

Form ADV Part 2A Brochure

Resources Investment Advisors, Inc. (Wealth Management Division)

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This Brochure provides information about the qualifications and business practices of Resources Investment Advisors, Inc. (“RIA”). If you have any questions about the contents of this Brochure, please contact us at 913-338-5300. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.

RIA is a registered investment adviser. Registration as an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information from which you can determine whether to hire or retain an adviser.

When a registered investment adviser provides investment advisory services, it is a fiduciary under the Investment Advisers Act of 1940 and has a duty to act in its clients’ best interest and to make full and fair disclosure to its clients of all material facts and conflicts of interest. The purpose of this Part 2A Brochure and individual Part 2B Brochure Supplements is to disclose those material facts and conflicts of interest.

Additional information about RIA is also available via the SEC’s web site:
www.advisorinfo.sec.gov.

Item 2 – Material Changes

This Brochure, dated March 27, 2018, represents the annual update to the firm’s brochure.

Since its last filing, RIA has significantly increased its assets under management. That increase resulted from a combination of organic growth, advisers’ transition of retirement plan clients from LPL Financial to RIA, and the addition of new affiliate firms in Park City, Utah and Sandy, Utah. This Brochure includes information regarding RIA’s new “robo” advisory platform, including the types of accounts that will likely be added, the difference in services offered, and the specific fee schedule utilized for accounts on that platform. In addition, this Brochure includes an explanation of the account management service fee that has been added to some accounts to defer the cost of the software, as well as an explanation of RIA’s Wrap Fee Program. This Brochure also includes an explanation of alternative investment methodologies used for some accounts.

Pursuant to SEC Rules, RIA will deliver to you a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our fiscal year. We may further provide other ongoing disclosure information about material changes as necessary. All such information will be provided to you free of charge.

Currently, our Brochure may be requested by contacting us at (913) 338-5300. Additional information about RIA is also available via the SEC’s web site www.advisorinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with RIA who are registered as investment adviser representatives of the firm.

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Item 4 – Advisory Business

RIA is registered as an investment adviser with the United States Securities and Exchange Commission (CRD # 106766). RIA was organized as a corporation under the laws of the State of Missouri in 1968. O’Renick Companies, Inc. (“OCI”) is a holding company that is the sole owner of RIA. Vincent L. Morris, who serves as RIA’s President, and Michael J. Bukaty, who is not an active participant in the daily management of the firm, are the sole owners of OCI.

RIA provides investment advisory and management services to individual and institutional clients. RIA also provides investment advisory and management services to retirement plan clients, and those services are outlined in a separate brochure specifically tailored to the Retirement Plan Division. In addition, RIA offers the same services offered under its traditional program (in which clients pay the fees for transactions made in their account in addition to the advisory fee) to clients through a wrap fee program (in which the Program Fee charged to the client includes both the advisory fee and an additional amount for the potential transaction fees).

Although some clients choose to manage their own accounts and use RIA solely for providing investment advice, most clients’ accounts are managed by the firm on a discretionary basis. When RIA manages clients’ accounts on a discretionary basis, it has the authority to make trades within those accounts without the clients’ prior consent. However, the firm’s investment management services are tailored to the individual needs of each client. That process begins by conducting an initial meeting with clients to determine their personal goals regarding each account and conducting a risk assessment profile to determine how much investment risk they are willing to incur. Based upon those considerations, clients will generally be categorized into an appropriate investment strategy.

However, clients can impose specific restrictions on investing in certain securities or types of securities on their investment management agreement and are reminded to notify the firm of any new restrictions on a quarterly basis. In addition, RIA’s investment adviser representatives hold investment review sessions with clients to discuss any adjustments clients desire to make to the investments in their accounts.

In 2018, RIA partnered with Charles Schwab & Co, Inc. (“Schwab”) to offer a “robo” advisory platform. The purpose of this platform was to provide clients – especially those with smaller account balances – a cost efficient method of obtaining professional investment advice. While the platform provides for online enrollment and does not include annual face-to-face meetings with one of RIA’s investment adviser representatives, RIA creates and manages the allocation models offered to participants in the robo advisory platform. In addition, RIA asks

enrollees in the platform if they want to impose specific restrictions on investing in certain securities or types of securities and are reminded to notify the firm of any new restrictions on a quarterly basis. However, because the robo advisory platform is managed entirely through investment allocation models, those participants who request such restrictions are required to transfer their account to RIA's traditional investment management platform, which will allow for that type of customization but will usually result in higher advisory fees.

Some of RIA's investment adviser representatives utilize a third party asset manager ("TAMP") to allocate either all or certain segments of their clients' investments. In most cases in which a TAMP is used, RIA has discretion to determine which TAMP and/or which strategy will be used to manage the client's investment, including discretion to change those selections at any time. As a result, these client accounts are included in RIA's calculation of its regulatory assets under management ("RAUM").

As of December 31, 2017, RIA managed approximately \$10,353,900,000 in assets, of which approximately \$8,405,500,000 was managed on a non-discretionary basis and approximately \$ 1,948,400,000 was managed on a discretionary basis.

Item 5 – Fees and Compensation

RIA typically bases its annual advisory fee on a percentage of the total value of the assets in all of the client's accounts. However, RIA does not utilize a uniform fee schedule. As noted above, much of RIA's growth in recent years has resulted from independent firms from around the country partnering with RIA to receive compliance, investment management, and practice management assistance. When those firms move their client accounts to RIA, they have already established an agreement with those clients regarding the appropriate price of their investment services. As a result, RIA does not dictate a set fee schedule for all clients.

Instead, the firm's investment adviser representatives have the flexibility to establish a fee schedule for each client based upon the total assets contained in the client's accounts, the types of investments held in the accounts, and the amount of time the representative believes he or she will need to spend in managing the accounts, so long as it does not exceed 1.75% of the assets under management. In addition, clients have the ability to negotiate the fee schedule that will be applied to their accounts – except for those on RIA's "robo" advisory platform (which is explained more fully, below). Because those accounts are all managed pursuant to investment allocation models created and maintained by RIA's Portfolio Management Team and clients on RIA's robo platform will receive fewer services than those on its traditional platform, the robo platform has a standard annual fee of 1.00% of the assets

contained in the client's account.

For accounts custodied at Schwab and TD Ameritrade, RIA will calculate the applicable fee and forward its calculations to the custodian. Because the advisory fee is based upon the assets in the client's account each quarter (an amount that will likely change from quarter to quarter), clients should understand the stated percentage is not intended to represent an annualized fee applicable to the average total of assets within the accounts during a calendar year. RIA can combine multiple accounts from within a household for purposes of determining the applicable breakpoints if a tiered fee schedule is used.

For accounts held at Schwab, RIA will typically collect its advisory fee in advance of the quarter in which the investment advice is given. For accounts custodied at TD Ameritrade, including those managed through FTJ FundChoice, the advisory fee is usually collected in arrears each month. For new accounts, RIA will usually pro-rate the first quarterly fee based upon the date the client's assets are transferred to the custodian. However, in certain circumstances, RIA will pro-rate the first quarterly fee based upon the value of the client's assets at the time RIA's management agreement became effect. If the advisory fee had been collected in advance and the agreement is terminated in the middle of a calendar quarter, any unearned fees paid in advance will be refunded to the client on a pro-rata basis. All of these provisions will be specified in the client's investment management agreement with RIA.

As noted in most of RIA's investment advisory or management agreements, RIA's advisory fee does not include any applicable taxes; confirmation fees for trades; custodial fees; brokerage commissions; transaction fees; charges imposed directly by a mutual fund, index fund, or exchange traded fund (as disclosed on the fund's prospectus); fees imposed by variable annuity providers (as disclosed in the annuity contract); certain deferred sales charges; odd-lot differentials; transfer taxes; wire transfer and electronic fund fees, as well as other fees imposed upon brokerage accounts and securities transactions. However, RIA does sponsor a Wrap Fee Program in which its advisory fee includes the cost of transaction fees.

Because of the low trading costs it has negotiated with Schwab and TD Ameritrade and the potential incentive to limit the number of trades in client accounts, RIA discourages the use of wrap fees in its client accounts. However, new investment adviser representatives sometimes request the ability to charge a wrap fee for clients who had been in such a program with their prior investment adviser and were unaccustomed to paying transaction fees. Therefore, RIA decided to sponsor a Wrap Fee Program through Schwab.

Clients in RIA's Wrap Fee Program will be provided with a supplement brochure that explains the nature and potential conflicts of interest associated with a wrap fee. However, clients should know that RIA has negotiated very competitive transaction fees with Schwab and TD

Ameritrade, which also offer many investment options that do not incur any trading fees. As a result, clients in RIA's Wrap Fee Program could pay a higher overall amount for RIA's management of their accounts than they would if they paid the cost of transactions in their accounts in addition to RIA's advisory fee.

Clients' accounts can be managed by RIA's Portfolio Management Team, RIA's investment adviser representative, or a TAMP. If the account is managed by an investment adviser representative, RIA will require the account to be enrolled in account management service (either AdviserView or Orion) so it can monitor the account and calculate the advisory fee. RIA will also require the adviser representative to cover the cost of that service. However, the adviser representative can choose to pass along all, or a portion, of that fee to the client. In that event, this additional fee will be designated on the client's investment management agreement. If the account is managed by RIA's Portfolio Management Team, it will reduce the percentage paid to the investment adviser representative and use those additional funds to cover the cost of the account management service – with the exception of those accounts on RIA's "robo" advisory platform. Those accounts are charged an annual \$40 administrative fee to cover the costs of the account management service.

If the investment adviser representative utilizes a TAMP to manage all or any part of the client's account, the client will likely be required to enter into a separate agreement with the TAMP. The TAMP agreement will govern the terms under which the advisory fee will be collected, in which case RIA's investment management agreement will only specify the fee it will collect from the TAMP. Specifically, the TAMP will collect a unified fee and forward the fee specified on RIA's investment management agreement with the client to RIA. Alternatively, RIA will collect the advisory fee and forward a portion to the TAMP or the parties can charge separate management fees.

RIA or its representatives can act as a solicitor for certain investment managers. In those instances, the investment manager will forward a portion of the advisory fee it collects to the firm and/or its adviser representative as a solicitor's fee. This creates an incentive for RIA's investment adviser representatives to recommend clients retain certain managers based on the receipt of the solicitor's fee, which is a potential conflict of interest. However, if RIA or its representative is acting as a solicitor for another manager, RIA will not charge an advisory fee and the client will be provided with a solicitor's disclosure statement detailing the arrangement. Conversely, RIA utilizes third parties as solicitors and pay them a portion of the advisory fee RIA collects as compensation for the referral.

Some of RIA's investment adviser representatives are also registered as representatives of Triad Advisors, a securities broker-dealer (member FINRA/SIPC). As a result, these

representatives can offer investment products and insurance company annuities for which they would be entitled to a sales commission, which creates a conflict of interest. However, Triad Advisors does not take custody of RIA's investment advisory accounts and, therefore, neither Triad nor RIA's investment adviser representatives collect any of the sales charges (12b-1 fees or sub-TA fees) offered by mutual fund companies utilized in RIA's client accounts. In fact, RIA's investment adviser representatives typically recommend "no load" mutual funds, which do not offer sales commissions, when available to advisory clients.

In the event one of RIA's investment adviser representatives previously earned a commission on a product that is transferred into an account governed by an investment management agreement, RIA can – depending on the length of time between the initial sale of the product and its conversion to an advisory account - delay charging an advisory fee as an offset of the compensation it already received. If an investment adviser representative recommends the purchase of an investment product or annuity in an account that is not governed by an investment management agreement, the client should understand: 1) those services are not offered through RIA and it is not responsible for these recommendations; 2) those products can be purchased through a broker or agent that is not affiliated with RIA; and 3) RIA's clients are under no obligation to accept and act upon its investment adviser representatives' recommendations regarding such products.

Some RIA's investment adviser representatives also provide separate financial planning or investment consulting services. These services are separate from the firm's investment management services. As a result, these services will be provided pursuant to a separate contract and fee, which is usually based upon an hourly rate or flat fee. However, unlike an investment adviser representative's recommendation a client purchase an investment product or annuity outside of an investment management agreement, RIA is responsible for any financial planning and investment consulting services offered by its investment adviser representatives.

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

RIA does not charge performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client), and consequently does not simultaneously manage performance based and non-performance based accounts.

Item 7 – Types of Clients

RIA offers portfolio management and advisory services to individuals, trusts, estates, endowments, foundations, charitable organizations, retirement plans, and business entities.

RIA has established a “robo” advisory platform in partnership with Schwab to provide online account opening services and standardized investment allocation models. This platform offers fewer benefits to clients than RIA’s traditional platform. Specifically, clients are not permitted to impose restrictions on RIA’s management of their investments and the services do not include annual face-to-face meetings with one of RIA’s investment adviser representatives. For this reason, the robo platform is generally intended for accounts under \$250,000, but accounts must initially contain at least \$5,000 to be eligible. However, there is no requirement that investment adviser representatives utilize the robo platform for any particular client. In fact, those clients that want to impose restrictions on RIA’s ability to manage the investments in their account – no matter how small their accounts may be - are illegible to participate in the robo platform.

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

RIA’s investment advisers utilize risk questionnaires to determine clients’ level of risk tolerance. For clients utilizing RIA’s traditional platform, the results of the risk questionnaire can be supplemented with discussions with the client to determine the appropriate investment allocation strategy. By contrast, clients utilizing RIA’s “robo” advisory platform will automatically be placed in the investment allocation model that corresponds to the results of their online risk questionnaire.

RIA’s investment adviser representatives will attempt to meet (or communicate via phone) with clients on RIA’s traditional platform at least annually to determine whether there have been any significant changes in their financial condition. If at any time the investment adviser representative believes there has also been a significant change in the client’s risk tolerance, the client can be asked to complete a new risk questionnaire. By contrast, RIA’s investment adviser representatives will generally not meet or communicate with clients on RIA’s “robo” advisory platform after their account is established. Instead, RIA will email clients annually to ask if there have been any significant changes in their financial condition or risk tolerance.

The investment strategy utilized by RIA’s Portfolio Management Team and most of its investment adviser representatives is consistent with the tenets of Modern Portfolio Theory and is intended to reduce risk and volatility by building globally diversified portfolios. To implement this strategy, RIA typically recommends the use of no-load mutual funds, exchange traded funds (ETF’s), government securities, individual stocks and bonds, and other types of securities. In addition, some of RIA’s investment adviser representatives utilize TAMPs to manage all or certain market segments to build a diversified portfolio.

RIA's Portfolio Management Team manages client accounts through a series of investment allocation models. These models range from Aggressive to Conservative based upon the allocation between equities and debt securities. For example, the Aggressive Model is benchmarked against an index in which 80% of the assets are invested in equities and 20% are invested in debt securities. However, that does not mean clients invested in RIA's Aggressive Model will always be maintained in an 80-20 ratio. Instead, RIA's Portfolio Management Team will adjust those ratios based upon their interpretation of current market conditions. In addition, RIA's Portfolio Management Team can adjust the models to respond to restrictions imposed by individual clients, such as requests not to sell certain investments already contained in the client's portfolio.

For clients utilizing RIA's "robo" advisory platform, RIA's Portfolio Management Team will develop and maintain a series of investment allocation models that are similar (but not necessarily the same) as those used for clients on RIA's traditional platforms. However, because of the need to standardize these models on the robo platform, RIA cannot customize the models to clients' individual requests. Therefore, although RIA will offer clients selecting the robo platform the ability to impose restrictions on RIA's management of their accounts – both at the account's opening and in quarterly communications, clients seeking to impose such restrictions will be required to utilize RIA's traditional platform. Because the fees for RIA's traditional platform are not standardized and clients on that platform are provided with more customized services, clients moving from the robo platform to RIA's traditional platform will likely be charged a higher investment advisory fee.

Several of RIA's investment adviser representatives utilize alternative investment strategies. This includes a deep value commodities strategies, which seeks to generate higher returns by investing in certain commodities (gold, silver, coal, etc.) that have low price to equity ratios ("PE ratios"). Clients whose accounts utilize these strategies need to understand their allocations are not consistent with the tenets of Modern Portfolio Theory in that their investments are not diversified over a broad spectrum of industries. As a result, while these strategies could result in greater investment gains, there is no guarantee these commodities will rebound to prior price levels over any particular period of time and, as a result of the lack of diversification, this strategy is inherently more risky than a strategy that is consistent with the tenets of Modern Portfolio Theory.

RIA's Portfolio Management Team and its investment adviser representatives conduct research to identify and evaluate investment options they feel would be appropriate to represent various asset classes and investment styles in clients' portfolios. This includes evaluating the performance of existing investments utilized in the client's account or RIA's investment allocation models to determine if they continue to be appropriate.

However, clients must remember that investing in securities involves risk of loss, which they should be prepared to bear. These risks include market risk, interest rate risk, currency risk, and political risk, among others. No investment strategy, nor the use of a third party manager, can assure a profit or avoid a loss, and RIA does not guaranty any level of investment returns.

Item 9 – Disciplinary Information

RIA and its “management persons” are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of the firm or the integrity of its management, such as criminal convictions or violations of securities laws. (A “management person” is generally defined as any of the firm’s principal executive officers and members of the firm’s investment committee.) Neither RIA nor any of its executive officers and investment committee members are currently subject to, or have ever been subject to, any material events resulting from legal or disciplinary action. The investment adviser representatives working on a client’s account are also required to disclose any such events in their biographies, which are provided to clients in a separate document (ADV Part 2B).

Item 10 – Other Financial Industry Activities and Affiliations

Some of RIA’s investment adviser representatives, including its indirect owners and Chief Compliance Officer, are registered representatives of Triad Advisors, an introducing broker-dealer (member FINRA/SIPC) and, in that capacity, can recommend securities transactions for individuals or entities who are also clients of RIA. In that event, Triad Advisors will typically pay these individuals a portion of the brokerage commissions received for products they sell. This creates a conflict of interest. However, as discussed above, RIA’s investment adviser representatives are not permitted to collect commissions on investment products purchased within the client’s investment advisory account. In addition, clients are free to choose not to implement the representative’s recommendation or to purchase these products from another registered representative or broker-dealer.

Some of RIA’s investment adviser representatives are licensed insurance agents and, in that capacity, can recommend the purchase of insurance products, such as fixed or variable annuities, for individuals or entities who are also clients of RIA. In that event, the insurance company will pay these individuals a sales commission for the products they sell. This creates a conflict of interest, and clients should understand RIA does not have a duty to monitor insurance products offered by its investment adviser representatives. However, RIA’s investment adviser representatives will typically provide ongoing management of the investments within a variable annuity without charge if the adviser representative already

received a commission on the sale of the product. In addition, clients are free to choose not to implement the representative's recommendation or to purchase these products from another authorized individual.

RIA has relationships with entities that have agreed to provide client referrals or have agreed to pay RIA for referring clients to it. This creates a conflict of interest. However, before RIA will pay or receive a referral fee, it will enter into a solicitor's agreement with that entity or individual and require the solicitor to provide each prospective client with a solicitor's disclosure form, which details the arrangement.

Item 11 – Code of Ethics

Code of Ethics

In compliance with Rule 204A-1 of the Investment Advisors Act, RIA has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. The Code of Ethics describes the firm's fiduciary duties and responsibilities to clients by requiring compliance with applicable securities laws, including those that protect the confidentiality of client information, require the reporting of personal securities transactions, and prohibit trading on insider information. Each of RIA's "supervised persons" is required to acknowledge receipt of the firm's Code of Ethics within ten (10) business days of joining the firm. In addition, each supervised person is required to annually acknowledge that their continued employment is contingent upon their compliance with its terms. RIA will provide a complete copy of its Code of Ethics to any client upon request.

Trading Conflicts of Interest

RIA's supervised persons are permitted to buy or sell securities for their personal accounts that are identical to transactions recommended to clients. However, in order to address potential conflicts of interest, RIA prohibits its supervised persons from trading a security in their personal accounts, if they reasonably believe the security will be purchased or sold in a client's account, until the completion of all anticipated trading in that security for client accounts has occurred for that day. However, this prohibition only extends to transactions initiated by the supervised person. It does not apply to accounts managed pursuant to the investment allocation models maintained by RIA's Portfolio Management Team (in which case transactions in the supervised person's account are conducted on the same basis as other accounts managed pursuant to the model) or accounts managed by a TAMP.

For this reason, RIA requires that all of its supervised persons disclose their holdings of "reportable securities" annually and transactions in such securities each quarter. ("Reportable securities" do not include shares of mutual funds or government-issued

securities.) Those reports are then reviewed by the firm's Chief Compliance Officer to ensure its supervised persons are not engaging in "front-running" or other prohibited acts which put their interests ahead of those of RIA's clients. RIA also requires its supervised persons to obtain prior approval from its Chief Compliance Officer before investing in any limited investment opportunities (i.e., initial public offerings or shares in a thinly traded security) so they do not appropriate a trading opportunity that should rightfully belong to RIA's clients.

Item 12 – Brokerage Practices

RIA does not maintain physical custody of any client accounts or any assets within them. Instead, clients are required to deposit assets at a broker-dealer, investment company, or another financial institution that meets the definition of a "qualified custodian" under Rule 206(4)-2(c)(3) of the Investment Advisors Act through which RIA will monitor the assets in the account. As a result, clients are required to complete all documentation required by the applicable custodian for each account, including the appropriate new account documentation, if necessary. While RIA does not open custodial accounts for its clients, it assists them in doing so.

In the event a broker-dealer is selected as the custodian of the client's account, RIA will process all trades in the account through that custodian. Because clients direct which broker-dealer will be used to process trades in their accounts, this can impair RIA's ability to achieve most favorable execution of transactions. This can result in clients paying higher commissions and other transaction costs or receiving less favorable net prices on transactions. For example, clients may pay higher brokerage commissions because RIA will not be able to aggregate orders to reduce transaction costs. Clients should understand that not all advisors require their clients to direct their brokerage.

While clients generally designate the custodian of their accounts on the investment advisory or management agreement, RIA seeks to limit the custodians which hold its client's assets due to the complexity associated with managing accounts on multiple custodial platforms. At this time, Schwab and TD Ameritrade serve as custodians of RIA's investment advisory accounts – unless the accounts are managed by TAMP, in which case it usually requires the funds to be held with a particular custodian. RIA recommends Schwab and TD Ameritrade to its clients based upon the quality and types of services they offer, their overall capability, execution quality, competitiveness of transaction costs, the investment research they make available to RIA and its clients, and their reputation and financial stability, among other things. That being said, RIA has and will continue to consider other potential custodians requested by clients or utilized by firms seeking to affiliate with it.

Because some employees of RIA are registered as representatives of Triad Advisors, it has a duty to oversee certain aspects of our investment advisory activities. RIA pays Triad Advisors an oversight fee for certain types of investment advisory accounts. However, Triad Advisors will waive the oversight fee for any of RIA's investment advisory services custodied at National Financial Services ("NFS"), with whom it has an arrangement. This could create a conflict of interest by providing a financial incentive for RIA to custody client accounts at NFS. However, RIA has generally not utilized NFS as custodian for its client accounts. Instead, almost all of RIA's client accounts are custodied with either Schwab or TD Ameritrade

Schwab and TD Ameritrade ("Custodial Partners") provide products and services to RIA, including the following:

Services that Benefit Clients. The Custodial Partners' brokerage services includes access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through the Custodial Partners could include some to which clients might not otherwise have access or that would require a significantly higher minimum initial investment. In addition, when independent firms affiliate with RIA and recommend their clients transfer their accounts to a Custodial Partner, that Custodial Partner will often offer transition assistance to RIA and that transition assistance is typically used, in part, to cover the account termination fees charged by the clients' incumbent custodian. In addition, that Custodial Partner provides free trading during the transition period so clients do not incur trading costs in establishing their accounts with the Custodial Partner. The Custodial Partners also occasionally provide free trading days to enable RIA to make adjustments to its investment allocation models, which saves clients' money.

Services that Do Not Directly Benefit Clients. The Custodial Partners also make available other products and services that benefit RIA but do not generally benefit clients' accounts directly. These products and services assist RIA in managing and administering its client accounts. They include investment research, which RIA can use to service all or some substantial number of its client accounts, including accounts not maintained at the Custodial Partner who is providing the research. In addition to investment research, the Custodial Partners also make 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; and

- assist with back-office functions, recordkeeping and client reporting.

Services that Generally Benefit Only RIA. The Custodial Partners also offer other services intended to help RIA manage and further develop its business enterprise. These services include:

- travel expenses for RIA's investment adviser representatives and/or staff to attend educational conferences and events or to serve as members of the Custodial Partner's advisory committee;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

Custodial Partners can provide some of these services themselves. In other cases, they will arrange for third-party vendors to provide the services to RIA. These Custodial Partners also provide RIA's staff and investment adviser representatives with other benefits such as occasional meals or business entertainment.

RIA's receipt of these benefits creates a conflict of interest because they relieve the firm from paying for these items or producing them itself. As result, the receipt of these benefits makes it more likely RIA will recommend these companies as the custodian for its clients' accounts. However, RIA believes its recommendation of these companies to serve as the custodians and brokers on its clients' accounts is in the best interests of its clients, based upon the scope, quality, and price of their services that benefit them, as opposed to the services that only benefit it.

Item 13 – Review of Accounts

Members of RIA's staff participate in a general review of its investment strategies - including a consideration of any political, market, and economic issues that can affect those strategies – every six weeks. Minutes from those discussions are then distributed to RIA's investment adviser representatives and clients through a newsletter. However, the firm's Portfolio Management Team and its investment adviser representatives monitor market conditions on a daily basis.

As part of the initial negotiation a client's management agreement, the investment adviser representative and the client will discuss how frequently the parties will meet to conduct a

formal investment review the accounts. Those meetings generally take place on an annual, semi-annual or quarterly basis, depending upon the size of the account and the client's time commitment to participate in such reviews. Additional client reviews can be triggered by a specific client request or by a change in market or economic conditions. However, as noted above, RIA's investment adviser representatives generally do not meet with clients participating in RIA's "robo" advisory platform. While the investment adviser representatives will periodically review the performance of their clients' investments, clients are advised that it remains their responsibility to advise the representatives of any changes in their investment factors, including their investment objectives, financial situation, or family and work situations.

Item 14 – Client Referrals and Other Compensation

As noted in Item 12, above, RIA receives economic benefits from the custodians of its customers' accounts in the form of the support, products, and services. However, these offers of products and services are not based on the willingness of RIA or its investment adviser representatives to provide any particular investment advice to their clients, such as recommendations to purchase any particular securities products.

RIA and its investment adviser representatives receive direct or indirect compensation from third parties, such as companies that offer investment products. This compensation includes payments for RIA's investment adviser representatives and/or other associated persons to attend educational and marketing seminars, gifts valued at less than \$100 annually, an occasional meal, or ticket to a sporting event. In addition, investment product and service providers sponsor educational seminars and/or client marketing events conducted by RIA. However, such compensation cannot be tied to the sales of any products. RIA maintains records of all such payments, and those records are available for inspection at a client's request.

As referenced above, RIA sometimes pays individuals or entities to refer clients to it. However, these solicitor agreements are structured to be in compliance with applicable securities laws, which include the existence of a formal contract between RIA and the solicitor. Pursuant to that contract, the solicitor is required to provide each potential client with a disclosure statement, which describes the specific relationship between RIA and the solicitor – including the compensation that will be paid to the solicitor - prior to or at the time the client enters into an investment advisory or management agreement.

Item 15 – Custody

RIA requires clients to designate an unaffiliated "qualified custodian" to hold the assets in

their accounts. Although RIA does not hold these assets, it is deemed by statute to have a form of custody if it calculates the applicable advisory fee and has authority to instruct the custodian to deduct the fee from the client's account and remit it to RIA – as RIA does with accounts custodied at Schwab or TD Ameritrade.

RIA's investment management agreement also includes a limited power of attorney to permit us to make securities trades and other transactions on our clients' behalf. However, that limited power of attorney will not give RIA the authority to transfer funds out of the client's account. Similarly, the agreements clients sign with Schwab or TD Ameritrade grant RIA the authority to undertake certain actions in their accounts on a discretionary basis. However, the authority granted in those agreements does not provide RIA with the ability to transfer funds out of the client's account to a third party without the client's prior permission.

Clients will receive account statements directly from the account's custodian not less frequently than each calendar quarter, which will detail all activity and list any fee deductions noted above. These reports will be sent to the email or postal mailing address you provided. Clients should carefully review the account statements they receive from the custodian to ensure they accurately reflect the assets the client believes are in the account.

Item 16 – Investment Discretion

For most client accounts, RIA has discretionary authority to manage the investments within the account. The investment management agreement provided to the client will include a limited power of attorney that outlines the specific authority RIA will have to initiate investment transactions in the client's accounts.

Specifically, RIA will have the authority to:

- i. buy, sell, and trade securities (stocks, bonds, options, etc.);
- ii. place, withdraw, or change transaction orders or instructions with the account's custodian;
- iii. instruct the custodian as to which cost basis formula to apply to each account; and
- iv. enter into securities repurchase and securities reverse repurchase transactions.

However, RIA will manage each client's account consistent with the client's investment objectives, which are established at the opening of the account but are subject to change at any time at the client's direction. In addition, clients can designate specific restrictions on the investments to be held in their accounts on the account management agreement and are reminded each calendar quarter to notify RIA of any changes they want to make to those restrictions.

Item 17 – Voting Client Securities

RIA will not accept authority vote on securities held in client accounts (i.e., proxy requests). In addition, it generally does not take any action or render advice with respect to the voting of proxies, unless it believes the advice is appropriate and necessary.

Item 18 – Financial Information

Registered investment advisors are required in some cases to provide certain financial information and or disclosures about financial condition. For example, if RIA required clients to prepay advisory fees six months or more in advance, had a financial condition that was reasonably likely to impair its ability to meet its contractual commitments to its clients, or had been the subject of a bankruptcy petition during the past ten (10) years, it would be required to include certain financial information and make disclosures. However, none of these factors are applicable to RIA, so no such disclosures are necessary.