advisory agreements or upon client request.
- 2) Conducts reviews as necessary to assess compliance with changes in client needs and objectives, which may or may not include a comprehensive or segmented financial plan.

John P. Nunan, Investment Advisor Representative, The Wealth Advisory Team, LLC, All Accounts

- 1) Performs reviews as stated in clients advisory agreements or upon client request.
- 2) Conducts reviews as necessary to assess compliance with changes in client needs and objectives, which may or may not include a comprehensive or segmented financial plan.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide reports according to the schedule above summarizing account performance, balances



and holdings. These reports will also remind the client to notify us if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions.

### **FINANCIAL PLANNING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

**REPORTS:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for. A completed financial plan may include the following:

- |                                  |                      |                    |
|----------------------------------|----------------------|--------------------|
| a) Cash Flow Analysis Review     | d) Retirement Plan   | g) Estate Planning |
| b) Projected Income Tax Analysis | e) Education Funding | h) Insurance       |
| c) Balance Sheet                 | f) Investment Review |                    |

### **CONSULTING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative.

**REPORTS:** Consulting Services clients will not typically receive reports due to the nature of the service.

### **PROGRAMS USED FOR ACCOUNT REVIEW AND FINANCIAL PLANNING**

The Prosperity People uses Morningstar Advisor Workstation to generate a portfolio analysis for individual accounts and to aggregate accounts if client has more than one account on a quarterly, semi-annual, or annual basis according to the advisory agreement signed by the client. Clients also receive statements on a monthly basis from the custodian of their accounts.

Financial plans are generated using MoneyGuidePro.

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

It is The Prosperity People's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm. Our firm accepts

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no other compensation.

## **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. The Prosperity People will also send an itemized quarterly fee report. Clients should contact us directly if they believe that there may be an error in their statement.

Our firm does not have actual or constructive custody of client accounts.

## **Item 16 Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

## **Item 17 Voting Client Securities**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner

in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions,

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tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We do not offer any consulting assistance regarding proxy issues to clients.

## **Item 18 Financial Information**

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. The Prosperity People has no additional financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

The Prosperity People has not been the subject of a bankruptcy petition at any time during the past ten years.

## **Part 2B of Form ADV: *Brochure Supplement***

### **Item 1 - Cover Page**

Andrew J. Pulsfort, CFP®

09/29/2023

This Brochure Supplement provides information about Andrew J. Pulsfort that supplements The Wealth Advisory Team, LLC DBA The Prosperity People Brochure. You should have received a copy of that Brochure. Please contact The Prosperity People if you did not receive The Prosperity People Brochure or if you have any questions about the contents of this supplement.

Additional information about Andrew J. Pulsfort is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## **Item 2- Educational Background and Business Experience**

Andrew J. Pulsfort was born in 1981. He received a Bachelor of Science in Business Administration from the University of Dayton in 2002.

### **Employment Background:**

Employment Dates: 12/2005 – Present  
Firm Name: The Prosperity People  
Type of Business: Investment Advisor  
Job Title & Duties: Director of Personal Services

## **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

## **Item 4- Other Business Activities**

Registered investment advisers are required to disclose all material facts regarding any other business activities that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

## **Item 5- Additional Compensation**

Andrew J. Pulsfort does not receive any economic benefit from any non-client for providing advisory services.

## **Item 6 - Supervision**

Mackey M. McNeill, is the sole person responsible for managing Andrew J. Pulsfort on our behalf. Her telephone number is (859) 331-7755.

## Part 2B of Form ADV: *Brochure Supplement*

### Item 1 - Cover Page

John P. Nunan

09/29/2023

This Brochure Supplement provides information about John P. Nunan that supplements The Wealth Advisory Team, LLC DBA The Prosperity People Brochure. You should have received a copy of that Brochure. Please contact The Prosperity People if you did not receive The Prosperity People Brochure or if you have any questions about the contents of this supplement.

Additional information about John P. Nunan is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## **Item 2- Educational Background and Business Experience**

John P. Nunan was born in 1963. He received a Bachelor of Science in Computer Science from Xavier University in 1985 and a Masters in Business Administration from Xavier University in 1991.

### **Employment Background:**

Employment Dates: 11/2011 – Present  
Firm Name: The Prosperity People  
Type of Business: Investment Advisor  
Job Title & Duties: Investment Advisor Representative – Portfolio Manager

Employment Dates: 10/2006 – 11/2011  
Firm Name: N/A  
Type of Business: Homemaker  
Job Title & Duties: N/A

## **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

## **Item 4- Other Business Activities**

Registered investment advisers are required to disclose all material facts regarding any other business activities that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

## **Item 5- Additional Compensation**

John P. Nunan does not receive any economic benefit from any non-client for providing advisory services.

## **Item 6 - Supervision**

Mackey M. McNeill, is the sole person responsible for managing John P. Nunan on our behalf. Her telephone number is (859) 331-7755.