

## Item 1: Cover Page

Form ADV Part 2A

### **Guideline, Inc.**

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Guideline.com**

October 2, 2023

This brochure provides information about the qualifications and business practices of Guideline, Inc. ("Guideline"), an investment adviser registered with the United States Securities and Exchange Commission (the "SEC"), and the successor investment adviser to Guideline Investments, L.L.C. Registration does not imply a certain level of skill or training but only indicates that Guideline has registered our business with the SEC. The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about Guideline and our services is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and our website at [www.guideline.com](http://www.guideline.com).

If you have any questions about the contents of this brochure, please contact us at (888) 228-3491 or [hello@guideline.com](mailto:hello@guideline.com).

## **Item 2: Material Changes**

This brochure shall serve as an other-than-annual update to our previous brochure dated August 15, 2023. There are no material changes made with this brochure update.

401(k), individual retirement account (IRA), and simplified employee pension (SEP) individual retirement account clients are encouraged to review this entire Form ADV Part 2.

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## Important Information

Throughout this brochure, Guideline may also be referred to as “our,” “we,” or “us.” Clients or prospective clients may also be referred to as “401(k) plan sponsors” or “IRA clients” or “clients.”

## Item 4: Advisory Business

This brochure is intended to help you learn more about Guideline’s 401(k), IRA, and SEP IRA services. If you cannot find what you are looking for here, please direct your questions to [hello@guideline.com](mailto:hello@guideline.com), or visit our website at [www.guideline.com](http://www.guideline.com).

### A. Firm

Guideline is a Delaware corporation formed on June 25, 2015. On February 28, 2019, Guideline became the successor investment adviser to Guideline Investments, L.L.C. when Guideline Investments, L.L.C., a wholly-owned subsidiary of Guideline, was merged with and into Guideline.

## B. Services

### **401(k) Services**

Guideline provides plan administration, recordkeeping, and investment management services to employer-sponsored retirement plans. Guideline's services include selecting, monitoring, and managing our investment menu, qualified default investments, and portfolios for retirement plans.

Guideline also recommends managed portfolios composed of mutual funds to 401(k) plan participants via our proprietary software. Guideline's economic, investment, and other financial interests are not taken into consideration when making investment decisions.

Guideline also offers a Guideline for Advisors® program, a Guideline for Accountants program, and a Guideline for Benefits Professionals program, to third-party advisors, accountants, and benefits professionals, respectively, which allow such third-parties to assist with managing the accounts of mutual 401(k) clients.

### **IRA and SEP IRA Services**

Guideline acts as sponsor of IRAs and SEP IRA clients (collectively "IRA"), providing account set-up, limited administration, recordkeeping, and maintenance.

Guideline also provides investment management services to IRAs, including selecting, monitoring, and managing our investment menu and portfolios for the accounts. We also recommend managed portfolios composed of mutual funds to IRA clients via our proprietary software. Guideline's economic, investment, and other financial interests are not taken into consideration when making investment decisions.

## C. Client-Tailored Services and Client Restrictions

### **401(k) Plans**

Guideline offers three tiers of 401(k) plan services to employers: Starter, Core, and Enterprise. 401(k) plan sponsors may elect to change tiers once during any calendar year.

Also included with our services are automated investment advice to 401(k) plan participants via our proprietary software. Pursuant to section 404(c) of the Employee Retirement Income Security Act of 1974, as amended, Guideline provides a selection of diversified investments representing a range of risk/return characteristics. 401(k) plan participants can choose to invest in one of our managed portfolios - recommended based on the 401(k) plan participant's reported risk tolerance and estimated time until retirement - or create a custom portfolio from our investment menu. If a 401(k) plan participant does not provide investment instructions, their funds are automatically invested into one of our managed portfolios based on the participant's age and estimated time until retirement.

Guideline's account opening process is designed to provide clients an opportunity to select from a variety of investment options, including selecting a model or creating a custom portfolio. In doing this, 401(k) plan participants have flexibility to choose any combination of the mutual funds offered by Guideline, and they can change their chosen portfolio at any point.

### **IRA and SEP IRA Plans**

Guideline offers three types of IRAs:

- Traditional IRA - an individual retirement account which allows clients to direct pre-tax income towards investments that can grow tax deferred.
- Roth IRA - an individual retirement account that accrues gains tax-exempt using after-tax money to invest.
- SEP IRA – an individual retirement account which allows business owners to contribute SEP contributions towards traditional IRAs for their employees or self-employed owners.

IRA clients are able to modify their portfolio, create a custom portfolio, make contributions, and distribute funds from their IRA.

Our service also includes automated investment advice to IRA clients via our proprietary software. Guideline provides a selection of diversified investments representing a range of risk/return characteristics. IRA clients can choose to either invest in one of our managed portfolios - recommended by our proprietary system based on the owner's reported risk tolerance and estimated time until retirement - or they can create a custom portfolio from our investment menu.

Guideline's account opening process is designed to provide clients an opportunity to select from a variety of investment options, including selecting a model or creating a custom portfolio. In doing this, IRA clients have flexibility to choose any combination of the mutual funds offered by Guideline, and they can change their chosen portfolio at any point.

## D. Wrap Fee Programs

In a wrap fee investment program, the investor pays one stated fee to cover management fees, transaction costs, fund expenses, and other administrative fees. Guideline does not participate in any such wrap fee program.

## E. Client Assets

As of December 31, 2022, Guideline managed \$5,364,672,694 in assets under management on a discretionary basis, and \$1,898,751,294 in assets under management on a non-discretionary basis.

# Item 5: Fees and Compensation

## A. Fees

### 401(k) Plan Sponsors

Guideline charges plan administration and service fees directly to the 401(k) plan sponsor as set forth below. Guideline can waive any of the below fees and offer discounts at our discretion.

Type of Service

Fee

Monthly Participant Fees*	\$4-\$8 per active employee
Monthly Base Fee	\$39-\$149

\*Contact Sales at [hello@guideline.com](mailto:hello@guideline.com) to learn more about exclusive pricing options in Enterprise tier.

Extraordinary Services Fee: \$300/hour (\$300 minimum). Guideline reserves the right to assess a fee for services requested by clients that are beyond the scope of agreed-upon services between Guideline and the client.

#### New Comparability Service Fees

If the 401(k) plan sponsor elects new comparability for the plan, then one of the following fees shall apply:

- \$500 flat fee per plan year for the standard allocation method(s) through the profit sharing task; or
- \$1,000 flat fee for a custom allocation method(s) that includes up to 3 custom calculations per plan year if applicable to the plan; each custom allocation/calculation in excess of 3 shall be charged as an Extraordinary Service Fee as described above.

These New Comparability Service Fees are waived for 401(k) plan sponsors who have elected Enterprise tier.

Additional information about plan pricing is available at [www.guideline.com/pricing](http://www.guideline.com/pricing).

Guideline furnishes a detailed schedule of fees to 401(k) plan sponsors upon entering into a contract for services. Monthly fees are negotiable for larger employers. Our fees may be modified from time to time with not less than thirty (30) days written notice.

#### 401(k) Plan Participants

Guideline charges 401(k) plan participants as set forth below. Guideline can waive any of the below fees and offer discounts at our discretion.

<u>Type of Service</u>	<u>Fees</u>
Annual Account Fee**	0.15%-0.35%*
Terminated 401(k) Plan Participant Monthly Base Fee***	\$4

\*Contact Sales at [hello@guideline.com](mailto:hello@guideline.com) to learn more about exclusive pricing options available in Enterprise tier.

\*\*Calculated and deducted on a monthly basis at 1/12 of the annual stated rate (0.15%-0.35%, as applicable) based on the account balance on the last day of each month.

\*\*\*This fee is deducted from the account balance of participants who have severed employment and continue to maintain an account balance after ninety (90) days of termination (or after the end of the blackout period for plan transfers to Guideline).

If the 401(k) plan sponsor has retained a third-party advisor to provide advisory services to the plan, and that third-party advisor is part of the Guideline for Advisors® program, the third-party advisor may be authorized by the 401(k) plan sponsor to bill its advisory fee, calculated on the plan's assets under management, to the plan. In this

event, the third-party advisor's fee will be prorated based on each 401(k) plan participant's daily account balance, and deducted directly from their account after the end of each calendar quarter. The amount each 401(k) plan participant will pay each quarter will vary due to fluctuations in the 401(k) plan participant's account balance (because of contributions, distributions, and investment returns or losses).

Guideline will deduct fees from the 401(k) participant account balance for any month during which the month-end account balance is greater than \$0. Guideline will liquidate assets in the following order for purposes of paying fees: (i) pre-tax employee and employer contribution sources (pro-rata), and (ii) Roth contribution sources (pro-rata).

401(k) plan participant fees are negotiable for larger employers. Guideline furnishes a detailed schedule of fees which may be charged to 401(k) plan participants in a fee disclosure statement upon enrollment and on an annual basis. Our fees may be modified from time to time with not less than thirty (30) days written notice.

### **Guideline for Advisors<sup>®</sup>, Guideline for Accountants, and Guideline for Benefits Professionals**

Guideline offers a program to third-party advisors, accountants, and benefits professionals, respectively, which allow such third-parties to assist with managing the accounts of mutual 401(k) clients. Guideline does not charge additional fees to, nor does it receive any additional compensation from, third-party advisors, accountants, benefits professionals, 401(k) plan sponsors, or 401(k) plan participants for the services provided by Guideline pursuant to the Guideline for Advisors<sup>®</sup>, Guideline for Accountants, and Guideline for Benefits Professionals programs. The third-party advisors participating in Guideline for Advisors<sup>®</sup> may charge fees to 401(k) plan sponsors or 401(k) plan participants for their services pursuant to separate agreements between the advisor and the 401(k) plan sponsor. Guideline has the ability to facilitate the fees from the 401(k) plan assets if authorized by the 401(k) plan sponsor.

### **IRA and SEP IRA Plans**

Guideline charges fees directly to the IRA clients as set forth below. Guideline can waive any of the below fees and offer discounts at our discretion.

<u>Type of Service</u>	<u>Fee</u>
IRA Monthly Base Fee (accounts with \$10,000 or less in assets)*	\$2/month
IRA Monthly Base Fee (accounts with more than \$10,000 in assets)*	\$4/month
SEP IRA Monthly Base Fee (all accounts)	\$8/month
Annual Account Fee**	0.08%

*\*For purposes of determining the IRA monthly base fee, account assets are determined based on the average daily balance of the account over the billable month. If you have more than one IRA with Guideline, the balances are added together to determine if the \$10,000 threshold is met and the fee is only deducted once (not including SEP IRA as SEP IRA fees are determined individually).*

*\*\*Calculated and deducted on a monthly basis at 1/12 of the annual stated rate (0.08%) based on the account balance on the last day of each month.*

Guideline furnishes a detailed schedule of fees charged to IRA clients upon enrollment for services. Fees are



non-negotiable and may be modified during the term of the agreement with thirty (30) days' advance written notice to the IRA client.

## B. Billing and Payment

Guideline monthly base fees will be itemized in a monthly invoice and delivered electronically to 401(k) plan sponsors and IRA clients following the end of the month in which services were provided. The total amount of each invoice will be automatically debited from the 401(k) plan sponsor or IRA clients' Funding Source (as defined in Guideline's terms of service for each service) approximately five (5) days after the invoice is issued. In the event that an error is reported after monthly base fees have been debited, resulting in overpayment, Guideline may refund the excess payment in the form of a credit on the following month's invoice.

Guideline's annual account fee is deducted from the 401(k) plan participant's account balance on a monthly basis and from the IRA client's account balance or via ACH from their designated bank account on a monthly basis. In the event that an error is reported after the annual account fee has been debited, resulting in overpayment, Guideline may credit such overpayment back to the client's Guideline account balance.

## C. Third-Party Fees

Guideline does not charge our clients third-party fees.

Guideline requires our clients to use Benefit Trust Company ("BTC") as their custodian. Custodian fees are paid by Guideline; clients do not pay custodian fees. However, should Guideline for any reason fail to pay the custodial fees, the 401(k) plan sponsor agrees to pay Benefit Trust Company for services rendered by it based on the fee schedule in the Custodian Agreement. BTC may withdraw such compensation directly from 401(k) plan assets.

BTC retains 10% of the amount collected for invoicing, collecting, and reporting on sub-transfer agency, shareholder servicing, and service fees received from mutual fund company transfer agents that BTC has entered into contractual agreements, if applicable to the mutual funds available for investment by the 401(k) plan. These revenue sharing expenses are billed monthly at 1/12<sup>th</sup> of the annual stated rate based on month-end net assets.

401(k) plan participants and IRA clients are responsible for the payment of third-party mutual fund fees, which are charged directly from 401(k) plan participant and IRA client assets by the mutual funds in which the 401(k) plan participant or IRA client invests.

Under the Guideline for Advisors® program, Guideline provides billing services to certain third-party advisors for our 401(k) plans. Guideline does not charge additional fees to, nor does it receive any additional compensation from, third-party advisors, 401(k) plan sponsors, or 401(k) plan participants for these services. The Guideline for Advisors® program is not currently available to our IRA clients.

Large 401(k) plans (defined as a plan with 100+ employees) are subject to large plan audits, and 401(k) plan sponsors are responsible for the costs associated with the audit. These costs are not charged by Guideline but rather the independent, third-party auditor the 401(k) plan sponsor chooses to engage with.

## D. Prepayment of Fees

Guideline does not accept prepayment of fees.

## E. Compensation for the Sale of Securities to Clients

Neither Guideline nor our firm personnel receive compensation for the sale of securities or other investment products. There are three mutual funds utilized by Guideline in our investment menu that charge purchase and/or redemption fees on shares bought or sold, however neither Guideline nor our firm personnel receive these purchase or redemption fees. Purchase and redemption fees earned from these particular mutual funds are paid to the mutual fund itself. It is important to understand that while the mutual funds charge these fees, these fees are paid by Guideline and are not deducted from or charged to the client's or investor's account. These fees are designed to 1) help those funds cover higher transaction costs and 2) protect long-term investors by discouraging short-term, speculative trading. The three funds with these purchase and/or redemption fees are not held within Guideline's managed portfolios and can only be bought or sold within a custom portfolio. The fees for these three funds vary from 0.25% to 0.50%. Clients and investors are encouraged to read through each fund's prospectus prior to investing.

## Item 6: Performance-Based Fees

Neither Guideline nor our firm personnel accept performance-based fees on a share of capital gains on, or capital appreciation of, the assets of 401(k) plan participants or IRA clients.

## Item 7: Types of Clients

Guideline's 401(k) clients are employers who offer employer-sponsored retirement plans to their employees.

Guideline's IRA services are available to the general public. Guideline's clients for our SEP IRA services are business owners who may be self-employed or the employees of small businesses who wish to invest SEP contributions through Guideline.

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

### A. Methods of Analysis and Investment Strategies

There are four principles that form the basis of Guideline's investment philosophy and guide us through our duties and responsibilities as an investment manager:

- Make saving for retirement simple and more accessible

- Minimize investment fees
- Diversify broadly for better risk-adjusted returns
- Create long-term investment strategies for retirement investors

Guideline subscribes to the concept that investors can maximize their expected returns for a given level of risk through a portfolio of diversified assets (or minimize their risk subject to a given level of expected return). Guideline believes investors should have access to a range of low-fee investments with different risk, covariance, and return characteristics, allowing for the construction of diversified portfolios. Guideline believes that minimizing fees, mitigating risk through diversification, and investing for a long-term horizon are the underpinnings to successfully prepare for retirement.

## B. Material Risks

Guideline's investment strategy assumes that investors are risk averse and will only take on increased risk if compensated with higher expected returns. Investors who want higher returns will need to accept greater risk. Different investors will evaluate the trade-off differently based on their own individual risk profile. When choosing between portfolios, the implication is that rational investors will invest in portfolios with the most favorable risk-to-expected-return profiles and corresponding to their level of comfort with risk.

"Long-term investing" is designed to capture market rates of both return and risk. Investing in the capital markets can expose investors to various types of risk that will typically surface at different intervals. These risks include, but are not limited to, market risk, political and regulatory risk, interest rate risk, credit risk, and inflation (purchasing power) risk.

## C. Risks of Specific Securities

Investors should be aware that there is a material risk of loss using any investment strategy. Our mutual fund investments are not guaranteed or insured by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency. Investing in mutual funds carries the risk of capital loss. All mutual funds have costs that lower investment returns. Primary asset classes of the funds represented in Guideline portfolios include stocks ("equities"), bonds ("fixed income"), and cash equivalents, which present a lower risk.

# Item 9: Disciplinary Information

## A. Criminal or Civil Actions

Guideline has no criminal or civil actions to report.

## B. Administrative Proceedings

Guideline has no administrative proceedings to report.

### C. Self-regulatory Organization (SRO) Proceedings

Guideline has no self-regulatory organization proceedings to report.

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

### A. Broker-Dealer or Broker-Dealer Representative Registration

Neither Guideline nor our firm personnel are registered as, or have pending applications to register as, a broker-dealer or a representative of a broker-dealer.

### B. Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor Registration

Neither Guideline nor our firm personnel are registered as, or have pending applications to register as, either a Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Advisor, or an associated person of the foregoing entities.

### C. Material Relationships and Possible Conflicts of Interests

Neither Guideline nor its representatives have any conflicts of interest to disclose.

### D. Material Conflicts of Interest From Other Investment Advisers or Managers

Guideline does not recommend or select other investment advisers for clients.

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

### A. Code of Ethics

Guideline has a written Code of Ethics pursuant to Rule 204A-1 under the Investment Advisers of 1940, as amended (the "Advisers Act") that covers areas such as insider trading, personal securities transactions, conflicts of interest, gifts and entertainment, service on a board of directors, recordkeeping, and violations reporting.

We periodically review and amend our Code of Ethics so that the policies and procedures remain current, and we require firm personnel to annually attest to their understanding and adherence to the Code of Ethics provisions. A copy of the firm's Code of Ethics is made available to any client or prospective client upon request at no charge.

## B. Recommendations Involving Material Financial Interests

Guideline does not recommend that clients buy or sell any security in which a related person to Guideline or Guideline has a material financial interest.

## C. Investing Personal Money in the Same Securities as Clients

Guideline's representatives may buy or sell mutual funds for themselves that Guideline also recommends to our clients. Though this may provide an opportunity for our representatives to buy or sell the same securities before or after Guideline recommends the same securities to 401(k) plan participants or IRA clients, Guideline does not believe any such transaction could potentially create a conflict of interest because all advice is generated through our proprietary system and due to the nature of mutual pricing, Guideline representatives will receive the same price as 401(k) plan participants or IRA clients.

## D. Trading Securities at or Around the Same Time as Clients' Securities

From time to time, Guideline's representatives may buy or sell securities for themselves at or around the same time as clients. Though this may provide an opportunity for our representatives to buy or sell securities before or after Guideline recommends securities to 401(k) plan participants or IRA clients, our representatives do not profit off of the recommendations they provide to 401(k) plan participants or IRA clients. Guideline does not believe such transactions could potentially create a conflict of interest because all advice is generated through our proprietary system.

# Item 12: Brokerage Practices

## A. Selection of Custodians and/or Broker-Dealers

Guideline requires our clients to use Benefit Trust Company as their custodian.

Guideline does not maintain relationships with any broker-dealers. In the event that we do so, Guideline is committed to negotiating reasonable fees for our clients, which includes selecting only commission-free, low expense ratio mutual funds that trade at NAV at the end of a given day.

## Research and Other Soft Dollar Benefits

Guideline conducts our own investment research. Currently, Guideline does not have a soft dollar program or any plans to implement one.

## Brokerage for Client Referrals

Guideline does not receive referrals from a broker-dealer and/or third party in exchange for use of that broker-dealer and/or third party's services.

## Directed Brokerage

Guideline does not allow clients to execute transactions through a specified broker-dealer.

### B. Aggregating (Block) Trading for Multiple Client Accounts

Guideline maintains the ability to block trade across accounts. While block trading may benefit clients by purchasing or selling larger blocks in groups, we do not feel that clients are at a disadvantage because mutual funds invested in receive the same NAV.

## Item 13: Review of Accounts

### A. Frequency of Reviews and Who Makes Those Reviews

Guideline reviews our managed investment portfolios on a routine basis to ensure portfolio characteristics and investment performance adhere to the defined portfolio goals. Guideline reviews the funds in our investment menu on a routine basis, evaluating the funds' performance, fees, and representations of the underlying assets.

### B. Factors That Trigger a Non-Periodic Review of Client Accounts

Non-periodic reviews may be triggered by material market, economic, or political events.

### C. Content and Frequency of Regular Reports Provided to Clients Regarding their Accounts

Guideline provides 401(k) plan participants and IRA clients with a monthly report detailing their account, including: assets held, asset value, and calculation of fees. 401(k) plan participants and IRA clients may also view their account balance and transactions from their online dashboard, updated daily.

## Item 14: Client Referrals and Other Compensation

### A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales, Awards, or Other Prizes)

Guideline does not receive any economic benefit, directly or indirectly, from any third party for advice rendered to Guideline's clients.

### B. Compensation to Non-Advisory Personnel for Client Referrals

From time to time, Guideline enters into written arrangements with third parties to act as solicitors for our services.

Under these arrangements, Guideline agrees to compensate the third-party.

As a result of these compensatory arrangements, (i) Guideline does not charge any additional fees to the 401(k) plan sponsor or any 401(k) plan participant or IRA clients, (ii) third-party fees are not paid from 401(k) plan funds, (iii) these third parties do not provide any fiduciary services to the 401(k) plan or 401(k) plan participants regarding the 401(k) plan, and (iv) neither the 401(k) plan sponsor, 401(k) plan participants, or IRA clients are responsible for any fees paid to these third parties. Compensatory relationships with third parties will be fully disclosed to each client to the extent required by applicable law. All such referral activities will be conducted in accordance with the Advisers Act Rule 206(4)-1, as applicable.

## **Item 15: Custody**

Guideline has custody of client funds and securities because we are authorized or permitted to withdraw client funds or securities maintained at our custodian (Benefit Trust Company) upon our instruction to the custodian. Guideline does not act as a “qualified custodian” but is subject to the SEC’s Custody Rule. Guideline is therefore obligated to comply with the following requirements as imposed by the Custody Rule:

- Use of “qualified custodians” to hold client assets. Guideline maintains client funds and securities with a “qualified custodian” that maintains the client’s funds and securities in a separate account under the client’s name.
- Client Notification. Guideline has notified the clients whose funds and securities we have custody over in writing of the qualified custodian’s name, address, and the manner in which the funds or securities are maintained.
- Account statements for clients detailing their holdings. Clients will receive statements on at least a quarterly basis directly from the qualified custodian(s) that holds and maintains their investment assets. Clients are urged to carefully review all custodial statements and compare them to any reports provided by Guideline.
- Annual surprise exams. Guideline has entered into a written agreement with an independent public accountant to examine the assets of which it is deemed to have custody on a surprise basis every year.

## **Item 16: Investment Discretion**

Guideline exercises discretionary trading authority with regard to funds invested in our managed portfolios. This enables Guideline to buy, sell, and specify the number of securities in a 401(k) plan participant and IRA client’s account without first obtaining the 401(k) plan participant or IRA client’s specific consent. This authority is limited to the transfer or exchange of 401(k) plan participant or IRA client funds between asset classes within mutual fund families and/or other securities to achieve results consistent with the goals of the 401(k) plan participant or IRA client’s selected investment portfolio. This discretion does not extend to 401(k) plan participants or IRA clients who have created a custom portfolio.

## **Item 17: Voting Client Securities (Proxy Voting)**

Proxy voting is carried out by the mutual fund manager for each security the fund holds. 401(k) plan participants and IRA clients should direct all proxy questions to the mutual fund manager. Should a fund require proxy votes for its own management, Guideline will assume voting authority for 401(k) plan participants and IRA clients in accordance with our proxy voting policies. 401(k) plan participants and IRA clients may request a copy of our Proxy Voting Policy by contacting us at [support@guideline.com](mailto:support@guideline.com).

## **Item 18: Financial Information**

### **A. Balance Sheet**

Guideline is not required to include a balance sheet with this brochure because we neither require nor solicit prepayment of more than \$1,200 in fees per client.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither Guideline nor our management have any financial condition that is likely to reasonably impair Guideline's ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions**

Guideline has not been the subject of a bankruptcy petition at any time during the last ten years.