



# GREAT VALLEY

A D V I S O R   G R O U P

REGISTERED INVESTMENT ADVISOR



**March 31, 2022**

## *Item 1* | **About this Brochure**

This Brochure provides information about the qualifications and business practices of Great Valley Advisor Group, Inc. (GVA). If you have questions about the contents of this Brochure, please contact us at (302) 483-7200 or [info@greatvalleyadvisors.com](mailto:info@greatvalleyadvisors.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

GVA is an SEC Registered Investment advisor. Registration of an investment adviser does not imply a certain level of skill or training. The oral and written communications of an adviser will provide you with information about which you determine to hire or retain an adviser.

Additional information about GVA or any of our supervised persons who are registered under our Firm is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may search this site by a unique identifying number, known as a CRD number. The CRD number for the Firm is 123913.

**Securities offered through LPL Financial, member FINRA/SIPC. Investment Advice offered through Great Valley Advisor Group, a Registered Investment Advisor and separate entity from LPL Financial.**

## *Item 2* | **Material Changes**

GVA is required to disclose a summary of material changes in this brochure from our last annual update on March 30, 2021. The Firm updated the following items:

- Item 4: added language which describes its GVA's participation in Specific Advisory Programs and updated regulatory assets under management.
- Item 10: added new affiliate US Financial Advisors, LLC ("USFA"), an SEC-registered investment advisor and wholly owned subsidiary of Great Valley Advisor Group.

The Firm has no other changes to disclose in relation to Item 2.

If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact our principal office at (302) 483-7200 or [info@greatvalleyadvisors.com](mailto:info@greatvalleyadvisors.com). Our brochure is also available on our website <http://www.greatvalleyadvisors.com>.

We encourage you to read this document in its entirety.

### *Item 3* | **Table of Contents**

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## Item 4 | Advisory Business

### Firm Profile

GVA was formed under the laws of the State of Delaware as a Registered Investment Advisor in 1986 with the goal of assisting our Clients in every aspect of their financial lives. We are committed to helping Clients build, manage, and preserve their wealth and to providing assistance to Clients to help achieve their stated financial goals. We manage accounts on a discretionary and/or non-discretionary basis.

Individuals associated with GVA will provide its investment advisory services. These individuals are appropriately licensed, qualified, and authorized to provide advisory services on behalf of GVA. Such individuals are known as Investment Adviser Representatives (IAR).

### Years in Business

**Date of formation:** August 27, 1986

**Date of initial investment advisor registration:**

State of Delaware: May 14, 1985

SEC: April 8, 2011

### Direct Principal Owners

The Firm was originally established by Alan Peters in 1986. Currently, GVA is owned by Ryan C. Todd and James J. Spinelli.

### Types of Investments

We offer advice on many types of investments including but not limited to equity securities, corporate debt and US Government securities, certificates of deposit, municipal securities, life insurance, mutual fund and exchange traded fund (ETF) shares, United States government securities, options contracts on securities, options contracts on commodities, money market funds, Real Estate Investment Trusts (REITs), derivatives, structured products, interests in partnerships investing in real estate, alternative investments interests in partnerships investing in oil and gas interests, or private funds (including hedge funds and private equity funds to accredited or qualified investors only). Additionally, we may advise you on various types of investments based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

### Investment Management and Supervision Services

We offer discretionary investment management and investment supervisory services for a fee based on a percentage of your assets under management. These services include investment analysis, allocation of investments, quarterly portfolio statements and ongoing monitoring services for the portfolio.

GVA determines your portfolio composition based on your needs, portfolio restrictions, if any, financial goals, and risk tolerances. We will work with you to obtain necessary information regarding your financial condition, investment objectives, liquidity requirements, risk tolerance, time horizons, and any restrictions on investing. This enables us to determine the portfolio best suited for your investment objectives and needs.

In performing our services, we may be required to verify certain information received from you or from other professionals. If you request, we may recommend and/or engage the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional.

Once we have determined the types of investments to be included in your portfolio and allocated them, we will provide ongoing portfolio review and management services. This approach requires us to review our portfolios on at least an annual basis.

We will rebalance the portfolio, when appropriate, to meet your financial objectives. We will trade these portfolios and rebalance them on a discretionary basis.

Our advisory services are tailored to meet your individual needs. You will have the ability to leave standing instructions with us to refrain from investing in particular industries or invest in limited amounts of securities.

While our advisory services are tailored to you as an individual, when using mutual funds or exchange-traded funds (ETF), this multi-fund manager approach makes it difficult for us to ensure that your portfolio will not invest in a particular industry or security. However, we are happy to discuss your preferences regarding socially conscious investment concerns and will try to accommodate them as much as possible. In all cases with the exception of mutual funds, you have a direct and beneficial interest in your securities, rather than an undivided interest in a pool of securities. We do not and will not have custody of your funds or securities. The Custodian will deduct investment advisory fees, only with the appropriate authorization from you.

IARs of GVA may also be registered representatives of LPL Financial (LPL), a full-service securities broker/dealer and investment adviser licensed under federal and state securities laws, located in San Diego, California. LPL is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investors Protection Corporation (SIPC). Securities transactions for LPL's brokerage Clients are executed through LPL, a self-clearing Firm.

You are advised and are expected to understand that our past performance is not a guarantee of future results. Certain market and economic risks exist that may adversely affect an account's performance. This could result in capital losses in your account.

### Third-Party Advisor Program

GVA has entered into agreements or arrangements with various independent, third-party investment advisers (TPAs). Under these agreements or arrangements, GVA has the ability to refer Clients to TPAs for investment in various types of programs sponsored by these TPAs. Under these programs, the TPA which you select will handle the day-to-day management of your account(s) on either a discretionary or non-discretionary basis, depending on the type of program. All TPAs to whom GVA will refer Clients will be a registered investment adviser with the Securities and Exchange Commission (SEC) or applicable state.

GVA strives to maintain relationships with several high-quality and recognizable TPAs. Among the criteria that GVA may consider in connection with establishing a relationship with a TPA are the TPA's experience, assets under management, performance record, Client retention, the level of Client services provided, investment style, buy and sell disciplines, capitalization level, and general investment process. Information collected by our Firm regarding TPAs is believed to be reliable and accurate but GVA does not necessarily independently review or verify all such information.

GVA also considers the cost of the services provided to you by the TPA as well as any quantitative or qualitative criteria required by the TPA. Cost of TPA programs may vary depending on the type of program, services provided, and other criteria, such as investment minimums. These costs will be disclosed in connection with formally establishing an arrangement with a TPA.

Your GVA IAR will work with you to ensure that your investment profile matches the stated objectives of the TPA program(s) in which you consider investing. Following recommendations by a GVA IAR, you will have final authority to select a TPA and TPA program. In some cases, the TPA may also assist in matching your investment objectives and personal and financial data with the programs available at the TPA. TPA programs generally have account minimum requirements that will vary from investment adviser to investment adviser, which are generally higher on fixed income accounts than on equity-based accounts. A complete description of the TPA's services, fee schedules, and account minimums will be disclosed in the TPA's Form ADV or similar Disclosure Brochure, which will be provided to Clients at the time an agreement for services is executed and an account is established.

Clients who select a TPA program will enter into an agreement directly with the TPA. In some cases, the agreement will be a joint agreement with both GVA and the TPA. The agreements will describe the services to be provided by the TPA (and GVA, if applicable), the cost of those services, as well as other important information such as when reports will be provided and how you can terminate the arrangement. Performance reporting will generally be the responsibility of the TPA. Such performance reports will be provided directly to you and GVA. GVA does not audit or verify that the performance results provided by a TPA are calculated on a uniform or consistent basis.

In some cases, your GVA IAR will be available to answer your questions regarding your TPA account and act as the communication conduit between you and the TPA. Note, however, TPA accounts are managed by the selected TPA and GVA does not have any discretionary trading authority with respect to the day-to-day management of such accounts. One important distinction is accounts considered to maintain non-discretionary assets, such as TPA accounts, will not be subject to continuous supervision and oversight by the primary investment adviser.

Investors are advised and should understand that

- A TPA's past performance is no guarantee of future results;
- There is a certain market and/or interest rate risk, which may adversely affect any TPA's objectives and strategies, and could cause a loss in a Client's account(s);
- Client risk parameters or comparative index selections provided to GVA are guidelines only;

- No guarantees can be made that a Client's financial goals or objectives will be achieved; and
- Investments involve risk, including the possible loss of principal.

Clients are advised that certain TPAs may agree to pay a portion of their advisory fees to GVA. In these cases, GVA IARs may have a conflict of interest to offer those TPAs that have agreed to pay such a fee to GVA. GVA attempts to mitigate this conflict by reviewing that the TPAs and TPA programs selected by Clients are consistent with Client's stated investment profile.

You should know that GVA does not seek relationships with all possible TPAs, and there may be TPAs that GVA has not vetted or decided not to include on its list of TPAs to recommend to Clients that may charge lower fees for providing similar services.

#### Financial Planning Services

Comprehensive personal financial planning is provided to Clients pursuant to a written agreement and fee schedule. To determine a suitable course of action for an individual Client, the IAR will perform a review of the variables presented. This review may include but would not necessarily be limited to investment objectives, consideration of your overall financial condition, income and tax status, personal and business assets, risk profile and other factors unique to your particular circumstances.

The IAR will prepare a written plan with specific or general investment and/or planning recommendations based on the information provided by Client. This plan will describe the current situation, identify needs and opportunities, and make recommendations with the aid of financial projections that are designed to help Client work toward their stated goals.

Our primary focus will be to coordinate all areas of Client's total planning picture, to help achieve the highest possible level of outcome for all concerned. This process is designed to help you, Client, articulate and quantify goals, organize financial data, identify needs and opportunities, and evaluate alternative courses of action. It includes an analysis of Client goals and objectives, assets, liabilities, current net worth, income taxes, cash flow, investments, employee benefits, estate and gift tax planning, education planning, and risk management.

GVA cannot offer any promises or guarantees that Client financial goals and objectives will be met. As Client's financial situation, goals, objectives, or needs change, Client must notify GVA promptly.

Financial Planning may include estate analysis and development of strategies and techniques for working towards minimizing estate taxes and other estate costs. Recommendations are also made to help assure that

your estate is distributed according to your wishes.

While comprehensive financial planning includes investment advice concerning securities, it also includes investment advice with respect to products that may not constitute "securities," such as certificates of deposit, life insurance, and fixed annuities. GVA does not offer legal or tax advice, so we encourage you to consult your attorney or accountant for guidance specific to your circumstances. GVA, though, may take into consideration tax and estate planning issues to help in its formulation of "investment advice." GVA, however, cannot assume the responsibility of continuously monitoring the performance of Client investments that are not securities or for which you have entered into a non-discretionary agreement with our Firm.

In preparing your financial plan, we may address any or all of the six areas of financial planning established by the National Endowment for Financial Education and endorsed by the Certified Financial Planner Board of Standards, depending on your specific needs. These include financial position, protection planning, investment planning, income tax planning, retirement planning, and estate planning.

Our specific services in preparing your plan may include

- ✓ Determining appropriate income planning strategies for both pre- and post-retirement time frames;
- ✓ Reviewing existing and proposed investment asset mixes to help you meet your overall financial objectives. This would include reviewing risk/return issues and a suggested plan of action consistent with your risk tolerance and overall financial objectives;
- ✓ Calculating your pre-retirement savings and investing needs;
- ✓ Assessing your overall financial position, including net worth, cash flow, and debt;
- ✓ Providing a comprehensive analysis of IRA-related issues, including rollover, distribution, and inheritance planning options;
- ✓ Evaluating strategies designed to maximize the utilization and protection of your IRA assets;
- ✓ Estimating your federal estate taxes and suggesting a plan of action to help meet estate planning objectives;
- ✓ Reviewing and determining your life and disability insurance needs;
- ✓ Providing investment recommendations, both in terms of purchasing or selling holdings, that are geared towards minimizing tax consequences;

and

- ✓ Developing investment strategies consistent with your business ownership succession and transition planning, if applicable.

Unless engaged separately to do so, GVA will not be responsible for the implementation of the plan. Client will assume full responsibility for the implementation of the plan.

#### Retirement Plan Advisory and Consulting Services

GVA IARs may assist Clients who are trustees or other fiduciaries to retirement plans ("Plans") by providing fee-based consulting and/or advisory services. IAR's perform one or more of the following services, as selected by Client in Client agreement.

- **Service Provider Liaison.** IAR may assist the Plan by acting as a liaison between the Plan and service providers, product sponsors, and/or vendors. In such cases, IAR shall act only in accordance with instructions from Client on investment or Plan administration matters and shall not exercise judgment or discretion.
- **Education Services to Plan Committee.** IAR may provide education, training, and/or guidance for the members of the Plan Committee with regard to plan features, retirement readiness matters, or duties and responsibilities of the Committee, including education with respect to fiduciary responsibilities.
- **Participant Enrollment.** IAR may assist Client in enrolling Plan participants in the Plan, including conducting an agreed upon number of enrollment meetings. As part of such meetings, IAR will provide participants with information about the Plan, which may include information on the benefits of Plan participation, the benefits of increasing Plan contributions, the impact of pre-retirement withdrawals on retirement income, the terms of the Plan, and the operation of the Plan.
- **Participant Education.** IAR may assist with participant education, which may include preparation of education materials and/or conducting investment education seminars and meetings for Plan participants. Such meetings may be on a group or individual basis and may include information about the investment options under the Plan (e.g., investment objectives, risk/return characteristics, and historical performance), investment concepts (e.g., diversification, asset classes, and risk and return), and how to determine investment time horizons and assess risk tolerance. Such meetings shall not include specific investment advice about

investment options under the Plan as being appropriate for a particular participant but may include use of educational investment models.

- **Plan Search Support/Vendor Analysis.** IAR may assist with the preparation, distribution, and evaluation of Request for Proposals, finalist interviews, and conversion support.
- **Benchmarking Services.** IAR may provide Client with comparisons of Plan data (e.g., regarding fees, services, participant enrollment and contributions) to data from the Plan's prior years and/or a benchmark group of similar plans.
- **Assistance Identifying Plan Fees.** IAR may assist Client in identifying the fees and other costs borne by the Plan for, as specified by Client, investment management, recordkeeping, participant education, participant communication and/or other services provided with respect to the Plan.
- **Investment Policy Statement.** IAR may assist the Plan in the preparation or review of an investment policy statement (IPS) for the Plan based upon consultation with Client.
- **Ongoing Investment Recommendations.** IAR may recommend, for consideration and selection by Client, specific investments to be held by the Plan or, in the case of a participant-directed defined contribution plan, to be made available as investment options under the Plan. IAR will recommend, for consideration and selection by Client, investment replacements if an existing investment is determined by Client to no longer be suitable as an investment option.
- **Ongoing Investment Monitoring.** IAR will perform ongoing monitoring of investment options in relation to the criteria provided by Client to the IAR.
- **Qualified Default Investment Alternative Assistance.** IAR may assist Client in identifying an investment product or model portfolio in connection with the definition of a "Qualified Default Investment Alternative" (QDIA) under ERISA (for Plans subject to ERISA excluding ERISA Plans where the IAR or GVA is classified as an "Investment Management" per Section 3(38) of ERISA).
- **Non-Discretionary Model Portfolios.** IAR will recommend, for consideration and approval by Client, (i) asset allocation target-date or risk-based model portfolios for the Plan to make available to Plan participants, and (ii) funds from the line-up of investment options chosen by Client to include in such model portfolios.

- **Performance Reports.** IAR will prepare periodic reports reviewing the performance of all Plan investment options, as well as comparing the performance thereof to benchmarks with Client. The information used to generate the reports will be derived directly from information such as statements provided by Client, investment providers, and/or third parties.

We also provide Clients investment advice on a more limited basis on one or more isolated areas of concern, such as estate planning, real estate, retirement planning, or any other similar specific topic. Additionally, GVA may provide advice on non- securities matters in connection with the rendering of estate planning, insurance, real estate, maximizing social security benefits and/or annuity advice.

You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our Firm in writing.

#### Specific advisory programs

The Registrant participates in advisory programs sponsored by broker-dealers that the Registrant uses as qualifying Custodians. Specific details about each program are determined by the program sponsor and are subject to change. Clients should thoroughly review disclosure documents provided about the specific program they are participating in and the following is intended as a partial guide to the programs available.

#### LPL Financial Sponsored Advisory Programs

The Registrant may provide advisory services to Clients through certain programs sponsored by LPL Financial, a registered investment advisor and broker dealer. Below is a brief description of each LPL Financial advisory program available through the Registrant. For more information regarding these programs, including more information on the advisory services and fees that apply, the types of investments available in the programs, and the potential conflicts of interest presented by the programs, please see the LPL Financial Part 2A Brochure or the applicable program's Part 2A Brochure and the applicable Client agreement.

#### i. Optimum Market Portfolios Program (OMP)

OMP is a professionally managed asset allocation program using Optimum Funds Class I shares. Under OMP, Client authorizes LPL Financial on a discretionary basis to purchase and sell Optimum Funds pursuant to investment objectives chosen by Client. The Registrant will assist Client in determining the suitability of OMP for Client and assist Client in setting an appropriate investment objective. The Registrant will have discretion to select a mutual fund asset allocation portfolio designed by LPL Financial consistent with Client's investment objective. LPL Financial will have discretion to purchase and sell Optimum Funds pursuant to the portfolio selected for Client. LPL Financial will also have

authority to rebalance the account. LPL Financial sets a minimum account value for OMP and changing account balances and minimum requirements may affect whether this program is appropriate for a particular Client and may affect the fee charged.

#### ii. Personal Wealth Portfolios Program (PWP)

PWP offers Clients an asset management account using asset allocation model portfolios designed by LPL Financial. The Registrant will have discretion for selecting the asset allocation model portfolio based on Client's investment objective. The Registrant will also have discretion for selecting third-party money managers (PWP Advisors) or mutual funds within each asset class of the model portfolio. LPL Financial will act as the overlay portfolio manager on all PWP accounts and will be authorized to purchase and sell on a discretionary basis mutual funds and equity and fixed income securities. LPL Financial sets a minimum account value for PWP, and changing account balances and minimum requirements may affect whether this program is appropriate for a particular Client and may affect the fee charged.

#### iii. Model Wealth Portfolios Program (MWP)

MWP is a professionally managed mutual fund asset allocation program. The Registrant will obtain the necessary financial data from Client, assist Client in determining the suitability of the MWP program, and assist Client in setting an appropriate investment objective. The Registrant will initiate the steps necessary to open an MWP account and have discretion to select a model portfolio designed by LPL Financial's Research Department consistent with Client's stated investment objective. LPL Financial's Research Department is responsible for selecting the mutual funds within a model portfolio and for making changes to the mutual funds selected. Client will authorize LPL Financial to act on a discretionary basis to purchase and sell mutual funds (including in certain circumstances exchange-traded funds) and to liquidate previously purchased securities

Client will also authorize LPL Financial to effect rebalancing for MWP accounts. The MWP program also offers model portfolios designed by strategists other than LPL Financial's Research Department. The Registrant can choose among the available models designed by LPL Financial and outside strategists.

LPL Financial sets a minimum account value for MWP, and changing account balances and minimum requirements may affect whether this program is appropriate for a particular Client and may affect the fee charged.

#### iv. Manager Access Select Program (MAS)

MAS provides Clients access to the investment advisory services of professional portfolio management Firms for the individual management of Client accounts. The Registrant will assist Client in identifying a third-party

portfolio manager (Portfolio Manager) from a list of Portfolio Managers made available by LPL Financial. The Portfolio Manager manages Client's assets on a discretionary basis. The Registrant will provide initial and ongoing assistance regarding the Portfolio Manager selection process. LPL Financial and Portfolio Managers set minimum account values for MAS, and changing account balances and minimum requirements may affect whether this program is appropriate for a particular Client and may affect the fee charged.

#### **v. Guided Wealth Portfolios (GWP)**

GWP offers Clients the ability to participate in a centrally managed, algorithm-based investment program, which is made available to users and Clients through a web-based, interactive account management portal ("Investor Portal"). Investment recommendations to buy and sell exchange-traded funds and open-end mutual funds are generated through proprietary, automated, computer algorithms (collectively, the "Algorithm") of FutureAdvisor, Inc. ("FutureAdvisor"), based upon model portfolios constructed by LPL and selected for the account as described below (such model portfolio selected for the account, the "Model Portfolio"). Communications concerning GWP are intended to occur primarily through electronic means (including but not limited to, through email communications or through the Investor Portal), although GVA will be available to discuss investment strategies, objectives, or the account in general in person or via telephone.

A preview of the Program (the "Educational Tool") is provided for a period of up to forty-five (45) days to help users determine whether they would like to become advisory Clients and receive ongoing financial advice from LPL, FutureAdvisor, and GVA by enrolling in the advisory service (the "Managed Service"). The Educational Tool and Managed Service are described in more detail in the GWP Program Brochure. Users of the Educational Tool are not considered to be advisory Clients of LPL, FutureAdvisor, or GVA; do not enter into an advisory agreement with LPL, FutureAdvisor, or GVA; do not receive ongoing investment advice or supervisions of their assets; and do not receive any trading services.

A minimum account value of \$5,000 is required to enroll in the Managed Service.

#### **Fees for LPL Financial advisory programs**

The account fee charged to Client for each LPL Financial advisory program is negotiable, and may be subject to maximum fees set by LPL Financial. Account fees are payable quarterly in advance. LPL Financial serves as program sponsor, investment advisor, and broker dealer for the LPL Financial advisory programs. The Registrant and LPL Financial may share in the account fee and other fees associated with program accounts. The Registrant's representatives may also be

registered representatives of LPL Financial and may receive benefits from LPL Financial based in part on Client participation in LPL Financial advisory programs.

#### **a. Fidelity Advisory Programs**

The Registrant may also provide advisory services through Fidelity as the broker dealer Custodian. Below is a brief description of each advisory program available at Fidelity. Fidelity Separate Account Network® (SAN) – Fidelity offers a Separate Account Network program (SAN Program), a unified platform for managed portfolios.

Some managers under the SAN program may require an additional Client advisory agreement with Client in addition to the agreement Client signs with the Registrant. For a complete description of the services offered, the programs, the fees charged, and minimum account requirements, please refer to the separate disclosure Brochure (such as Part 2A of Form ADV) maintained by the Money Manager as provided by your Financial Advisor.

Clients should carefully review these additional disclosure Brochures for important and specific details including, among other things, fees, experience, investment objectives and risk guidelines, and disclosure of the money manager's potential conflicts of interest.

The Registrant and Client together determine which program to engage in. Clients will receive confirmations and statements reflecting all transactions in their account. However, in no circumstances shall the Registrant or its representative have the discretionary authority to close the account or withdraw funds or securities, with the exception of the Registrant's advisory fees on a quarterly basis. Clients should refer to the Brochure, Client agreement and other account paperwork for each investment program for more detailed information about the services available under the program.

In addition, the Registrant may also refer advisory Clients to other investment advisory programs not associated with any of the programs described above. The Registrant's Chief Compliance Officer remains available to address any questions that a Client or prospective may have regarding any conflict of interest associated with an investment advisory program.

### **b. Schwab Institutional Intelligent Portfolios**

The Registrant provides portfolio management services through Institutional Intelligent Portfolios™, an automated, online investment management platform for use by independent investment advisors and sponsored by Schwab Wealth Investment Advisory, Inc. (the "Schwab IIP Program" and "SWIA," respectively). Through the Schwab IIP Program, the Registrant offers Clients a range of investment strategies the Registrant has constructed and manages, each consisting of a portfolio of exchange traded funds (ETFs) and a cash allocation. Client may instruct the Registrant to exclude up to three ETFs from their portfolio. Client's portfolio is held in a brokerage account opened by Client at SWIA's affiliate, Charles Schwab & Co., Inc. (CS&Co). The Registrant is independent of and not owned by, affiliated with, or sponsored or supervised by SWIA, CS&Co or their affiliates (together, "Schwab"). The Schwab IIP Program is described in the Schwab Wealth Investment Advisory, Inc. Institutional Intelligent Portfolios™ Disclosure Brochure (the "Schwab IIP Program Disclosure Brochure"), which is delivered to Clients by SWIA during the online enrollment process.

The Registrant, and not Schwab, is Client's investment advisor and primary point of contact with respect to the Schwab IIP Program. The Registrant is solely responsible, and Schwab is not responsible, for determining the appropriateness of the Schwab IIP Program for Client, choosing a suitable investment strategy and portfolio for Client's investment needs and goals, and managing that portfolio on an ongoing basis. SWIA's role is limited to delivering the Schwab IIP Program Disclosure Brochure to Clients and administering the Schwab IIP Program so that it operates as described in the Schwab IIP Program Disclosure Brochure. The Registrant has contracted with SWIA to provide it with the technology platform and related trading and account management services for the Schwab IIP Program. This platform enables the Registrant to make the Schwab IIP Program available to Clients online and includes a system that automates certain key parts of its investment process (the "Schwab System"). The Schwab System includes an online questionnaire that helps the Registrant determine Client's investment objectives and risk tolerance and select an appropriate investment strategy and portfolio.

Clients should note that the Registrant will recommend a portfolio via the Schwab System in response to Client's answers to the online questionnaire. Client may then indicate an interest in a portfolio that is one level more conservative or more aggressive than the recommended portfolio, but the Registrant then makes the final decision and selects a portfolio based on all the information the

Registrant has about Client. The Schwab System also includes an automated investment engine through which the Registrant manages Client's portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if Client is eligible and elects).

The Registrant does not receive a portion of a wrap fee for its services to Clients through the Schwab IIP Program. Clients do not pay fees to SWIA in connection with the Schwab IIP Program, but the Registrant charges Clients a fee for its services as described below under Item 5.

### **Fees and compensation**

The Registrant's fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to CS&Co as part of the Schwab IIP Program. Schwab does receive other revenues in connection with the Schwab IIP Program, as described in the Schwab IIP Program Disclosure Brochure. The Registrant does not pay SWIA fees for its services in the Schwab IIP Program so long as the Registrant maintains \$100 million in Client assets in accounts at CS&Co that are not enrolled in the Schwab IIP Program. If the Registrant does not meet this condition, then the Registrant will be liable to pay SWIA an annual fee of 0.10% (10 basis points) on the value of the Registrant's Clients' assets in the Schwab IIP Program. This fee arrangement gives the Registrant an incentive to recommend or require that the Registrant's Clients with accounts not enrolled in the Schwab IIP Program be maintained with CS&Co.

The Registrant may also recommend that Clients establish investment accounts with registered broker-dealers or Custodians outside of LPL Financial who are members of FINRA and SIPC to maintain custody of Clients' assets and to effect trades for their accounts. These Custodians currently include

1. Schwab Advisor Services division of Charles Schwab & Co., Inc. (CS&Co), a registered broker-dealer, member SIPC;
2. Fidelity,
3. LPL, and
4. Morningstar

### **Assets under Management**

As of March 31, 2022, GVA managed \$4,489,786,314 in total regulatory assets under management, including a total of \$4,114,027,340 in assets managed on a discretionary basis and an additional \$375,758,974 in assets managed on a non-discretionary basis.

## Item 5 | Fees and Compensation

### Investment Management Fees and Compensation

GVA charges an asset-based fee as compensation for providing Investment Management services on your account.

These services include advisory and consulting services, trade entry, investment supervision, and other account maintenance activities. The Custodian may separately charge custodial fees, transaction costs, redemption fees, and retirement plan and administrative fees or commissions. See Additional Fees and Expenses below.

In addition, some mutual fund assets held in Client accounts may have been subject to 12(b)-(1) fees and other mutual fund annual expenses as described in the fund's prospectus. Furthermore, some existing variable annuities may be subject to trailing service fees, deferred sales charges, and mortality and expense fees. These fees are independent of our fees and should be disclosed by the Custodian or contained in the prospectus or other offering documents of each fund. You should also note that fees for comparable services vary and lower fees for comparable services may be available from other sources.

We charge fees for accounts based on an annual percentage of assets under management. The fees.

are applied to the account asset value on a prorated basis, billed quarterly in advance or arrears depending on the selected Custodian. The initial fee will be based upon the date the account is accepted for management by execution of the investment advisory contract by the Firm and the assets are transferred through the last day of the current calendar quarter. The management fee is based on the size of the account at inception and is reviewed annually and reset at the time of the advisory Client's annual review if the account(s) qualify for a lower fee. The fee is charged quarterly and is calculated on the market value of the account as of the last day of the quarter. The market value will be determined as reported by the Custodian. Fees are assessed on all assets under management, including securities, cash and money market balances.

At our discretion, we may add (aggregate) asset amounts in accounts from your same household together to determine the advisory fee for all your accounts. We may do this, for example, where we also service accounts on behalf of your minor children, individual and joint accounts for a spouse, and/or other types of related accounts. This consolidation practice is designed to allow you the benefit of an increased asset total, which could potentially cause your account(s) to be assessed at a reduced advisory fee based on the asset levels available in our fee schedule.

You authorize us to debit your account quarterly for our fee. The independent qualified Custodian holding your funds and securities will debit your account directly for the advisory fee and pay that fee to us.

You will provide written authorization permitting the fees to be paid directly from your account held by the qualified Custodian. Further, the qualified Custodian agrees to deliver an account statement at least quarterly directly to you indicating all the amounts deducted from the account, including our advisory fees. You are encouraged to review your account statements for accuracy. We will receive a duplicate copy of the Custodian's statement that was delivered to you.

Either GVA or you may terminate the management agreement, upon thirty-day written notice to the other party. If applicable, the management fee will be prorated to the date of termination, for the quarter in which the cancellation notice was given, and any unearned fees will be refunded to you. Upon termination, you are responsible for monitoring the securities in your account, and we will have no further obligation to act or advise with respect to those assets.

### Non-Wrap Fee Basis

If Client engages GVA to provide discretionary and/or non-discretionary investment advisory services for a fee, the annual investment advisory fee shall be based upon a percentage (%) of the market value. The IAR may, at their discretion, negotiate a fee based on the following schedule:

| Market Value            | Annual Fee % |
|-------------------------|--------------|
| \$ 0 – 500,000          | 2.50%        |
| \$500,001 – 1,000,000   | 2.25%        |
| \$1,000,001 – 3,000,000 | 2.00%        |
| \$ 3,000,001 +          | Negotiable   |

*Used as a guideline only; all fees and account value tiers are subject to negotiation at the sole discretion of GVA.*

### Third-Party Advisor Fees

Fees and billing methods are outlined in each respective TPA's Brochure and Advisory Contract. GVA will be paid an on-going fee by the TPA based upon a percentage of your assets under management with the TPA. You will receive disclosure of all fees paid to GVA by the TPA, which include the terms of the compensation arrangement and a description of the compensation paid, at the time of signing an advisory agreement with the TPA. GVA negotiates its fee with each TPA.

One particular TPA, SEI Investments (SEI), offers programs with two different fee structures in which GVA Clients can participate. One program is a separately managed account for which GVA Clients are charged a fee by SEI for the day-to-day management of Client's assets. Clients in this program may also be charged a separate fee by GVA for its supervision and oversight of Client accounts that utilize the SEI program. The second type of SEI program in which Clients may invest charges only a single advisory fee, 100% of which is paid to GVA. In this program, SEI does not charge GVA Clients a separate fee and is instead compensated in other ways, such as through the receipt of brokerage commissions on transactions executed in Client's account or from the receipt of advisory fees from mutual funds or other investments in which your assets are invested as part of the program.

GVA and GVA IARs have a potential conflict of interest to recommend selections of TPAs that would result in higher advisory fees paid to GVA, including recommendations to the SEI program for which GVA receives 100% of the advisory fee. GVA attempts to mitigate this conflict by reviewing that the TPAs and TPA programs selected by Clients are consistent with Client's stated investment profile. GVA also has a fiduciary obligation to make recommendations based solely on your objectives and needs.

The minimum account size for participating in a program will vary from TPA to TPA. All such minimums will be disclosed in the respective TPA's Brochure. GVA may have the ability to negotiate such minimums for you.

You may terminate your relationship in accordance with the respective TPA's disclosure documents. If you terminate your participation in a TPA's program within five business days of inception, you will receive a full refund of the fee. Pre-paid fees will be refunded in accordance with the respective TPA's agreement and disclosure documents.

For discretionary accounts, a TPA relationship may be terminated at your IAR's discretion. GVA may at any time terminate the relationship with a TPA that manages your assets. GVA will notify you of instances where it has terminated a relationship with a TPA with which you maintain accounts through GVA. GVA will not conduct ongoing supervisory reviews of the TPA following such termination.

Factors involved in the termination of a TPA may include a failure to adhere to their stated management style or your objectives, a material change in the professional staff of the TPA, unexplained poor performance, service level decrease, unexplained inconsistency of account performance, or our decision to no longer include the TPA on our list of approved managers. GVA IARs may receive fees from mutual funds and variable annuities that are designated for management in a TPA program, which may represent additional compensation to the GVA IAR above the compensation that they receive from GVA.

GVA offers several investment management programs. Account custodial services may be provided by several account Custodians depending on the investment management program offered. Programs may have higher or lower fees than other programs available through GVA or available elsewhere. Investment management programs may differ in the services provided and method or type of management offered, and each may have different account minimums. Client reports will depend upon the management program selected. Please see complete details in the program Brochure and custodial account agreement for each program recommended and offered.

### Financial Planning and/or Consulting Fees

The fixed fee for initial financial planning services ranges from \$250 to \$16,000, and is negotiable, depending upon the complexity and scope of the plan, Client's financial situation, and objectives. The one-time fee charged to Clients ranged up to \$7,500 in the most recent calendar year. The initial financial planning services fee is charged on the start date of entering into the plan. For Clients who require ongoing service for their financial plan, GVA may charge a recurring fee, typically not to exceed \$2,500 per year, paid monthly, quarterly, biannually, or annually, with any outstanding balance due on December 31. This fee is also negotiable, depending upon the complexity and scope of the plan, Client's financial situation, and objectives. Typically, financial planning fees will be due upon Client's acceptance of the plan. However, other fee payment arrangements may be negotiated.

Prior to engaging GVA to provide planning or consulting services, Clients are required to enter into a "Consulting Services Agreement" with the IARs of GVA, which sets forth the terms and conditions of the engagement, including fees. If the agreement is terminated prior to the completion of the project, any pre-paid fees received by GVA will be returned to Client on a pro rata basis.

Fees for financial planning and/or consulting and/or analysis on specific Client needs will be determined on a fixed fee basis. Fees will be discussed and agreed upon between Client and the investment adviser representative and will be specifically identified in the appropriate contract. In no case are our fees based on, or related to, the performance of your funds or investments.

As a financial planning Client, you are under no obligation to act upon any of our recommendations or effect the transaction(s) through us if you decide to follow the recommendations.

When both investment management or plan implementation and financial planning services are offered, there is a potential conflict of interest since there is an incentive for the party offering financial planning services to recommend products or services for which GVA or an affiliated company may receive compensation.

GVA attempts to mitigate this conflict by reviewing the recommendations made by GVA IARs Clients are consistent with your stated investment profile. GVA and its IARs also have a fiduciary obligation to make recommendations based solely on your objectives and needs.

#### **Brokerage and Insurance Product Fees**

In addition to providing advisory services through GVA, IARs may also sell or recommend investment and insurance products in their capacity as registered broker/dealer representatives of LPL Financial Corporation and as licensed insurance agents, including but not limited to variable life insurance, variable annuities, private placement programs, 1031 Exchange (also called a Like-Kind Exchange) of life insurance (collectively, "Third-Party Products"). Investments in these Third-Party Products are not considered when calculating the fee that GVA will charge you. However, GVA IARs receive compensation from the sale of these Third-Party Products, the amount of which varies depending on the type of product purchased. IARs acting as a broker agent (as opposed to investment advisor representative and/or insurance agent capacity) may therefore have a financial incentive to sell products for which the IAR will receive greater compensation than other financial products.

When IARs of GVA receive commissions in connection with the sale of securities products recommended to our advisory Clients, GVA may reduce a portion of its fees by the amount of the commissions earned by GVA's IARs. GVA does not participate in any soft dollar arrangements.

You should know that GVA does not monitor or supervise GVA IARs' activities with respect to Third-Party Products, including any particular conflicts of interest resulting from selling products with different fees. Those activities are instead supervised by the broker, LPL, and the insurance company with which the GVA IAR is associated. A de minimis number of GVA IARs are also IARs of LPL's investment advisory business in connection to discretionary ERISA Plans and, as such, serve as "Investment Managers" per ERISA Rule 3(38). In these circumstances, the IARs are supervised by LPL and are required to follow LPL's policies and procedures when acting in such capacity.

#### **Retirement Plan Consulting Fees**

Our fees for retirement plan consulting are negotiable and based on services selected. If ongoing services are being provided, they are expressed as an annual rate. The minimum annual fee is \$1,000, the maximum annual fee is 1% based on the amount of eligible plan assets.

#### **LPL Financial Custodian Fees**

In-house investment advisory accounts may be custodied with LPL Financial via a SWM I or SWM II account. When utilizing a SWM I account, Client will bear transaction charges for purchases, sales, and exchanges in the account, including for mutual funds, equities, fixed income securities, and options. Within a SWM II account, the transaction costs are borne by the Advisor. However, when mutual funds within a SWM I/SWM II account charge 12b-1 fees (typically, Class A shares), Client will bear those fees.

The transaction charges vary based on security type (see SWM I/SWM II Account Agreement for current fees). In the case of mutual funds, the transaction charges vary depending on whether LPL retains compensation from the mutual fund and therefore assesses a lower transaction charge. Transaction charges are thus typically higher for mutual funds with lower expense ratios.

Advisors may adjust the advisory fee charged on assets in a SWM II account to offset the transaction charges they absorb on behalf of Client, particularly when selecting lower expense mutual funds.

According to LPL's SWM/SWM II Account Agreement: "transaction charges are paid to LPL to defray costs associated with trade execution; however, they are not directly related to transaction-related expenses of LPL and are a source of revenue to LPL."

### Additional Fees and Expenses

Advisory fees payable to us do not include the fees you may pay when we purchase or sell securities for your account(s). The following list of fees or expenses are what you may pay directly to third parties, whether a security is being purchased, sold, or held in your account(s) under our management:

- Brokerage commissions
- Transaction fees
- Exchange fees
- SEC fees
- Advisory fees and administrative fees charged by mutual funds (MFs), and/or (ETFs)
- Advisory fees charged by sub-advisers (if any are used for your account)
- Custodial fees
- Deferred sales charges (on MFs or annuities);
- Odd-lot differentials
- Transfer taxes
- Wire transfer and electronic fund processing fees
- Fees on existing variable annuities that may have been subject to trailing service fees, deferred sales charges, and mortality and expense fees
- Fees on mutual fund assets held in your account that may have been subject to deferred sales charges, 12b-1 or shareholder servicing fees, administrative fees, and other mutual fund annual expenses as described in the fund's prospectus

Please refer to the "Brokerage Practices" for discussion of GVA's brokerage practices.

Brokerage fees and commissions are charged to you for securities trade executions. These brokerage fees may be billed to you by the broker/dealer or Custodian of record for your account, not GVA. Any such fees are exclusive of, and in addition to, GVA compensation. You will be solely and directly responsible for all fees, including non-GVA fees billed directly to you.

### Conflicts of Interest Involving Fees

Conflicts of interest involving fees are addressed first and foremost by making you aware of them by way of this Brochure. Secondly, we periodically evaluate the overall annual cost to our Clients in connection with our advisory services. As a general guideline (but not an absolute limit), we look for total Client costs associated not only with our advisory services, but also the resulting transactions carried out in connection therewith not to exceed 2.5% (on an annual basis) of your assets that we have been assigned to manage.

Keep in mind that Third-Party Products (i.e., brokerage and insurance products) offered by your GVA IAR may charge fees in addition to the fees charged by GVA, and GVA does not monitor or compare those fees to the fees it charges for investment advisory services.

You are always welcome to request a current copy of our Brochure. We are obligated to provide you a copy of the Brochure no later than the time you sign an agreement with us, as applicable. Annually we are required to provide you either a copy of our current Brochure or instructions on how to request a copy of our current Brochure.

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

GVA does not charge advisory fees on a share of the capital appreciation of the funds or securities in a Client account (so-called performance-based fees); therefore, GVA does not encounter side-by-side management concerns as with other advisers who manage both performance-based and nonperformance-based accounts in the same strategies. Our advisory fee compensation is charged only as disclosed above in Fees and Compensation (Item 5). It is possible that performance-based fees may be charged by Third-Party Products recommended by your GVA IAR. You should discuss all such fees with your IAR and review the governing documents of the investment offering.

It is also possible that performance-based fees may be charged to one or more investment products, such as mutual funds, ETFs, or private funds, recommended by GVA. Any such fees would be paid to the investment manager of the mutual fund, ETF, or private fund and not to GVA. Please refer to the offering documents of such investments for information on performance fees.

## Item 7 | Types of Clients

GVA offers investment advisory services to individuals, high-net-worth individuals, retirement plans, corporations, LLCs, profit-sharing plans, trusts, charitable organizations, and state or municipal government entities. GVA does not usually require a minimum for establishing or maintaining a Client's account.

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

GVA IARs utilize an investment philosophy emphasizing portfolio management that is tailored to the needs of each Client. Our investment process begins by listening to Client to determine their financial situation, investment objectives, time horizon, risk tolerance and other circumstances. This information then becomes the basis for the investment strategy which IAR believes best meets Client's long-term goals. We continually look for ways to innovate, drawing on our extensive experience to find better investment strategies for the long term.

The IAR will assist you in selecting an investment strategy that suits your needs and financial objectives. Available strategies include those managed by GVA, as well as those managed by TPAs. Assistance may also be provided to you by explaining the differences between both. IARs of GVA have the ability to implement their own investment style and strategy, based on each Client's specific goals, objectives, and risk profile.

Among the criteria that GVA may consider in connection with establishing a relationship with a TPA are the TPA's experience, assets under management, performance record, Client retention, the level of Client services provided, investment style, buy and sell disciplines, capitalization level, and general investment process. GVA conducts due diligence at least annually on the TPAs it recommends.

We recommend managers who manage portfolios that span various asset classes, including both traditional strategies—domestic equity, international equity, and fixed income—and alternatives, including absolute return, real assets, and private equity. We strive to provide our Clients access to products and strategies that are typically available only to institutional investors.

The methods of analysis, sources of information, and investment strategies used by TPAs will vary among managers. We encourage you to read each TPA's Disclosure Brochures, Form ADV, and any other document you receive prior to entering into an agreement with a TPA.

### Analysis of Third-Party Advisers (TPAs)

We examine the experience, expertise, investment philosophies, and past performance of TPAs in an attempt to determine whether that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the TPA's underlying holdings, strategies, concentrations, and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we seek to obtain an understanding of the TPA's compliance and business enterprise risks.

A risk of investing with a TPA who has been successful in the past is that they may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a TPA's portfolio, there is also a risk that a TPA may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our Clients. Moreover, as we do not control the TPA's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory, or reputational deficiencies.

You are advised and are expected to understand that the TPA's past performance is not a guarantee of future results, and certain market and economic risks exist that may adversely affect an account's performance that could result in capital losses in your account.

### Risk

There are principal and material risks involved which may adversely affect the account value and total return. There are other circumstances (including additional risks that are not described here) which could prevent your portfolio from achieving its stated investment objective. It is important to read all the disclosure information provided and to understand that you may lose money by investing in any of our strategies.

Each type of investment has its own unique set of risks associated with it and it would not be possible to list all of the specific risks of every type of investment here. Even within the same type of investment, risks can vary widely.

Your account is subject to the following risks:

- **Stock Market Risk** – The value of securities in the portfolio will fluctuate and, as a result, the value may decline suddenly or over a sustained period of time.
- **Managed Portfolio Risk** – The manager's investment strategies or choice of specific securities may be unsuccessful and may cause the portfolio to incur losses.
- **Industry Risk** – The portfolio's investments could be concentrated within one industry or group of industries. Any factors detrimental to the performance of such industries will disproportionately impact on your portfolio. Investments focused in a particular industry are subject to greater risk and are more greatly impacted by market volatility than less concentrated investments.
- **Non-U.S. Securities Risk** – Non-U.S. Securities are subject to the risks of foreign currency fluctuations, generally higher volatility and lower liquidity than U.S. securities, less developed securities markets and

economic systems, and political and economic instability.

- **Emerging Markets Risk** – To the extent that your portfolio invests in issuers located in emerging markets, the risk may be heightened by political changes and changes in taxation or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.
- **Currency Risk** – The value of your portfolio's investments may fall as a result of changes in exchange rates.
- **TPA Risk** – A risk associated with this type of analysis is that past performance is not a guarantee of future result. While a TPA may have demonstrated a certain level of success in past economic times, the TPA may not be able to replicate that success in future markets. In addition, just because a TPA may have invested in a certain manner in past years, such TPA may deviate from its strategy in future years. To mitigate this risk, GVA attempts to select TPAs with proven track records that have demonstrated a consistent level of performance and success.
- **Interest rate risk** - applies to debt investments such as bonds. It is the risk of losing money because of a change in the interest rate. For example, if the interest rate goes up, the market value of bonds will drop.
- **Inflation risk** – is the risk that the future real value of an investment, asset or income stream will be reduced over time by unanticipated inflation.
- **Credit risk:** The risk that the government entity or company that issued the bond will run into financial difficulties and won't be able to pay the interest or repay the principal at maturity. Credit risk applies to debt investments such as bonds. You can evaluate credit risk by looking at the credit rating of the bond.
- **Tracking error risk** – applies to ETFs. It is also known as active risk and is a measure of the risk in an investment portfolio arising from active management decisions made the portfolio manager. It indicates how closely a portfolio follows the index to which it is benchmarked.
- **Options** are complex securities that involve risks and are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss. These risks can include:
  - **Market risk** – extreme market volatility near an expiration date could cause price changes that result in the option expiring worthless.
  - **Underlying Asset Risk** – Since options derive their value from an underlying asset which may be a stock or securities index, any risk factors that impact the price of the underlying asset will also indirectly impact the price of the option.
  - **The complexity** of some option strategies is a significant risk on its own,
  - **Option trading exchanges** or markets and option contracts themselves are open to changes at all times,
  - **Options markets** have the right to halt the trading of any options, thus preventing investors from realizing value,
  - **Risk of erroneous reporting** of exercise value, if an options brokerage firm goes insolvent, investors trading through that firm may be affected. Internationally traded options have special risks due to timing across borders.
  - **Tax rule risk** - Federal tax rules can be complicated. In addition, there may be state implications and penalties for withdrawing your money before a certain age in certain types of accounts.
  - **Future payments risk** – applies to variable annuities where the payment stream from the issuer to the annuitant has an unknown duration based principally upon the date of death of the annuitant.
  - **Real estate fluctuation risk** – this can affect some funds as well as REIT values and dividends. Market changes can impact capital values and future cashflows of the property and ultimately returns over time. The market risk can fluctuate from changes to supply and demand or other general shifts in the market cycle.

## Item 9 | Disciplinary Information

Registered Investment Advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the advisory business or of the integrity of its supervised persons. GVA has no information applicable to the Firm or any of its management personnel for this item.

## Item 10 | Other Financial Industry Activities and Affiliations

### Insurance

Certain GVA representatives, in their individual capacities, are licensed insurance agents, and may recommend the purchase of certain insurance-related products on a commission basis. GVA IARs, on average, spend approximately 25%–50% of their time selling insurance products. The recommendation by a GVA representative presents a conflict of interest, as the receipt of commissions

may provide an incentive to recommend insurance products based on commissions received, rather than on Client's need. Client is not under any obligation to purchase these products.

### Affiliated Entities

#### US Financial Advisors, LLC

US Financial Advisors, LLC ("USFA"), an SEC-registered investment advisor, is a wholly-owned subsidiary of Great Valley Advisor Group. USFA provides fee-based investment advisory and financial planning services to various types of clients, including individuals and high-net-worth individuals, pension and profit sharing plans, and business entities. USFA and GVA share various resources such as advertising support, certain administrative compliance functions, and model trading services.

#### LPL Financial

GVA is not a broker/dealer, but IARs of GVA may be Registered Representatives and/or IARs of LPL Financial, a full-service broker/dealer, member FINRA/SIPC, or LPL's RIA. In these capacities, LPL compensates them for effecting securities transactions or performing advisory services not associated with GVA. This relationship may allow the IAR to provide additional services and/or products to Clients. This relationship also may present a conflict since many of the products offered through LPL Financial are commission oriented; when placing securities transactions through LPL Financial in their capacity as registered representatives, IARs may earn sales commissions in their capacity as Registered Representatives of LPL. In this capacity, IARs are involved in the sale of securities of various types

including, but not limited to, stocks, bonds, mutual funds, and limited partnerships.

GVA and LPL Financial (or LPL's RIA business) are not affiliated companies. IARs of GVA may spend a portion of their time in connection with broker/dealer activities.

As a broker/dealer, LPL Financial engages in a broad range of activities normally associated with securities brokerage Firms. Pursuant to the investment advice given by GVA or its IARs, investments in securities may be recommended for Clients. If LPL Financial is selected as the broker/dealer, LPL Financial and its registered representatives, including IARs of GVA, may receive commissions for executing securities transactions, which may be in addition to fees that you pay to GVA. When GVA IARs receive commissions in connection with the securities products recommended to our advisory Clients, GVA may reduce a portion of its fees by the amount of the commissions earned by GVA IARs.

You are advised that if LPL Financial is selected as the broker/ dealer, the transaction charges may be higher or lower than the charges you may pay if the transactions were executed at other broker/dealers. You should note, however, that you are under no obligation to purchase securities through IARs of GVA or LPL Financial.

GVA may provide advice regarding Investment Company securities (e.g., mutual funds). You should be aware that, in addition to the advisory fees you pay GVA, each Investment Company also pays its own separate investment advisory fees and other expenses. Such fees and expenses are disclosed in the mutual fund's prospectus. In addition, Clients should be aware that mutual funds may be purchased separately independent of the investment management services of GVA.

Moreover, you should note that under the rules and regulations of FINRA, LPL has an obligation to maintain certain Client records and perform other functions regarding certain aspects of the investment advisory activities of its Registered Representatives. These obligations require LPL to coordinate with and have the cooperation of its Registered Representatives that operate as, or are otherwise associated with, investment advisers other than LPL. Accordingly, LPL may limit the use of certain custodial and brokerage arrangements available to Clients of GVA. LPL may collect, as paying agent of GVA, the investment advisory fee remitted to GVA by the account Custodian. LPL may retain a portion of the investment advisory fee you pay, as a charge for the functions it performs, and such portion may be further re-allocated to other Registered Representatives of LPL. The charge will not increase the brokerage charges to you or the fee you have agreed to pay GVA.

GVA IARs may, in their capacity as Registered Representatives of LPL, or as agents appointed with various life, disability, or other insurance companies, receive commissions, 12(b)-1 fees, fee trails, or other compensation from the respective product sponsors and/or as a result of effecting securities transactions for Clients. As previously noted, when commissions or fees are received by our IARs in connection with the advice given to advisory Clients, GVA may, but is not obligated to, reduce its fee proportionate to the amount of the commission or fee earned by our IARs. However, Clients should note that they are under no obligation to purchase any investment products through a GVA-affiliated company or its IARs.

GVA recommends and/or selects other Investment Advisors or TPAs to its advisory Clients. In some cases, GVA will receive compensation from TPAs for referring Clients to them and also for GVA's performing due diligence on the TPA and review of the ongoing relationship, including monitoring of Client positions and performance and ensuring Clients' objectives are being met. Receiving compensation from TPAs may increase GVA's incentive to refer Clients to them, and this may present a conflict of interest. GVA attempts to mitigate this conflict by reviewing that the TPAs and TPA programs selected by Clients are consistent with Client's stated investment profile. A further discussion of conflicts and how GVA attempts to mitigate conflicts is included in Item 5 of this Brochure.

You should know that as a fiduciary, we always strive to put Client's interest ahead of our own. We have instituted a compliance program designed to prevent and detect violations of the federal and state securities laws. In addition, we have designated a chief compliance officer (CCO), as set forth on Schedule A of our Form ADV Part 1, to be the person responsible for the overall application and oversight of our compliance program. Our CCO reviews those policies and procedures annually for their adequacy and the effectiveness of their implementation.

#### **Accountants and Certified Public Accountants**

Certain of GVA's representatives are accountants and certified public accountants. To the extent that these representatives provide accounting services, which may include tax advice, to any Clients, including Clients of the GVA, all such services shall be performed by those representatives, in their individual professional capacities, independent of GVA.

Certain of GVA's offices will, at the election of clients, arrange for the provision of accounting services, which may include tax advice, by an associated non-GVA Certified Public Accountant (hereafter the Accountant). All such services shall be performed by the Accountant in their individual

professional capacity, independent of GVA, and subject to the terms of a separate Agreement clients maintain with the Accountant. GVA will process billing for these independent services arranged by GVA for the purpose of administrative convenience to these clients, diverting payments from the Fee paid by the clients to GVA to the Accountant per the terms of a separate Professional Services Agreement between the clients and GVA.

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

We take great pride in our commitment to serving our Clients' needs and the integrity with which we conduct our business. The financial services industry has come under significant scrutiny, especially surrounding the inherent responsibility of financial professionals to act in the best interest of their Clients.

GVA has developed a code of ethics addressing issues such as the following:

- Integrity
- Objectivity
- Competence
- Fairness
- Confidentiality
- Professionalism
- Diligence
- Initial public offerings and private placements
- Reporting violations of the code of ethics

Each of our IARs and their staff has been given a copy of our Code of Ethics and has signed their names to a written acknowledgment attesting to their understanding of the code and acceptance of its terms. A copy of our Code of Ethics is available to all current and/or prospective Clients upon request.

GVA is not currently aware of any situations in which it, a GVA IAR, or one of their related persons, has a direct financial interest in the investment instruments recommended to Clients. If this situation were to arise in the future, the resulting conflict of interest would be governed by GVA's Code of Ethics and its compliance policies and procedures generally.

On occasion, an employee of GVA may invest for their own accounts or have financial interest in the same securities or other investments recommended or acquired for the accounts of Clients. Further, they may also engage in transactions that are the same as or different than transactions recommended to or made from Client accounts. As such, this may represent a conflict of interest. Such transactions are permitted only if precleared and

reported in compliance with our policy on personal securities transactions. Generally, personal securities transactions will not be approved when an order for the same or a related security is pending for the account of a Client. In order to ensure conflicts do not arise, GVA has adopted the Investment Policy.

### Investment Policy

The Code of Ethics further provides that supervised persons must comply with all applicable federal securities laws. It also imposes certain trading restrictions on persons who are likely to know about our trading activity. It is common for our employees to own securities that are also owned by the Firm's Clients. In addition to our personal transaction policy, in order to avoid conflicts of interest related to this common ownership, we have trading preclearance procedures in place. These procedures include prohibitions on the purchase or sale of most equity securities on the same day as those same securities may be purchased or sold by any Client, unless the purchase or sale is aggregated with Client trades.

## Item 12 | Brokerage Practices

We are independently owned and operated and not affiliated with an independent qualified Custodian. However, GVA IARs are Registered Representatives offering securities through LPL, broker/dealer member of FINRA and SIPC. As such, Client transactions can be implemented through LPL. For Clients in need of additional brokerage or custodial services, we will recommend the use of broker/dealers, including LPL and Charles Schwab & Company, Inc. ("Schwab"). Should we decide to use Schwab to execute a Client trade due to better availability, liquidity, or pricing, they may charge an additional trade-away fee for each such trade. Therefore, we will only use this tradeaway ability in situations with compelling financial reasons.

Advisory Clients of GVA are free to implement advisory recommendations through any Firm they choose; there is no obligation to effect transactions through GVA or an LPL- approved broker/dealer. GVA does not warrant or represent that commission for transactions implemented through LPL will be lower than commission available if Client used another brokerage Firm. GVA believes, however, the overall level of services and support provided to Clients by LPL Financial outweighs the potentially lower transaction costs available under other brokerage arrangements. If an advisory Client implements recommendations made by GVA by purchasing securities or other products, they should be aware that GVA may make conflicting or differing recommendations with respect to the same securities or insurance products to different Clients.

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have had the trading error not occurred.

Depending on the circumstances, various corrective steps may be taken including, but not limited to, canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, the profit is not allocated to Client account; it remains in the error account of the executing broker/dealer or account Custodian.

GVA does not participate in soft dollar arrangements. Soft dollars are commission payments to a brokerage firm that are used, in part, to pay for other services such as research. GVA does not engage in Principal Trades. Principal A principal trade takes place when an adviser arranges for a security to be purchased from or sold to a client from its own account (which can include a fund in which the adviser or its personnel have a substantial ownership interest). GVA does not maintain an affiliated broker dealer and therefore does not participate in agency cross trades. An agency cross is a transaction in which an investment advisor acts as the broker for both their client and the other party. Both principal and agency cross trades require client consent prior to the settlement of such trades.

## Item 13 | Review of Accounts

GVA IARs will provide continuous oversight of the portfolio investment of its discretionary accountholders and, in this regard, will review Client accounts periodically to ensure that such holdings are aligned with the investment strategy being pursued and to monitor whether Clients' investment objectives are being met. The underlying portfolio securities within these Client accounts are monitored by the investment supervisory services unit in addition to the CCO designee. An annual review with Client is usually conducted in person, by telephone, or video conference.

The purpose of all these reviews is in an effort to ensure that the investment plan continues to be implemented in a manner which matches your objectives and risk tolerances. More frequent reviews may be triggered by material changes in variables, such as your individual circumstances or the market, political, or economic environment. You are urged to notify GVA or the IAR of any changes in your personal circumstances.

You will receive quarterly statements and confirmation of transactions from the Custodian, not by GVA. Financial Planning/Consulting Clients will not receive regular reports from the Firm but may receive written reports at their financial planning review sessions from the IAR. These reports may include descriptions of holdings, total assets, current values, management fees, and methods of fee calculations. These reports may or may

not be in writing and may entail different depths of analysis as agreed to between Client and the IAR.

## Item 14 | Client Referrals and Other Compensation

### Client Referral to GVA

If a Client is introduced to GVA by either an unaffiliated or an affiliated solicitor, GVA may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from GVA's investment management fee outlined in the agreement and shall not result in any additional charge to Client.

Each Client receives a copy of GVA's written Brochure and a disclosure statement from the solicitor to Client disclosing the terms of the solicitation arrangement between GVA and the solicitor, outlining the compensation received by the solicitor from GVA.

### GVA Referral

If GVA introduces a Client to another investment adviser or an investment manager, GVA may be paid a referral or solicitor fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid according to a fee disclosure statement provided to Client at the time that the referral is made.

As previously mentioned, GVA may receive referral fees from TPAs. Fees and billing methods are outlined in each respective TPA's Brochure and Advisory Contract. GVA will generally be paid an ongoing fee by a TPA based upon a percentage of your assets under management with the TPA. You will receive a copy of our agreement with the TPA, which will disclose all fees.

When GVA is acting as an unaffiliated solicitor, GVA, at the time of the solicitation, shall disclose the nature of its solicitor relationship. GVA shall provide each prospective Client with a copy of GVA's written disclosure statement from the investment adviser or investment manager. This statement discloses the terms of the solicitation arrangement between GVA and the investment adviser or investment manager, including a description of the compensation to be received by GVA.

### Other Services

Through one of its affiliates, GVA entered into an independent contractor affiliation agreement ("agreement") with Heike Law Offices, LLC ("Heike"), a Firm that provides legal consultation services. Under this agreement, GVA Clients may engage Heike to perform certain legal services, including

establishment of trusts, powers of attorney, deeds, and estate planning documents. Heike will be compensated by GVA for services rendered under the agreement.

## Item 15 | Custody

All Client account assets are held by a qualified Custodian. Neither GVA nor its associated persons have custody of Client assets.

GVA does not hold or take custody of Client personal securities or funds of any kind. GVA utilizes independent unaffiliated third-party Custodians to hold Client assets and provide a statement of accounting for each Client. It is the Custodian's charge to safeguard and prevent unauthorized access from anyone. Please note Custodians may charge fees for their services.

GVA is independently owned and operated and is not affiliated with third-party Custodians we use. The third-party Custodians used by GVA do not charge advisory Clients separately for custody services, but are compensated by account holders through commissions and other transaction-related or asset-

based fees for securities trades that are executed through them or into their accounts.

GVA is not responsible for the actions of a Client's Custodian. Clients should carefully review account statements received directly from the qualified Custodian.

### Contact Information for Our Custodians

LPL Financial  
4707 Executive Drive  
San Diego, CA 92121-3091

Charles Schwab  
1958 Summit Park Drive  
Orlando, FL 32810-5931

Fidelity Investments  
100 Crosby Parkway, KC1J  
Covington, KY 41014-8010

SEI Private Trust Company  
1 Freedom Valley Drive  
Oaks, PA 19456

Assetmark  
1023 Commerce Street  
Lynchburg, VA 24504

Buckingham Strategic Partners  
81812 Maryland Avenue, Suite 500  
Saint Louis, MO 63105

Capital Group  
12711 N Meridian Street  
Carmel, IN 46032

Symmetry  
151 National Drive  
Glastonbury, CT 06033

## Item 16 | Investment Discretion

For our discretionary accounts, Clients enter into a written agreement with GVA granting the Firm the authority to supervise and direct, on an ongoing basis, investments in accordance with Client's investment objective and guidelines. Clients will also execute any and all documents required by the Custodian so as to authorize and enable GVA, in its sole discretion, without prior consultation with or ratification by you, to purchase, sell, or exchange securities in and for your account. We are authorized, in our discretion and without prior consultation with you, to

- (1) buy, sell, exchange, and trade any investment company registered under the Investment Company Act of 1940, as amended;
- (2) determine the amount of securities to be bought or sold; and
- (3) place orders with the Custodian.

Any limitations to such authority will be communicated by you to us in writing. The limitations on investment and brokerage discretion held by GVA for you are as follows:

- a) For discretionary Clients, we require that it be provided with authority to determine which securities and the amounts of securities to be bought or sold, as well as the broker/dealer to be used and the commission rates to be paid.
- b) Any limitations on this discretionary authority shall be included in this written authority statement. You may change or amend these limitations as required. Such amendments shall be submitted in writing.

In some instances, we may not have discretion. We will discuss all transactions with you prior to execution.

Research products and services received by us from broker/ dealers will be used to provide services to all Clients.

## Item 17 | Voting Client Securities

### Proxy Voting/Corporate Actions

As a matter of Firm policy, we do not vote proxies on behalf of Clients. Clients will receive their proxies and other solicitations directly from their Custodian or transfer agent and retain sole responsibility for voting. However, our IARs may provide Clients with consulting assistance regarding proxy issues if such assistance is sought.

### Proxy Voting/Corporate Actions

From time to time, securities held in the accounts of Clients will be the subject of class action lawsuits. GVA has no obligation to determine if whether securities held by Client are subject to a pending or resolved class action lawsuit nor does it have any duty to evaluate a Client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, GVA has no obligation or responsibility to initiate litigation to recover damages on behalf of Clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by Clients. When GVA receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a Client, it will forward all notices, proof of claim forms, and other materials to Client.

## Item 18 | Financial Information

GVA does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance. As a result, we are not required to provide our Clients with a copy of our balance sheet from our most recently completed fiscal year.

GVA does not have custody of Client funds or securities. However, in the event that we would obtain custody of any Client assets or if we require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance, we are required to disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments with our Clients. No such conditions exist.

During the past 12 years, GVA has not been the subject of a bankruptcy petition.