

**ITEM 1 – Cover Page**

# **Investment Adviser Brochure**

## **Englebert Financial Advisers, LLC**

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Allentown, PA 18104  
484-350-3301

**July 28, 2020**

This brochure provides information about the qualifications and business practices of Englebert Financial Advisers, LLC. If you have any questions about the contents of this brochure, please contact us at 484-350-3301. 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.

Additional information about Englebert Financial Advisers, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The firm's CRD number is 300568.

Registration does not imply a certain level of skill or training.

## **ITEM 2. Material Changes**

Adviser has entered into an arrangement with TD Ameritrade whereby TD Ameritrade provides certain additional services to Englebert Financial Advisers, LLC.

Items 12 - Brokerage Practices and 14 - Client Referrals and Other Compensation have been updated accordingly.

### ITEM 3. Table of Contents

ITEM 1 – Cover Page.....	1
ITEM 2. Material Changes .....	2
ITEM 3. Table of Contents .....	3
ITEM 4. Advisory Business .....	5
Investment Objective and Philosophy .....	5
Financial Assessment .....	5
Consulting Services .....	6
ERISA Services .....	6
Use of External Investment Advisers.....	6
Sponsor and Manager of Wrap Program.....	7
Educational Seminars.....	8
Termination of Services .....	8
ITEM 5. Fees and Compensation .....	8
Fees for Participation in the Program .....	8
Fees for Defined Contribution Plans .....	10
Fees for Financial Assessments .....	10
Fees for Consulting Services .....	10
ITEM 6. Performance-Based Fees and Side-By-Side Management.....	10
ITEM 7. Types of Clients .....	10
ITEM 8. Methods of Analysis, Investment Strategies and Risk of Loss .....	11
Investment Analysis .....	11
Investment Strategy.....	11
Risks.....	12
ITEM 9. Disciplinary Information.....	14
ITEM 10. Other Financial Industry Activities and Affiliations.....	14
ITEM 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	14
ITEM 12. Brokerage Practices.....	15
Aggregation of Trades and Potential Conflicts.....	16
Allocation of Opportunities and Potential Conflicts.....	17
Trade Errors.....	17

ITEM 13. Review of Accounts .....	17
ITEMS 14. Client Referrals and Other Compensation .....	18
ITEM 15. Custody .....	19
ITEM 16. Investment Discretion.....	19
ITEM 17. Voting Client Securities.....	20
ITEM 18. Financial Information .....	20
ITEM 19. Requirements for State Registered Advisors.....	20
Principal Executive Officers and Management Persons .....	20
Other Business Activities .....	20
Performance-Based Fees.....	20
Disclosable Events .....	20
Relationship Disclosure .....	20

## **ITEM 4. Advisory Business**

Englebert Financial Advisers, LLC (“Englebert” or the “Adviser”) was established in 2019 by founding partners Chris and Jamie Englebert. Chris Englebert serves as Chief Investment Officer and Chief Compliance Officer; and, Jamie Englebert is a Principal of the firm. As of December 31, 2019, Englebert managed \$64,574,095 of which \$64,417,482 was managed on a discretionary basis and \$156,613 on a non-discretionary basis.

Englebert provides discretionary and non-discretionary advisory services to a variety of clients, including but not limited to individuals, trusts, estates, corporations, defined contribution plans, defined benefit plans, state municipalities, and charitable organizations in individually managed accounts. Accounts are managed individually based on each client’s investment objectives, strategy and restrictions.

The Adviser may provide clients with needs-based financial planning services as part of its overall investment management offering.

### **Investment Objective and Philosophy**

Adviser primarily allocates clients’ investment management assets among External Investment Advisers (as defined below), separate accounts, mutual funds, exchange-traded funds (“ETFs”), individual debt and equity securities and/or options in accordance with the investment objectives of the client.

The Adviser may also recommend private placement securities which may include debt, equity, and/or pooled investment vehicles when consistent with the clients’ investment objectives and to clients that are accredited investors as defined under Rule 501 of the Securities Act of 1933, as amended.

### **Financial Assessment**

As part of the advisory services provided to clients, Adviser provides a financial assessment which takes a comprehensive view of different aspects of the client’s current financial situation to develop a plan that allows us to help the client meet their investment goals and objectives. During the financial assessment process, the client will participate in meetings to identify and prioritize their objectives, gather information, evaluate recommendations, and track progress towards the goals. This could also include meetings with the client’s other specialized advisors (attorneys, accountants, etc.).

Depending on the client’s objectives, a formal written financial assessment could cover general financial planning, estate planning, educational fund planning, business succession planning, individual tax planning, business planning, retirement planning, corporate retirement planning, risk management and insurance planning. While Adviser might make observations relating to legal, tax or insurance issues, Adviser does not provide legal, tax or insurance advice.

An Adviser financial assessment generally consists of observations, assumptions, strategies, and recommendations. The client is generally presented with a formal written assessment based on the information they have provided. The client could choose to implement all or part of the assessment through Adviser or another professional of their choice. For certain consulting or ad-hoc requests, a written summary might not be provided.

### **Consulting Services**

Adviser may provide non-discretionary consulting services to assist clients in the due diligence process of reviewing RFPs submitted to clients by Registered Investment Advisers.

### **ERISA Services**

Certain services are provided as a fiduciary of specifically designated ERISA plans based on applicable definitions (contained in ERISA Section 404(a), IRC §4972, the Investment Company Act of 1940 and state laws). In performing the following services, Adviser will act as a fiduciary as defined by ERISA Section 3(21) or ERISA Section 3(38).

As a 3(21) investment fiduciary, Adviser provides investment recommendations to the ERISA plan client and the client retains ultimate decision-making authority for the investments and may accept or reject the recommendations of the Adviser. Both the Adviser and the client share the fiduciary responsibility. As a 3(38) investment manager, Adviser makes the investment decisions in its sole discretion without the ERISA plan client's prior approval.

The services provided could include: Investment Advice to the Plan Sponsor, Preparation of the Investment Policy Statement (IPS), Investment Menu Design, Selection of a Qualified Default Investment Alternative (QDIA) vehicle, Performance Monitoring, Performance Reports and Participant Advice.

### **Use of External Investment Advisers**

Adviser may allocate a portion of the client assets to certain External Investment Advisers for active discretionary management based upon the investment objectives of the client. Such an arrangement would require the client to enter into a separate Investment Advisory Agreement with the External Investment Adviser(s). Englebert renders services to the client relative to the discretionary and or non-discretionary selection or recommendation of the External Investment Advisers. Prior to introducing any Pennsylvania clients to another investment advisor, Englebert will be responsible for determining if the External Investment Advisers is properly licensed, notice filed or exempt from registration with the Department. Englebert also monitors and reviews the account performance and the client's investment objectives. External Investment Advisers will charge fees in accordance with each External Adviser's Investment

Advisory Agreement with the client. Any fees charged by the External Investment Advisers are paid by Englebert directly as these fees are part of the wrap program fee described in Item 5.

When recommending or selecting an External Investment Adviser for a client, Englebert reviews information about the External Investment Adviser such as its disclosure brochure and/or material supplied by the External Investment Adviser or independent third parties for a description of the External Investment Adviser's investment strategies, past performance and risk results to the extent available. Factors that Adviser considers in recommending an External Investment Adviser include the client's stated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research.

In addition to Adviser's written disclosure brochure, the client also receives the written disclosure brochure of the designated External Investment Advisers. Certain External Investment Advisers may impose more restrictive account requirements and varying billing practices than Adviser. In such instances, Adviser may alter its corresponding account requirements and/or billing practices to accommodate those of the External Investment Advisers.

### **Sponsor and Manager of Wrap Program**

Under a Program, the client pays one "all-inclusive" annualized fee rate (see Item 5 below) which includes both Englebert's advisory fee and the transaction fees charged by the account custodian.

When managing a client's account on a wrap fee basis, Englebert receives the entire wrap fee from the client. Englebert retains the fee for investment advisory services and disburses all other wrap costs including transaction fees to the appropriate parties.

Accordingly, we have a conflict of interest because we could have an economic incentive to maximize our compensation by seeking to minimize the number of transactions/total costs in the client's account. However, as a fiduciary it remains Adviser's duty to always act in the client's best interest. There will be times, including extensive periods, where there will be no recommendations to trade a client's account, as a result of each individual client's facts and circumstances, including tax reasons, and other financial decisions.

Participation in the Program may cost more or less than purchasing such services separately. The fee that we charge for participation in the Program may be higher or lower than those charged by other sponsors of comparable wrap fee programs. The investment products available to be purchased in the program can be purchased by clients outside of a program account, through broker-dealers or other investment firms not affiliated with us.

Adviser's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the corresponding conflict of interest a wrap fee arrangement may create.

### **Educational Seminars**

Clients may engage Englebert to provide educational seminars or retirement workshops. Such services may be provided as part of each client's Investment Management Services Agreement or under separate arrangement as determined by Englebert and the client.

### **Termination of Services**

If you did not receive our disclosure brochure document(s) at least 48 hours prior to signing an agreement for advisory services with our firm, you will have 5 business days in which to cancel the agreement without penalty. Thereafter, either party may terminate the agreement in accordance with the terms set forth in the specific agreement.

## **ITEM 5. Fees and Compensation**

### **Fees for Participation in the Program**

Investment advisory services are offered through the Program for a single annualized fee rate based upon assets under management.

Adviser's fees are based on the market value of the assets under management and, while negotiable, generally vary between (1.00% and 1.50%), depending upon the level of services required:

<b>Portfolio Value</b>	<b>Total Client Fee</b>
First \$1,000,000	1.50%
Next \$2,000,000	1.30%
Next \$2,000,000	1.25%
Next \$5,000,000	1.10%
Over \$10,000,000	1.00%

<b>Adviser Fee</b>	<b>Custody Fee</b>	<b>Platform Fee</b>	<b>External Investment Adviser Fee</b>
.15% - 1.15%	.05% - .11%	.08% - .10%	.22% - .50%

Adviser can offer fees that differ from our published rates for charitable clients, for employees and their families, for clients with unusual portfolios or service needs, and as required for competitive reasons. Accordingly, it is possible that similarly situated clients could pay disparate fees. All deviations from published rates are subject to review and must be approved in advance by Adviser's Chief Compliance Officer.

Clients and prospective clients are encouraged to compare fee and service offerings

across a variety of firms.

Fees are generally charged in advance based on the previous quarter's closing balance and are deducted directly from the Client's account(s) at the custodian. Changes to payment arrangements (i.e. Clients wishing to pay in arrears or receive an invoice(s) and pay directly) are available but must be agreed to by Englebert and the Client in writing.

The first quarter's management fee will be calculated on the account's initial inception value as reported by the account's custodian. The first quarter's management fee will also be prorated for the number of days that services were provided during the initial quarter. Going forward, the management fee will be billed quarterly in advance, as derived from the Custodian's market value of the assets being managed by Adviser under the Program on the last day of the previous quarter. Fees for partial periods of service are prorated accordingly.

If assets are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is not adjusted or prorated to account for the change in portfolio value.

Important information about the deduction of management fees:

- Authorization for Adviser to deduct fees directly from the client's account is provided within the Investment Advisory Agreement;
- Englebert sends the qualified custodian written notice of the amount of the fee to be deducted from the client's account;
- Englebert sends the client a written invoice itemizing the fee, including any formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based;
- Clients will receive a statement from the custodian which shows specific holdings as well as fee deduction; and
- Clients are responsible for reviewing the accuracy of the fees being billed, as the custodian will not do so.

Clients or Adviser may cancel the investment management agreement by providing 30 days' written notice to the other party. Upon such notification, fees paid in advance will be prorated subject to the termination provisions within the agreement and any unearned fees will be refunded.

While the Program Fee covers transaction and custodial expenses, it does not include any fees, costs and expenses inherent in the underlying investments in Mutual Funds, ETFs and Private Funds, including investment advisory, administrative, distribution, transfer agent, custodial, legal, audit, contingent deferred sales charges or redemption

fees and other customer fees and expenses related to investments in these products which are described in the relevant prospectus or similar disclosure documents. Consequently, this means that, as a participant in the Program, you will bear two levels of fees and expenses. You will bear directly the Program Fee and also bear indirectly the Fund fees and expenses as a Fund shareholder. In addition, you may incur wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions, as well as mark-ups, mark-downs, or spreads paid to market makers.

Adviser does not purchase mutual funds with front or back-end loads, or which pay distribution fees. In the event such a mutual fund is transferred into an account, it is evaluated and may be held, for example to convert a short-term capital gain into a more favorably taxed long-term capital gain, or to defer the tax recognition of that gain to another year. In addition, the Adviser will research whether a lower cost share class is available within the same fund family for conversion.

#### **Fees for Defined Contribution Plans**

ERISA clients that have engaged Englebert pursuant to a 3(21) or 3(38) Investment Management Agreement receive investment management services for a fixed fee at an annual rate between .25% and .50% of Assets under management based upon the size and complexity of the relationship.

The recordkeepers for the Defined Contribution Plans calculate the fees in accordance with the Investment Management Agreement and submits the payment to the Adviser.

#### **Fees for Financial Assessments**

Unless indicated under separate agreement, fees are not charged for financial assessment services or educational seminars/conferences as they are generally included under the Client's investment management services agreement.

#### **Fees for Consulting Services**

Fees for Consulting Services are generally charged in advance as a fixed fee and vary between \$2,000 and \$5,000 depending on the scope of the engagement. However, additional fees on an hourly basis may be charged at a rate of \$250/hour if the engagement exceeds the scope or hours initially negotiated. Fees are negotiable. In the event a Consulting Services Agreement is terminated prior to completion, any fees paid in advance will be reduced by \$250 for each hour expended and any unearned portion refunded accordingly.

### **ITEM 6. Performance-Based Fees and Side-By-Side Management**

Adviser does not charge performance-based fees.

### **ITEM 7. Types of Clients**

Englebert seeks to provide investment supervisory services to a variety of clients whose types include, but are not limited to individuals, institutions, municipalities, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations or other business entities.

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

### **Investment Analysis**

Adviser's security analysis methods include fundamental, technical and cyclical strategies and research.

Fundamental analysis involves an examination of the fundamental financial condition and competitive position of a company. Adviser analyzes the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The Firm also screens for companies with strong fundamentals whose shares may be trading below recent levels due to circumstances or negative investor sentiment which may be temporary in nature, and therefore provide an attractive opportunity to consider for purchase. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions or investor sentiment may negatively impact the security.

Technical analysis is a trading discipline employed to evaluate investments and identify trading opportunities by analyzing statistical trends gathered from trading activity, such as price movement and volume. Technical analysis focuses on patterns of price movements, trading signals and various other analytical charting tools to evaluate a security's strength or weakness.

Cyclical analysis is similar to technical analysis in that it involves the analysis of market conditions at a macro (entire market/economy) or micro (company specific) level, rather than the overall fundamental analysis of the health of the particular company that Adviser is recommending. The risks with cyclical analysis are similar to those of technical analysis.

### **Investment Strategy**

Our main investment strategy that we employ is relative strength. We compare individual equities, ETFs and mutual funds against each other to find the security or asset class that has the best relative strength. At times this may preclude us from investing in an asset class that may not have the relative strength to meet our criteria. We also employ various "risk management" tools to determine whether or not our portfolios are on "offense" or "defense" according to overall investment conditions.

Adviser primarily allocates clients' investment management assets among External

Investment Advisers (as defined below), separate accounts, mutual funds, exchange-traded funds ("ETFs"), individual debt and equity securities and/or options in accordance with the investment objectives of the client.

A variety of model portfolios are used to manage Program accounts. The model portfolios are designed to address a wide range of investor needs, from very aggressive to very conservative risk levels. Based on a review of your risk tolerance, investment time horizon, preferences for certain investment strategies and investment options that are available through the Program (referred to as "Client Preferences"), and other information that you provide via a Program questionnaire, you will receive an Investment Strategy Proposal ("Program Proposal") containing asset allocation and portfolio investments from a series of model portfolios created for the Program, and your assets will thereafter be managed in accordance with the appropriate agreed upon model portfolio. Adjustments will be made to the model portfolios from time to time, in consideration of changes in market conditions and client needs, and in a manner that is consistent with the long-term orientation of the Program.

## **Risks**

Investing in securities markets involves the risk of loss that clients should be prepared to bear. These risks include, but are not limited to:

- *Limited History*- Adviser has limited operating history. The Adviser is subject to all of the business risks and uncertainties associated with any business with a limited operating history, including the risk that Adviser will not achieve its investment objectives and that the value of an investment with the Adviser could decline substantially.
- *Past Performance*- As of the date of this filing, Adviser has limited performance record which potential investors can evaluate. Following the commencement of Englebert's investment activity, performance will be available upon request. Past Performance is not indicative of future results.
- *Market Risk* – The risk to a specific investment or portfolio that the value declines due to general market conditions not specifically related to a particular security. Examples include real or perceived adverse market conditions now or in the future, changes in the outlook for earnings and changes in interest rates or currency.
- *Interest-Rate Risk*- The risk that an investment's value will change due to a change in the absolute level of interest rates, in the spread between two rates, in the shape of the yield curve or in any other interest rate relationship.
- *Inflation Risk* - The risk of loss of purchasing power due to rising prices of goods and services.
- *Credit Risk* - The possibility that a debt issuer may not be able to repay you for your investment principal or interest owed to you.
- *Reinvestment Risk* - The risk that an investor faces when an investment matures,

that one may have to find a new place to invest that money and that there might not be a similarly attractive investment available.

- *Business Risk* - Often referred to as company risk, this is the risk of owning one or only a few investments in specific companies. This risk includes competition, technological obsolescence of the company's products or systems, reductions in the market demand and pricing for the company's products (such as reduced pricing for oil and natural gas), regulatory changes which make the company's business model no longer competitive (and in some cases permissible), management missteps, cybersecurity risk, and fraud whether real or perceived.
- *ETF and Mutual Fund Risk* - When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You may also incur brokerage costs when purchasing ETFs. Investors may also be liable for taxes and other fund level gains as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities at a profit that cannot be offset by corresponding losses.
- *Leverage Risk* - This risk comes from using debt to fund investments. As debt must be repaid regardless of investment performance, leverage has the potential to significantly increase (multiply) your losses or gains.
- *Liquidity Risk* - The risk that your investment cannot be converted into cash when you would like or that such investment must be discounted significantly to effectuate a sale.
- *Options Risk* - As an options holder, you risk the entire amount of the premium you pay. Since initial options investments usually require less capital than equivalent stock positions, your potential cash losses as an options investor are usually smaller than if you'd bought the underlying stock or sold the stock short.
- *Political Risk* - The risk an investment's returns could suffer as a result of political changes or instability in the US or abroad. Instability affecting investment returns could stem from a change in government, legislative bodies, taxation, foreign policy or military control.
- *Cybersecurity Risk* - With the increased use of technology, Adviser is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorized access to digital systems for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber incidents impacting Adviser have the ability to cause disruptions and impact business operations, potentially resulting in the inability to transact business, financial losses, violations of applicable privacy and other laws, regulatory fines, penalties or reputational damage. While Adviser has established a

business continuity plan and risk management systems intended to identify and mitigate cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, Adviser cannot control the cybersecurity plans and systems put in place by third party service providers and issuers in which client portfolios invest. As a result, clients could be negatively impacted.

Our investment process is designed with an awareness of the risks listed above; however, it is impossible to eliminate all of these risks when investing. While individual portfolio structuring can take many of these risks into consideration, there can be no assurance of success in investing or that Adviser's attempts to address these risks will prove to be successful.

### **ITEM 9. Disciplinary Information**

The Adviser does not have any material disciplinary information to report under this item. Additional information about the firm and its management persons is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The firm's CRD number is 300568.

### **ITEM 10. Other Financial Industry Activities and Affiliations**

The Adviser does not have any other financial industry activities or affiliations.

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

Adviser has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct and the fiduciary duty owed to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading and the dissemination of non-public information, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, pre-clearance procedures, among other things. All supervised persons at Adviser must acknowledge the terms of the Code of Ethics annually and as amended.

Officers, directors, and employees of Adviser may trade for their own accounts in securities that are recommended to and/or purchased for Adviser's clients. The Code of Ethics is designed to ensure that the personal securities transactions, activities, and interests of the employees of Adviser 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. Under the Code of Ethics, certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of Adviser clients. As the Code of Ethics permits employees to invest in the same

securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between Adviser and its clients.

In such circumstances, the affiliated and client accounts will receive securities at a total average price. Adviser will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions would be explained on the order documentation.

It is Adviser's policy that the firm will not engage in any principal transactions or cross trades for client accounts. Principal transactions are generally defined as transactions where an Adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client.

A complete copy of Adviser's Code of Ethics is available to clients and prospective clients upon request by contacting Adviser's CCO directly.

## **ITEM 12. Brokerage Practices**

Adviser participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade is an independent [and unaffiliated] SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisers services which include custody of securities, trade execution, clearance and settlement of transactions. Adviser receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14 below).

Adviser recommends that clients establish brokerage accounts with TD Ameritrade to maintain custody of their investment assets and to effect trades for their accounts. Our evaluation of TD Ameritrade considered a number of factors, some of which are transaction fees, custodial fees charged for holding securities, commission rates, interest charges on debit balances, interest credits on credit balances, quality of execution and record keeping and reporting capabilities. Based upon our evaluation of these criteria, and not based solely on relative costs or commission rates, we elected to recommend that our clients retain TD Ameritrade as custodian for their assets. TD Ameritrade provides services through its transaction processing and record-keeping platform that benefit Adviser and its clients, including brokerage, custodial, administrative support, record keeping, and other services. Most client securities transactions are executed through TD Ameritrade to avoid "trade away" fees that would result from executing trades at other broker-dealers. The services provided by TD Ameritrade include at least monthly account statements to clients.

TD Ameritrade provides Adviser with access to institutional trading and custody services, which typically are not available to retail investors. These services generally are available to Adviser on an unsolicited basis, at no charge to them, so long as a minimum percentage of the Adviser' client assets is maintained in accounts at TD Ameritrade.

TD Ameritrade makes available to Adviser other products and services that benefit Adviser but may not directly benefit its clients. Some of these other products and services assist Adviser in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitating trade execution (and allocation of aggregated trade orders for multiple client accounts); providing research, pricing information and other market data; facilitating payment of Adviser' fees from its clients' accounts; and assisting with back-office functions, recordkeeping and client reporting. Many of these services may be used to service all or a substantial number of Adviser' accounts, including accounts not maintained at TD Ameritrade. TD Ameritrade also makes available to Adviser other services intended to help Adviser manage and further develop its business. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, TD Ameritrade may make available, arrange and/or pay for these types of services to Adviser by independent third parties. They may discount or waive fees they otherwise would charge for some of these services or pay all or a part of the fees of a third-party providing these services to Adviser. TD Ameritrade may provide other benefits such as educational events or business entertainment to Adviser personnel.

Adviser strives to minimize the total cost for all brokerage services. However, it may be the case that TD Ameritrade charges a higher fee for a particular type of service than can be obtained from another broker or that the total costs of all services provided by TD Ameritrade may be higher than can be obtained at another broker. Adviser has made a good faith determination that such costs are reasonable in relation to the value of brokerage services provided by TD Ameritrade.

The accounts in the initial Wrap Program will be custodied at TD Ameritrade, however, the Adviser may enter into a relationship with other custodians in the future.

Defined Contribution Plans in which the Adviser acts as a 3(21) or 3(38) Fiduciary are not custodied at TD Ameritrade and are not part of the Wrap Program.

### **Aggregation of Trades and Potential Conflicts**

Adviser may aggregate orders for more than one client and submit them together if it is determined that aggregation is in the best interests of the clients. Trade

aggregation is usually sought to obtain a better transaction price. We do not aggregate securities transactions for client accounts unless we believe that aggregation is consistent both with our duty to seek best execution and with the investment objectives and guidelines for the client accounts participating in the trade.

When orders are aggregated, the price paid by each account is the average price of the order. Transaction costs are charged to each client by the client's custodian according to the client's custodial agreement but are part of the program fee described in Item 5. It is our policy that trades are not allocated in any manner that favors one group of clients over another. Client transactions may be aggregated according to custodial relationship in consideration of "trade-away" charges that may be imposed if trades are directed to a noncustodial broker-dealer for execution. Aggregated trades placed with different executing brokers may be priced differently.

### **Allocation of Opportunities and Potential Conflicts**

Because we manage more than one client account, there may be a conflict of interest related to the allocation of investment opportunities among all accounts managed by our firm. We attempt to resolve all such conflicts in a manner that is generally fair to all of clients over time. We may give advice to and take action with respect to any of our clients that may differ from the advice we give to or the timing or nature of the action we take with respect to any other client, based upon individual client circumstances. It is our policy, to the greatest extent practicable, to allocate investment opportunities over a period of time on a fair and equitable basis relative to all clients.

### **Trade Errors**

If it appears that a trade error has occurred, Adviser will review the relevant facts and circumstances to determine an appropriate course of action. To the extent that trade errors or breaches of investment guidelines and restrictions occur, Adviser's error correction procedure is to ensure that clients are treated fairly and, following error correction, are in the same position they would have been if the error had not occurred. Adviser has discretion to resolve a particular error in any manner that is consistent with the above-stated policy.

### **ITEM 13. Review of Accounts**

Accounts are monitored by the Adviser's Investment Team on a periodic basis. Account performance is reviewed at minimum on a monthly basis and any deviations are investigated immediately.

Portfolio valuations, portfolio holdings, portfolio changes are provided in writing monthly from the client's custodian.

Wrap Program clients have access to performance reporting through the TD Ameritrade

portal. In addition, Adviser may use performance reporting through a third-party provider to enhance the performance presentation.

#### **ITEMS 14. Client Referrals and Other Compensation**

Adviser does not compensate other parties for client referrals. As disclosed under Item 12 above, Adviser participates in TD Ameritrade's institutional customer program and Adviser may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Adviser's participation in the program and the investment advice given to Clients, although Adviser will receive economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits (provided without cost or at a discount) include the following products and services: receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have Advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Adviser by third party vendors. TD Ameritrade may also provide to the Adviser paid business consulting and professional services received by Adviser or its related persons. Some of the products and services made available by TD Ameritrade through the program benefit the Adviser but may not directly benefit Client accounts. Such products or services may assist Adviser in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Adviser manage and further develop its business enterprise. The benefits received by Adviser or its personnel through participation in the program are not dependent on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Adviser endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Adviser or its related persons creates a potential conflict of interest as it could indirectly influence the Adviser to encourage Clients to use TD Ameritrade for custody and brokerage services.

Adviser may also receive from TD Ameritrade certain additional economic benefits from additional services ("Additional Services") that may or may not be offered to other independent investment Advisers participating in the program. Specifically, the Additional Services include Advyzon portfolio accounting which provides portfolio management, performance reporting, client portal access and client relationship management ('CRM') capabilities. This allows the Adviser to manage client accounts and relationships more effectively. TD Ameritrade provides the Additional Services to Adviser in its sole discretion and at its own expense, and Adviser does not pay any fees

to TD Ameritrade for the Additional Services. Adviser and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

Adviser's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to Adviser, TD Ameritrade considers the Adviser's profitability to TD Ameritrade of the assets in, and trades placed for, Adviser's Client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with Adviser, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, Adviser would have an incentive to recommend to its Clients that the assets under management by Adviser be held in custody with TD Ameritrade and to place transactions for Client accounts with TD Ameritrade. Adviser's receipt of Additional Services does not diminish its duty to act in the best interests of its Clients, including seeking best execution of trades for Client accounts.

### **ITEM 15. Custody**

Adviser does not take custody of client assets. Client's designated custodian holds all of client assets in segregated accounts in the client's name. However, as set forth in Item 5 of this brochure, the Investment Advisory Agreement authorizes Adviser to debit advisory fees from their custodial account so Englebert is deemed to have limited custody solely because advisory fees are directly deducted from client's account by the custodian on Englebert's behalf. Clients receive account statements from their qualified custodians on a quarterly basis. Clients should review the account statements they receive from their custodian.

Generally, the Client's custodian will not validate Adviser's fees unless Client has hired them to do so. Accordingly, Adviser has established policies and procedures for reviewing the accuracy of the fee deductions.

### **ITEM 16. Investment Discretion**

The Investment Advisory Agreement between Client and Adviser sets forth the limits, if any, on Adviser's permission to purchase or sell securities on behalf of the Client. For discretionary accounts, Adviser generally has full permission, or discretion, as to which securities to buy and sell for Client's account and the amount of such securities. Client may limit the discretionary authority of the Adviser by specifying, for example, individual securities or industries that are not to be purchased (or sold) on your behalf, or by limiting portfolio weights in a specific security or industry.

Alternatively, Client may enter into a non-discretionary arrangement with Adviser has limited permissions. In addition to the limitations that Client places on the account described above, non-discretionary client accounts may choose to accept only Adviser

investment recommendations and maintain control over the investment decisions or could require that Adviser receive approval prior to executing a recommended investment transaction.

### **ITEM 17. Voting Client Securities**

Adviser generally does not vote proxies on behalf of clients. For clients that are subject to ERISA, it is Adviser's policy to follow the provisions of the plan's governing documents in the voting of plan securities, unless Adviser determines that to do so would breach its fiduciary duties under ERISA.

### **ITEM 18. Financial Information**

Adviser does not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance and, thus, has not included a balance sheet of its most recent fiscal year. Adviser is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients, nor has Adviser been the subject of a bankruptcy petition at any time during the past ten years.

### **ITEM 19. Requirements for State Registered Advisors**

Principal Executive Officers and Management Persons Christopher Englebert, Chief Investment Officer and Chief Compliance Officer, and Jamie Englebert are Principals of the firm. The formal education and business background for Chris Englebert is included in Form ADV Part 2B.

#### **Other Business Activities**

Neither the firm nor any persons associated with the firm are actively engaged in any outside business activities. .

#### **Performance-Based Fees**

Neither the firm nor any persons associated with the firm are compensated for advisory services with performance-based fees.

#### **Disclosable Events**

Neither the firm nor any persons associated with the firm have material disclosures to be reported in response to this item. Additional information about the firm and its management persons is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The firm's CRD number is 300568.

#### **Relationship Disclosure**

Neither the firm nor any persons associated with the firm have any relationship or

arrangement with any issuer of securities.