

# Financial Consulting Professionals, LLC Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Financial Consulting Professionals, LLC. If you have any questions about the contents of this brochure, please contact us at (480) 463-0842 or by email at: [George@FinancialConsultingProfessionals.com](mailto:George@FinancialConsultingProfessionals.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about Financial Consulting Professionals, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Financial Consulting Professionals, LLC's CRD number is: 296627.*

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

Version Date: March, 22nd 2022

## **Item 2: Material Changes**

The following material changes have been made to this disclosure brochure since its initial filing:

- The firm's website has been updated

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## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

Financial Consulting Professionals, LLC (hereinafter “Financial Consulting Professionals”) is a Limited Liability Company organized in the State of Arizona.

The firm was formed in April 2018, and the principal owner is George Grombacher.

### **B. Types of Advisory Services**

#### ***Pension Consulting Services***

Financial Consulting Professionals offers (1) Discretionary Investment Management Services, (2) Nondiscretionary Investment Advisory Services and/or (3) Retirement Plan Consulting Services to employer-sponsored retirement plans and their participants. Depending on the type of the plan and the specific arrangement with the Sponsor, we may provide one or more of these services. Upon being engaged by the Sponsor, we will provide a copy of this Form ADV Part 2; an Investment Fiduciary & Retirement Plan Consulting Agreement (“Agreement”) for review, along with a copy of our Privacy Policy.

We provide the following Retirement Plan Services, as identified below:

#### **Discretionary Investment Management Services**

These services are designed to allow the plan fiduciary to delegate responsibility for managing, acquiring and disposing of Plan assets that meet the requirements of the Employee Retirement Income Security Act of 1974 (“ERISA”). We will perform these investment management services through our investment advisor representatives (“IARs”), and may charge a fee for the investment management services, as described in this Form ADV and the Agreement. We will perform these services to the Plan as a fiduciary defined under ERISA Section 3(38) and will act with the degree of diligence, care and skill that a prudent person rendering similar services would exercise under similar circumstances.

Specifically, the Sponsor may determine that we perform the following services:

#### **SELECTION, MONITORING & REPLACEMENT OF DESIGNATED INVESTMENT**

**ALTERNATIVES (“DIAs”)** Advisor will review with Sponsor the investment objectives, risk tolerance and goals of the Plan and provide to Sponsor an IPS that contains criteria from which Advisor will select, monitor and replace the Plan’s DIAs. Once approved by Sponsor, Advisor will review the investment options available to the Plan and will select the Plan’s DIAs in accordance with the criteria set forth in the IPS. On a periodic basis, Advisor will



monitor and evaluate the DIAs and replace any DIA(s) that no longer meet the IPS criteria.

**SELECTION, MONITORING & REPLACEMENT OF QUALIFIED DEFAULT INVESTMENT ALTERNATIVES (“QDIA(s)”)** Based upon the options available to the Plan, Advisor will select, monitor and replace the Plan’s QDIA(s) in accordance with the IPS.

**INVESTMENT MANAGEMENT** Advisor will review with Sponsor the investment objectives, risk tolerance and goals of the Plan and provide to Sponsor an IPS that contains criteria from which Advisor will select, monitor and replace the Plan’s investments. Once approved by Sponsor, Advisor will review the investment options available to the Plan and will select the Plan’s investments in accordance with the criteria set forth in the IPS. On a periodic basis, Advisor will monitor and evaluate the investments and replace any investment(s) that no longer meet the IPS criteria.

**MANAGEMENT OF THIRD PARTY MANAGERS** Advisor will review with Sponsor the investment objectives, risk tolerance and goals of the Plan and provide to Sponsor an IPS or other documentation that contains criteria from which Advisor will select, monitor and replace the Plan’s third-party investment managers. Once the IPS is approved, Advisor will select appropriate managers to manage all or a portion of the Plan’s investments. Advisor will monitor the manager(s) in accordance with the IPS and will replace any manager(s) that is no longer meeting the IPS criteria. Advisor must have a limited power of attorney in order to hire any managers on behalf of the Plan.

#### **Nondiscretionary Fiduciary Services**

These services are designed to allow the Sponsor to retain full discretionary authority or control over assets of the Plan. We will solely be making recommendations to the Sponsor. We will perform these nondiscretionary investment advisory services through our IARs, and may charge a fee for these fiduciary services, as described in this Form ADV and the Agreement. We will perform these investment advisory services to the Plan as a fiduciary defined under ERISA Section 3(21) and will act with the degree of diligence, care and skill that a prudent person rendering similar services would exercise under similar circumstances.

The Sponsor may engage us to perform one or more of the following nondiscretionary investment advisory services:

INVESTMENT POLICY STATEMENT (“IPS”) Advisor will review with Sponsor the investment objectives, risk tolerance and goals of the Plan. If the Plan does not have an IPS, Advisor will provide recommendations to Sponsor to assist with establishing an IPS. If the Plan has an existing IPS, Advisor will review it for consistency with the Plan’s objectives. If the IPS does not represent the objectives of the Plan, Advisor will recommend to Sponsor revisions to align the IPS with the Plan’s objectives.

ADVICE RE: DESIGNATED INVESTMENT ALTERNATIVES (“DIAs”) Based on the Plan’s IPS or other guidelines established by the Plan, Advisor will review the investment options available to the Plan and will make recommendations to assist Sponsor with selecting DIAs to be offered to Plan participants. Once Sponsor selects the DIAs, Advisor will, on a periodic basis and/or upon reasonable request, provide reports and information to assist Sponsor with monitoring the DIAs. If a DIA is required to be removed, Advisor will provide recommendations to assist Sponsor with replacing the DIA

ADVICE RE: MODEL ASSET ALLOCATION PORTFOLIOS (“MODELS”) Based on the Plan’s IPS or other guidelines established by the Plan, Advisor will make recommendations to assist Sponsor with creating risk-based Models comprised solely among the Plan’s DIAs. Once Sponsor approves the Models, Advisor will provide reports, information and recommendations, on a periodic basis, designed to assist Sponsor with monitoring the Models. Upon reasonable request, and depending upon the capabilities of the record keeper, Advisor will make recommendations to Sponsor to reallocate and/or rebalance the Models to maintain their desired allocations.

ADVICE RE: QUALIFIED DEFAULT INVESTMENT ALTERNATIVE(S) (“QDIA(S)”) Based on the Plan’s IPS or other guidelines established by the Plan, Advisor will review the investment options available to the Plan and will make recommendations to assist Sponsor with selecting or replacing the Plan’s QDIA(s)

INVESTMENT ADVICE Based on the Plan’s IPS, Advisor will review the investment options available to the Plan and will make recommendations to assist Sponsor with selecting investments that meet the IPS criteria. Once Sponsor selects the investment(s), Advisor will, on a periodic basis and/or upon reasonable request, provide reports and information to assist Sponsor with monitoring the investment(s). If the IPS criteria require any investment(s) to be replaced, Advisor will provide recommendations to assist Sponsor with replacing the investment(s).

ADVICE RE: THIRD PARTY MANAGERS Based on the Plan’s IPS or other investment guidelines established by the Plan, Advisor will review the third-party investment managers available to the Plan and will make recommendations to assist Sponsor with selecting a manager to manage some or all of the Plan’s investments. Once Sponsor approves the manager(s), Advisor will provide reports, information and recommendations, on a periodic basis, designed to assist

Sponsor with monitoring the managers. If the IPS criteria require any manager to be removed, Advisor



will provide recommendations to assist Sponsor with evaluating replacement managers.

### **Retirement Plan Consulting Services**

Retirement Plan Consulting Services are designed to allow our IARs to assist the Sponsor in meeting his/her fiduciary duties to administer the plan in the best interests of plan participants and their beneficiaries. Retirement Plan Consulting Services may only be performed so that they would not be considered fiduciary services under ERISA. The Sponsor may elect for our IARs to assist with any of the following services:

#### **ADMINISTRATIVE SUPPORT**

- Assist Sponsor in reviewing objectives and options available through the plan
- Review plan committee structure and administrative policies/procedures
- Recommend participant education and communication policies under ERISA 404(c)
- Assist with development/maintenance of fiduciary audit file and document retention policies
- Deliver fiduciary training periodically or upon reasonable request
- Assist with coordinating participant disclosures under 404(a)(5)
- Recommend procedures for responding to participant requests

#### **OVERSIGHT OF RELATIONSHIP WITH SERVICE PROVIDER**

- Assist fiduciaries with a process to select, monitor and replace service providers
- Assist fiduciaries with review of Covered Service Providers (“CSP”) and fee benchmarking
- Provide reports and/or information designed to assist fiduciaries with monitoring CSPs
- Assist with use of ERISA Spending Accounts or Plan Expense Recapture Accounts (PERA)
- Assist with preparation and review of Requests for Proposals (RFPs) and/or Information
- Coordinate and assist with CSP replacement and conversion

#### **PARTICIPANT SERVICES**

- Facilitate group enrollment meetings
- Facilitate group enrollment meetings
- Assist plan participants with financial wellness education
- Provide tools for retirement planning
- Provide tools for gap analysis and monitoring

In providing Retirement Plan Services, Financial Consulting Professionals and its IARs may establish a client relationship with one or more plan participants or beneficiaries. Such client relationships develop in various ways, including, without limitation:

1. as a result of a decision by the participant or beneficiary to purchase services from Financial Consulting Professionals not involving the use of plan assets;
2. as part of an individual or family financial plan for which any specific recommendations concerning the allocation of assets or investment recommendations relate exclusively to assets held outside of the plan

### ***Portfolio Management & Selection of Other Advisers Services for Individuals***

Financial Consulting Professionals offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Portfolio management services include, but are not limited to, the following:

- Investment strategy • Rollover assistance
- Asset allocation • Asset selection
- Risk tolerance • Regular portfolio monitoring

Financial Consulting Professionals evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Financial Consulting Professionals will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Financial Consulting Professionals seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of Financial Consulting Professionals' economic, investment or other financial interests. To meet its fiduciary obligations, Financial Consulting Professionals attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, Financial Consulting Professionals' policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is Financial Consulting Professionals' policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent, including initial public offerings ("IPOs") and other investment opportunities that might have a limited supply, among its clients on a fair and equitable basis over time.

### ***Financial Planning for Individuals***

Financial plans and financial planning may include, but are not limited to: investment planning; life

insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

### **Services Limited to Specific Types of Investments**

Financial Consulting Professionals generally limits its investment advice to mutual funds, fixed income securities, real estate funds, insurance products including annuities, equities and ETFs. Financial Consulting Professionals may use other securities as well to help diversify a portfolio when applicable.

### **C. Client Tailored Services and Client Imposed Restrictions**

Financial Consulting Professionals offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent Financial Consulting Professionals from properly servicing the client account, or if the restrictions would require Financial Consulting Professionals to deviate from its standard suite of services, Financial Consulting Professionals reserves the right to end the relationship.

### **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. Financial Consulting Professionals does not participate in any wrap fee programs.

### **E. Assets Under Management**

As of March 2022, Financial Consulting Professionals had \$0 million in discretionary assets under management and \$10.4 million in non-discretionary assets under management.

## **Item 5: Fees and Compensation**

### **A. Fee Schedule**

## *Pension Consulting Services Fees*

### **Asset-Based Fees for Pension Consulting**

#### **Total Assets Under Management -- Annual Fee**

\$0 - \$499,000 -- 1.00%

\$500,000 - \$999,999 -- 0.75%

\$1,000,000 - \$4,999,999 -- 0.50%

\$5,000,000 - \$9,999,999 -- 0.40%

\$10,000,000 - \$19,999,999 -- 0.30%

\$20,000,000 - UP -- 0.25%

#### **Flat Fee**

Financial Consulting Professionals can enter into flat fee arrangements with pension plans. These fees will range from \$1,000 to \$250,000.

#### **Project-Based Fee**

If applicable, Financial Consulting Professionals can charge as a one-time, Project-Based Fee to provide one or more of the above-referenced Services or alternative specifically identified service to the plan. These fees will range from \$500 to \$100,000.

All of these fee options are generally negotiable depending upon, inter alia, any deadlines by which the client requires the services to be performed, the types of assets being addressed, the market rates charged for such services based on the client's geographic location, and the needs of the client. The final fee schedule is memorialized in the client contract. Financial Consulting Professionals fees are calculated and paid in a manner consistent with the plans record keeper platform and servicing client contract.

Clients may terminate the agreement without penalty for a full refund of Financial Consulting Professionals' fees within five business days of signing the client contract. Thereafter, clients may terminate the client contract generally with 30 days' written notice.

## *Portfolio Management & Selection of Other Advisers Fees*

Portfolio Management by Financial Consulting Professionals only.

Financial Consulting Professionals may manage portfolios directly.

**Total Assets Total -- Annual Fee**

\$0 - \$1,000,000 -- 1.50%

\$1,000,001 - \$5,000,000 -- 0.75%

\$5,000,001 - And Up -- 0.50%

**Portfolio Management via Other Advisers**

Financial Consulting Professionals may also direct clients to another investment adviser with which it has an agreement. The other adviser will pay to Financial Consulting Professionals either a portion of their total management fee or there will be a separate fee charged by the other investment adviser to the plan, its participants or to the individual client. The total fee paid to both Financial Consulting Professionals and the other outside investment advisor will not exceed 1.5% per year of the Client's asset under the other adviser's management. Client will enter into a separate agreement with the other adviser, which will specify the other adviser's fees and services, among other things. The client will also receive the other adviser's disclosure materials, including but not necessarily limited to the other adviser's disclosure brochure and/or wrap fee disclosure brochure and, if applicable, Solicitor's Disclosure Statement.

These fees are generally negotiable and the final fee schedule is attached as Exhibit II of the client contract or, alternatively, the Client's agreement directly with the third-party adviser. Participants of group retirement plans may be offered lower negotiated rates if Financial Consulting Professionals is acting as fiduciary for the plan in which the client's assets are or were invested. Financial Consulting Professionals uses an average of the daily balance in the client's account throughout the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

Clients may terminate the agreement without penalty for a full refund of Financial Consulting Professionals' fees within five business days of signing the client contract. Thereafter, clients may terminate the client contract immediately upon written notice.

***Individual Client Financial Planning Fees*****Fixed Fees**

The negotiated fixed rate for creating client financial plans is \$1,000. Participants of group retirement plans may be offered lower negotiated rates if Financial Consulting Professionals is

acting as fiduciary for the plan in which the client's assets are or were invested. Clients may terminate the agreement without penalty for a full refund of Financial Consulting Professionals' fees within five business days of signing the client contract. Thereafter, clients may terminate the client contract generally upon written notice.

## **B. Payment of Fees**

### ***Payment of Portfolio Management Fees***

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's initial written authorization per the client contract. Fees are paid quarterly in arrears.

### ***Payment of Pension Consulting Fees***

Asset-based pension consulting fees are withdrawn directly from the client's accounts with client's initial written authorization per the client contract. Fees are paid quarterly or monthly in arrears.

Flat fees for pension consulting are withdrawn directly from the client's accounts with client's initial written authorization per the client contract. Fees are paid in arrears.

Project-based fees for pension consulting are, at the client's election, either (i) paid via check or (ii) withdrawn directly from the client's accounts with client's initial written authorization. Fees are paid in arrears.

### ***Payment of Financial Planning Fees***

A portion of financial planning fees are paid at time of engagement and the remainder upon delivery of completed financial plan. Financial Consulting Professionals neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance. Payments are made via check.

## **C. Client Responsibility For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by Financial Consulting Professionals. Please see Item 12 of this brochure regarding broker-dealer/custodian.

## **D. Outside Compensation For the Sale of Securities to Clients**

Any Financial Consulting Professionals investment advisor representative who is also a registered representative of a broker-dealer or an insurance agent. In these roles, may accept compensation for the sale of securities and other products to Financial Consulting Professionals clients.

### ***1. This is a Conflict of Interest***

Supervised persons may accept compensation for the sale of securities or other investment products, including asset based sales charges or service fees from the sale of mutual funds to Financial Consulting Professionals' clients. This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs.

### ***3. Clients Can Purchase Recommended Products From Other Brokers***

Clients always have the option to purchase Financial Consulting Professionals recommended products through other brokers or agents that are not affiliated with Financial Consulting Professionals.

### ***4. Advisory Fees in Addition to Commissions or Markups***

Advisory fees that are charged to individual clients are reduced to offset the commissions or markups on securities or investment products recommended to clients.

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

Financial Consulting Professionals does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

Financial Consulting Professionals generally provides advisory services to the following types of clients:

❖ Pension and Profit Sharing Plans ❖ Individuals ❖ High-Net-Worth Individuals ❖ Corporations ❖ Not for profit organizations

There is no account minimum for any of Financial Consulting Professionals' services.

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

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

Financial Consulting Professionals' methods of analysis include cyclical analysis and modern portfolio theory.

Cyclical analysis involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

#### ***Investment Strategies***

Financial Consulting Professionals uses long term trading.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **B. Material Risks Involved**

#### ***Methods of Analysis***

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

Modern Portfolio Theory assumes that investors are risk adverse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.



## ***Investment Strategies***

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include

the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance.

Real Estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Annuities are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

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

There are no self-regulatory organization proceedings to report.

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

## **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Financial Consulting Professionals nor George Grombacher is registered as a broker Broker/Dealer.

## **B. Registration as a Futures Commission Merchant, Commodity Pool**

### **Operator, or a Commodity Trading Advisor**

Neither Financial Consulting Professionals nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

## **C. Registration Relationships Material to this Advisory Business and**

### **Possible Conflicts of Interests**

George Grombacher is an independent licensed insurance agent. From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services may pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. Financial Consulting Professionals always acts in the best interest of the client, including with respect to the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of Financial Consulting Professionals in such individual's outside capacity.

## **D. Selection of Other Advisers or Managers and How This Adviser is**

### **Compensated for Those Selections**

Financial Consulting Professionals may direct clients to third-party investment advisers. Financial Consulting Professionals will be compensated via a fee share from the advisers to which it directs those clients. This relationship will be memorialized in each contract between Financial Consulting Professionals and each third-party advisor. This creates a conflict of interest in that Financial Consulting Professionals has an incentive to direct clients to the third-party investment advisers that provide Financial Consulting Professionals with a larger fee split. Financial Consulting Professionals will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. Financial Consulting Professionals will ensure that all recommended advisers are licensed or notice filed in the states in which Financial Consulting Professionals is recommending them to clients.

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

### **A. Code of Ethics**

Financial Consulting Professionals has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Financial Consulting Professionals' Code of Ethics is available free upon request to any client or prospective client.

### **B. Recommendations Involving Material Financial Interests**

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

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

From time to time, representatives of Financial Consulting Professionals may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Financial Consulting Professionals to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of Financial Consulting Professionals may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Financial Consulting Professionals to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, Financial Consulting Professionals will never engage in trading that operates to the client's disadvantage if representatives of Financial Consulting Professionals buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

## **A. Factors Used to Select Custodians and/or Broker/Dealers**

Financial Consulting Professionals requires that a client in need of custodial services direct it to utilize Betterment Securities, and SEC Registered Broker Dealer and member FINRA/SIPC and American Funds Distributors, Inc member FINRA/SIPC. Financial Consulting Professionals is not affiliated with Betterment Securities or American Funds Distributors, Inc.

For pension consulting services, Financial Consulting Professionals requires that a sponsor in need of custodial services review the custodial options available to them and direct Financial Consulting Professionals accordingly. Under these plans, sponsors generally have multiple options. Financial Consulting Professionals works with several custodial offerings that are proprietary to the record keepers themselves. Financial Consulting Professionals is not affiliated with any custodian.

Financial Consulting Professionals receives certain benefits from its relationship with Betterment Securities and American Funds Distributors. These benefits are not contingent on the number of accounts, number of transactions or amount of revenue. Betterment Securities and American Funds Distributors provides brokerage, custodial, administrative support, record keeping and related services that support our firm in its business and in serving the best interests of our clients. Additional services that benefit the firm, but may not directly benefit client accounts include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution, provide research, pricing information and other market data, facilitate payment of our fees from client accounts, and assist with back-office functions, recordkeeping and reporting. Additionally, Financial Consulting Professionals through its participation in the Betterment Securities and American Funds Distributors programs, may receive, without cost or at a discount, compliance, marketing technology and practice management products or services provided to the firm by third- party vendors.

Due to the nature of its advisory services, Financial Consulting Professionals does not have the authority or ability to negotiate commissions or obtain volume discounts.

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

Financial Consulting Professionals does not aggregate or bunch the securities to be purchased or sold for multiple clients. This may result in less favorable prices, particularly for illiquid securities or during volatile market conditions.

## **Item 13: Reviews of Accounts**



## **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for Financial Consulting Professionals' advisory services provided on an ongoing basis are reviewed periodically by the firm's CCO with regard to clients' respective investment policies and risk tolerance levels. All accounts at Financial Consulting Professionals are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by the firm's CCO. There is only one level of review for financial planning, and that is the total review conducted to create the financial plan.

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

### **Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, Financial Consulting Professionals' services will generally conclude upon delivery of the financial plan.

## **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of Financial Consulting Professionals' advisory services provided on an ongoing basis will receive from the custodian quarterly statements detailing the client's account, including assets held, asset value, and the billing of Financial Consulting Professionals' advisory fees. Clients may also receive reports from Financial Consulting Professionals and are urged to compare the account statements they received from custodian with any reports they receive from Financial Consulting Professionals.

Each financial planning client will receive the financial plan upon completion.

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

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

As described in Items 4 and 5 above, Financial Consulting Professionals may direct clients to another investment adviser who will pay Financial Consulting Professionals a fee for the referral. Further, Financial Consulting Professionals receives certain benefits from Betterment Securities and American Funds Distributors, as disclosed in Item 12 above.



## **B. Compensation to Non – Advisory Personnel for Client Referrals**

Financial Consulting Professionals does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

### **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, Financial Consulting Professionals will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

### **Item 16: Investment Discretion**

Financial Consulting Professionals provides discretionary and non-discretionary investment advisory services to clients. The client contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, Financial Consulting Professionals generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. Other than any limits outlined in Item 4C, clients may place no limits on BAM's discretionary authority.

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

Financial Consulting Professionals will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

Financial Consulting Professionals neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

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

#### **Contractual Commitments to Clients**

Neither Financial Consulting Professionals nor its management has any financial condition that is likely to reasonably impair Financial Consulting Professionals' ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

Financial Consulting Professionals has not been the subject of a bankruptcy petition in the last ten years.

## **Item 19: Requirements For State Registered Advisers**

### **A. Principal Executive Officers and Management Persons; Their**

#### **Formal Education and Business Background**

Financial Consulting Professionals currently has one management person: George Grombacher, Managing Member and Chief Compliance Officer. Education and business background can be found on the individual's Form ADV Part 2B brochure supplement.

### **B. Other Businesses in Which This Advisory Firm or its Personnel are**

#### **Engaged and Time Spent on Those (If Any)**

Other business activities for each relevant individual can be found on the Form ADV Part 2B brochure supplement for each such individual.

### **C. Calculation of Performance-Based Fees and Degree of Risk to**

#### **Clients**

Financial Consulting Professionals does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

### **D. Material Disciplinary Disclosures for Management Persons of this**

**Firm**

There are no civil, self-regulatory organization, or arbitration proceedings to report under this section.

**E. Material Relationships That Management Persons Have With****Issuers of Securities (If Any)**

See Item 10.C and 11.B.