

NCA Financial Planners – Form CRS

Item 1 – Introduction

NCA Financial Planners (“we” or “us”) is registered with the Securities Exchange Commission (“SEC”) as an investment adviser. Our services and compensation structure differ from a registered broker-dealer, and it is important for you to understand the differences between those structures. Free and simple tools are available to research firms and financial professionals at www.investor.gov/CRS. The site also provides educational materials about broker-dealers, investment advisers and investing. The italicized sentences appearing in text boxes below are intended to be “conversation starters” for you to have with us, as required by the instructions to Form CRS.

Item 2 – Relationships and Services

What investment services and advice can you provide me?

As fiduciaries, we offer to provide investment advisory, financial planning, and related consulting services to individuals and their trusts and estates (“clients,” “you,” or “retail investors”). For our investment advisory services, we strictly manage portfolios on a wrap-fee basis as described in Item 3 below under the “Vision2020 Wealth Management Platform” Advisor Managed Portfolios Program, SMA and UMA Program, and/or Model Portfolio Program. Participants in the VISION2020 Wealth Management Platform should refer to VISION2020 Wealth Management Corp.’s Wrap Fee Program Brochure for additional information regarding the services and programs offered in this platform. We tailor our services to each client’s unique investment objectives, risk tolerance, investment time horizon, withdrawal requirements, and other special circumstances. We monitor portfolios periodically and make changes to them as we deem necessary. We generally manage portfolios on a discretionary basis, which means we have the authority to buy and sell investments in your accounts without speaking to you before doing so. However, you can place reasonable restrictions on the securities that we buy by notifying us ahead of time, in writing. If we manage your portfolio on a non-discretionary basis, you make the ultimate decision regarding the purchase or sale of investments, and we cannot execute any account transactions without obtaining your prior consent. We do not have to limit the type of securities we trade for retail investors to proprietary products or a limited group or type of investment, but we generally construct and manage portfolios consisting primarily of various mutual funds and, to a lesser extent, exchange traded funds (“ETFs”), individual equities (stocks) and/or individual fixed income securities (bonds, etc.). Although we do not generally impose a minimum account size or minimum annual fee, minimum account size requirements of \$100,000 and \$5,500 apply to the SMA and Model Portfolio Programs, respectively. While we may provide limited financial planning and consulting services as part of our investment advisory services without additional charge, we also offer those services on a stand-alone, separate fee basis. When we provide those services, we rely upon the information clients provide and do not verify or monitor it before or after we provide the services. Our financial planning and consulting services are completed upon the communication of our recommendations or delivery of a written financial plan to the retail investor. For more detailed information about our Advisory Business and the Types of Clients we generally service, please see Items 4 and 7, respectively in our [Form ADV Part 2A](#).

<i>Given my financial situation, should I choose an investment advisory service? Why or why not?</i>
<i>How will you choose investments to recommend to me?</i>
<i>What is your relevant experience, including your licenses, education and other qualifications?</i>
<i>What do these qualifications mean?</i>

Item 3 – Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

For investment advisory services, and with certain exceptions described in Item 5 of our [Form ADV Part 2A](#), the annual fee is based upon a percentage of the market value of assets placed under our management according to the following tiered schedule: 1.25% of value of assets up to \$250,000, 0.95% of the value of assets between \$250,000 and \$25M, and 0.80% of the value of assets exceeding \$25M. We charge for our investment advisory services as part of a wrap fee program, which means that our fee covers trade execution, custody, reporting, and our investment advisory services. We receive the balance of the fee after all other costs (including transaction fees) have been paid to the broker-dealer / qualified custodian. Because this fee is based on the amount of your assets under our management, the more assets you designate for our management, the more you will pay for our services. We make prorated adjustments to those fees for additions and withdrawals from your accounts if they exceed \$10,000 during a billing quarter. We either deduct those fees from one or more of your investment accounts or bill you for our services quarterly, in advance. For stand-alone financial planning and consulting services we charge a negotiable fixed fee generally ranging between \$500 and \$10,000. Your account will be held with a qualified custodian. Retail investors are generally responsible for the fees and expenses charged by qualified custodians and imposed by affiliated or unaffiliated broker dealers to maintain accounts, provide account services, and execute securities transactions. While wrap fee program clients do not pay transaction charges, they may nonetheless incur certain other fees

A copy of our Form ADV Part 2A is available at:

https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=715839

and expenses to custodians and broker-dealers, such as transfer taxes, odd lot differentials, exchange fees, interest charges, processing fees, other fees required by federal or state law. If your assets are invested in mutual funds, ETFs, or other registered and unregistered investment companies, you will bear your pro rata share of the investment management fees and other fees of the funds, which are in addition to the fees you pay us. These fees and expenses are described in each fund's prospectus or other offering documents. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For more detailed information about our fees and costs related to our management of your account, please see Items 5 and 7 in our [Form ADV Part 2A](#).

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means:

- * Our financial professionals may offer commission-based securities or insurance products. This presents conflicts of interest, because they can recommend that you purchase securities or insurance commission-based products based upon the compensation they will receive, rather than your individual need. You are not under any obligation to purchase those products.
- * We may recommend a particular custodian from whom we receive support services. This presents a conflict of interest, because our receipt of their support makes us more inclined to continue using and recommending them.
- * We may recommend rollovers out of employer-sponsored retirement plans and into Individual Retirement Accounts that we manage for an asset-based fee. If we do not currently manage your account held with your employer's plan, this will increase our compensation.

How might your conflicts of interest affect me, and how will you address them?

For more detailed information about our conflicts of interest, please review Items 4, 5, 10, 11, 12 and 14 of our [Form ADV Part 2A](#).

How do your financial professionals make money?

Our financial professionals who are not equity owners are compensated on a salary basis and are eligible to receive discretionary bonuses based on firm revenue, that can be but is not necessarily based on the acquisition of new clients and their growth of assets. In addition, two of our financial professionals are equity owners who stand to receive a share of the firm's profits. These payment structures present conflicts of interest, as they could incentivize our financial professionals to recommend that you place additional assets under our management. We mitigate that conflict by adhering to our fiduciary duty when making investment recommendations in conformity with each client's investment objectives. You should discuss your financial professional's compensation directly with your financial professional.

Item 4 – Disciplinary History

Do you or your financial professionals have legal or disciplinary history?

Yes. We encourage you to visit www.Investor.gov/CRS to research our firm and our financial professionals.

As a financial professional, do you have any disciplinary history? If so, for what type of conduct?

Item 5 – Additional Information

Additional information about our firm is available on the SEC's website at www.adviserinfo.sec.gov. You may contact our Chief Compliance Officer at 440-473-1115 to request a current copy of our [Form ADV Part 2A](#) or our relationship summary.

Who is my primary contact person? Is he or she a representative of an investment adviser or broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

NCA FINANCIAL PLANNERS

SEC File Number: 801-67059

ADV Part 2A, Brochure

May 28, 2021

Contact: Kelly Russell, Chief Compliance Officer

6095 Parkland Boulevard, Suite 210

Mayfield Heights, Ohio 44124

www.ncafinancial.com

This Brochure provides information about the qualifications and business practices of NCA Financial Planners (“NCA Financial Planners” or “NCA”). If you have any questions about the contents of this Brochure, please contact us at 440-473-1115 or krussell@ncafinancial.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 NCA Financial Planners is also available on the SEC’s website at www.adviserinfo.sec.gov.

References herein to NCA Financial Planners as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.

Item 2 Material Changes

Since NCA's most recent annual amendment filing, dated June 25, 2020, this ADV Part 2A, Firm Brochure has been amended as follows:

- At Item 4 to revise disclosures related to financial planning, cash positions, and unaffiliate wrap and managed account programs
- At Item 4 to incorporate disclosure related to periods of portfolio inactivity
- At Item 7 to remove disclosure related to negotiability of minimum account size requirements
- At Item 8 to revise disclosure related to covered call writing
- At Item 8 to incorporate disclosure related to risks and limitations of ESG investing

ANY QUESTIONS: NCA's Chief Compliance Officer, Kelly Russell, remains available to address any questions regarding this Part 2A, including the disclosure additions and enhancements.

A copy of our brochure may be requested by contacting us at 440-473-1115 and/or krussell@ncafinancial.com. Our brochure may also be obtained from our web site. Go to www.ncafinancial.com, select "contact us," and enter your information. In the comments section, state that you would like to receive a copy of our brochure, then select "submit." Our brochure is available to you free of charge.

Additional information about NCA Financial Planners is also available via the SEC's website www.adviserinfo.sec.gov. The IARD number for NCA Financial Planners is 120086. The SEC's website also provides information about any persons affiliated with NCA Financial Planners who are registered, or are required to be registered, as Advisory Representatives of NCA Financial Planners.

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Item 4 **Advisory Business**

- A. Financial Planners of Cleveland, Inc. d/b/a NCA Financial Planners (“NCA Financial Planners” or “NCA”) is a corporation formed in 1989 in the state of Ohio. NCA Financial Planners became registered as an Investment Adviser in 1989 with the state of Ohio and transitioned to registration with the U.S. Securities and Exchange Commission in August 2006. NCA Financial Planners is principally owned and operated by Kevin H. Myeroff, NCA’s Chief Executive Officer and President (CRD No. 1488440).
- B. As discussed below, NCA, in its own capacity and/or in conjunction with its individual representatives in their separate registered/licensed capacities as registered representatives of a broker-dealer and insurance agents, offers to its clients (individuals, high-net-worth individuals, business entities, pension and profit sharing plans, trusts, estates and charitable organizations, etc.) investment advisory and financial planning and related consulting services.

INVESTMENT ADVISORY SERVICES

The client can engage NCA Financial Planners to provide discretionary and/or non-discretionary investment advisory services on a fee basis. NCA’s annual investment advisory fee is based on a percentage (%) of the market value of the assets placed under NCA’s management. NCA provides investment advisory services specific to the needs of each client. Before engaging NCA to provide investment advisory services, an investment adviser representative will help determine each client’s investment objectives. Clients are then required to enter into a “Statement of Investment Selection” setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the fee that is due from the client. Thereafter, NCA will allocate and/or recommend that the client allocate investment assets consistent with the designated investment objectives.

To the extent specifically requested by the client, NCA may provide limited financial planning and consultation services to its investment advisory clients that are generally ancillary to the investment advisory process. NCA will provide those services exclusively on an unsolicited basis, for which NCA will not charge any separate or additional fee. **Please Note:** NCA believes that it is important for the client to address financial planning issues on an ongoing basis. NCA’s advisory fee, as set forth at Item 5 below, will remain the same regardless of whether the client determines to address financial planning issues with NCA. However, if NCA determines in its sole discretion that the client is seeking extensive financial planning and consulting services, NCA may provide those services on a stand-alone separate fee basis.

NCA primarily allocates client investment assets among various mutual funds, and, to a lesser extent, among exchange-traded funds (“ETFs”) and/or individual fixed income securities (bonds, etc.), and third party managers on a discretionary basis, in conjunction with the wrap-fee programs (discussed below) sponsored by Royal Alliance Associates, Inc., an SEC-registered and FINRA member broker-dealer (“Royal”).

WEALTH MANAGEMENT PROGRAM

NCA Financial Planners provides investment advisory services in conjunction with Royal’s Wealth Management Program (the “Program”), a wrap-fee program sponsored by Royal. The services offered under, and the corresponding terms and conditions pertaining to the Program, are discussed in the Royal Wrap Fee Program Brochure, a copy of which is presented to NCA’s

participating clients. Under the Program, NCA is able to offer participants discretionary and/or non-discretionary investment advisory services for a single specified annual Program fee, inclusive of trade execution, custody, reporting, and investment management fees.

All prospective client Program participants should read both this brochure (i.e., NCA's Brochure) and the Royal Wrap-Fee Program Brochure, and ask any corresponding questions that they may have, prior to participation in the Program. **Please Note:** As indicated in the Royal Wrap Fee Program Brochure, participation in the Program may cost more or less than purchasing such services separately.

NCA provides advisory services on a wrap fee basis in conjunction with the following three wrap programs sponsored by Royal:

VISION2020 Wealth Management Platform – Advisor Managed Portfolios Program

The Wealth Management Platform – Advisor Managed Portfolios Program (“Advisor Managed Portfolios”) provides comprehensive investment management of assets through the application of asset allocation planning software as well as the provision of execution, clearing and custodial services through Pershing, LLC (“Pershing”).

Advisor Managed Portfolios provides risk tolerance assessment, efficient frontier plotting, fund profiling and performance data, and portfolio optimization and re-balancing tools. Utilizing these tools, based on client responses to a risk tolerance questionnaire and discussions between the client and NCA regarding, among other things: investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation, NCA constructs a portfolio of investments for the client. This portfolio may consist of mutual funds, exchange traded funds, equities, options, debt securities, variable life, variable annuity sub-accounts (certain restrictions may apply) and other investments.

Each portfolio is designed to meet individual needs, stated goals, and objectives. Additionally, clients have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

For further Advisor Managed Portfolios details, please see the Advisor Managed Portfolios Wrap-Fee Program Brochure discussing total program fees, conflicts of interest and scope of services provided under the program. NCA provides this brochure to clients prior to or concurrent with enrollment in Advisor Managed Portfolios. Please read it thoroughly before investing.

PLEASE NOTE: NCA's Chief Compliance Officer, Kelly Russell, remains available to address any questions that a client or prospective client may have regarding Advisor Managed Portfolios wrap program.

VISION2020 Wealth Management Platform – SMA and UMA Program

The Wealth Management Platform – SMA and UMA Account Program (“Wealth Managed Account Program” or “WMAP”) provides clients with the opportunity to invest assets across multiple investment strategies and asset classes by implementing an asset allocation strategy. WMAP is a Wrap Account program that offers these advisory services along with brokerage and custodial services for a single, asset-based, advisory fee.

NCA will present the client with a WMAP asset allocation model (“WMAP Model”) for approval which will consist of any or all of the following (collectively the “WMAP Investments”): (1) third-party money managers who will manage the WMAP account according to a particular equity or fixed income model or strategy; (2) no-load mutual funds; or (3) ETFs. WMAP Investments will be managed according to the selected WMAP Model. WMAP Investments are held within a separately managed account or a series of separately managed accounts (collectively, “SMA Account”) or in one, unified managed account (“UMA Account”).

NCA will suggest a WMAP Model based on client responses to a risk tolerance questionnaire and discussion regarding, among other things: investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation. In addition, clients have the opportunity to place reasonable restrictions on investments held within their WMAP account.

For further WMAP details please see the WMAP Wrap-Fee Program Brochure discussing total program fees, conflicts of interest and scope of services provided under the program. NCA provides this brochure to clients prior to or concurrent with WMAP enrollment. Please read it thoroughly before investing.

PLEASE NOTE: NCA’s Chief Compliance Officer, Kelly Russell, remains available to address any questions that a client or prospective client may have regarding WMAP.

VISION2020Wealth Management Platform – Model Portfolios Program

The Wealth Management Platform – Model Portfolios Program (“Model Portfolios Program” or “MPP”) provides clients with the opportunity to invest their assets in managed asset allocation models.

Based on client responses to a risk tolerance questionnaire and discussions with NCA regarding, among other things: investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation, MPP will select a specific Asset Allocation Model. MPP Investments will be managed according to the selected MPP Model. Clients have the opportunity to place reasonable restrictions on investments held within the MPP account.

For further MPP details please see the MPP Wrap-Fee Program Brochure discussing total program fees, conflicts of interest and scope of services provided under the program. NCA provides this brochure to clients prior to or concurrent with MPP enrollment. Please read it thoroughly before investing.

PLEASE NOTE: NCA’s Chief Compliance Officer, Kelly Russell, remains available to address any questions that a client or prospective client may have regarding MPP.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

To the extent requested by a client, NCA shall provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, tax planning, etc.) on a stand-alone separate fee basis. Before engaging NCA to provide planning or consulting services, clients are generally required to enter into a Financial Planning and Consulting Agreement with NCA setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client before NCA commences services.

MISCELLANEOUS

Limitations of Financial Planning and Non-Investment Consulting/Implementation Services. To the extent requested by the client, NCA may provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. NCA does not serve as a law firm or accounting firm, and no portion of its services should be construed as legal or accounting services. Accordingly, NCA does not prepare estate planning documents or tax returns. Unless specifically agreed in writing, neither NCA nor its representatives are responsible to implement any financial plans or financial planning advice; provide ongoing financial planning services; or provide ongoing monitoring of financial plans or financial planning advice. The client is solely responsible to revisit the financial plan or financial planning advice with NCA, if desired. The client retains absolute discretion over all financial planning and related implementation decisions and is free to accept or reject any recommendation from NCA and its representatives in that respect. NCA's financial planning and consulting services are completed upon communicating its recommendations to the client or upon delivery of the written financial plan. To the extent requested by a client, NCA may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance agents, etc.), including representatives of NCA in their separate individual capacities as representatives of Royal, an SEC registered and FINRA member broker-dealer and as licensed insurance agents. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from NCA and/or its representatives. **Please Note:** If the client engages any professional, recommended or otherwise, and a dispute arises thereafter relative to such engagement, the client should seek recourse exclusively from the engaged professional who shall be responsible for the quality and competency of the services provided. **Please Also Note-Conflict of Interest:** The recommendation by NCA's representative that a client purchase a securities or insurance commission product through NCA's representative in his/her separate and individual capacity as a registered representative of Royal and/or as an insurance agent, presents a conflict of interest, as the receipt of commissions or other economic benefits provide an incentive to recommend investment or insurance products based on benefit to be received, rather than on a particular client's need. No client is under any obligation to purchase any securities or insurance commission products through such a representative. Clients are reminded that they may purchase securities and insurance products recommended by NCA through other, non-affiliated broker-dealers and/or insurance agencies. **NCA's Chief Compliance Officer, Kelly Russell, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

Educational and Investment Seminars. From time to time NCA may host educational and investment seminars. Although these seminars are available to public, NCA may tailor each seminar's focus to a particular type of potential client (i.e. young professionals, retirement plan participants, etc.). Although these seminars are conducted with the ultimate aim of identifying new potential clients, NCA may charge a modest fee for attendance. The fees received from these events are used to offset the costs of hosting (i.e. venue charges, materials, food service, etc.).

Non-Discretionary Service Limitations. Clients that determine to engage NCA on a non-discretionary investment advisory basis must accept that NCA cannot execute any account transactions without obtaining the client's prior consent to the transactions. Therefore, if NCA seeks to make a transaction for a client's account (including removing a security that NCA no longer believes is appropriate, adding a security that NCA believes is appropriate, or in the event of a correction), and the client is unavailable, NCA will be unable to execute the account

transactions (as it would for its discretionary clients) without first obtaining the client's consent. Affected clients may suffer investment losses or miss potential investment gains as a result.

Use of Mutual Funds and ETFs. While NCA may recommend allocating investment assets to mutual funds and ETFs that are not available directly to the public, NCA may also recommend that clients allocate investment assets to publicly available mutual funds and ETFs that the client could obtain without engaging NCA as an investment adviser. However, if a client or prospective client determines to allocate investment assets to publicly-available mutual funds and ETFs without engaging NCA as an investment adviser, the client or prospective client would not receive the benefit of NCA's initial and ongoing investment advisory services.

Portfolio Trading Activity. As part of its investment advisory services, NCA will review client portfolios on an ongoing basis to determine if any trades are necessary based upon various factors, including but not limited to investment performance, account additions/withdrawals, financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods of time when NCA determines that trades within a client's portfolio are neither necessary nor prudent. Clients nonetheless remain subject to the fees described in Item 5 during periods of portfolio trading inactivity.

Retirement Plan Rollovers – No Obligation / Conflict of Interest. A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If NCA recommends that a client roll over their retirement plan assets into an account to be managed by NCA, such a recommendation creates a conflict of interest if NCA will earn a new (or increase its current) advisory fee as a result of the rollover. **NCA's Chief Compliance Officer, Kelly Russell, remains available to address any questions that a client or prospective client may have regarding the above and the corresponding conflict of interest presented by such a rollover recommendation.**

Aggregation Platforms. NCA may provide its clients with access to an online platform to allow a client to view their complete asset allocation, including those assets that NCA does not manage (the "Excluded Assets"). NCA does not provide investment management, monitoring, or implementation services for the Excluded Assets. Therefore, NCA shall not be responsible for the investment performance of the Excluded Assets. Rather, the client and/or their advisor(s) that maintain management authority for the Excluded Assets, and not NCA, shall be exclusively responsible for such investment performance. If the aggregation platform also provides access to other types of information and applications, including financial planning concepts and functions, those additional concepts and functions should not, in any manner whatsoever, be construed as services, advice, or recommendations provided by NCA. Finally, NCA shall not be held responsible for any adverse results a client may experience if the client engages in financial planning or other functions available on the aggregation platform without NCA's assistance or oversight.

Portfolio Activity. NCA has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, NCA will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, market conditions, investment performance, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client's investment objective.

Based upon these factors, there may be extended periods of time when NCA determines that changes to a client's portfolio are neither necessary nor prudent. NCA's advisory fee remains payable during periods of account inactivity.

Cash Positions. NCA may maintain cash and cash equivalent positions (such as money market funds) for defensive, liquidity, or other purposes. Unless otherwise agreed in writing, all such cash positions are included as part of assets under management for purposes of calculating NCA's investment advisory fee.

Client Obligations. In performing its services, NCA shall not be required to verify any information received from the client or from the client's other professionals and is expressly authorized to rely thereon. Moreover, each client is advised that it remains their responsibility to promptly notify NCA if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising NCA's previous recommendations and/or services.

Disclosure Statement. A copy of NCA's written brochure as set forth on Part 2 of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the Statement of Investment Selection and/or Financial Planning and Consulting Agreement.

- C. NCA Financial Planners provides investment advisory services specific to the needs of each client. Before providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, NCA will allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on NCA's services.
- D. **Please Note (Wrap/Managed Account programs)** NCA Financial Planners primarily allocates client investment assets among various mutual funds, and, to a lesser extent, among exchange traded funds, individual securities (stocks) individual fixed income securities (bonds, etc.) on a discretionary basis, in conjunction with the wrap-fee programs sponsored by Royal.

When client assets are managed through a wrap-fee program, the wrap program sponsor (Royal) will determine the executing broker-dealer (Royal) and custodian (Pershing). Under a wrap program, the wrap program sponsor (Royal) arranges for the investor participant to receive investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee. Participation in a wrap program may cost the participant more or less than purchasing such services separately.

If NCA is engaged to provide investment advisory services as part of an unaffiliated managed account program, NCA will be unable to negotiate commissions and/or transaction costs. The program sponsor will determine the broker-dealer through which transactions must be effected, and, if provided on a non-wrap basis, the amount of transaction fees and/or commissions to be charged to the participant investor accounts. **Please Note:** Since the custodian/broker-dealer is determined by the unaffiliated wrap and/or managed account program sponsor, NCA will be unable to negotiate commissions and/or transaction costs, and/or seek better execution. As a result, non-wrap clients may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices on transactions for the account than would otherwise be the case through alternative clearing arrangements. Higher transaction costs adversely impact account performance.

Please Note: When managing a client's account on a wrap fee basis, NCA shall receive

payment for its investment advisory services from Royal in accordance with the Wrap Fee Brochure. NCA's advisory fee is only a portion of the total wrap fee charged by Royal. **Please see the applicable Wrap Fee Brochure.**

- E. As of March 31, 2021, NCA had \$1,360,158,465 in assets under management on a discretionary basis and \$27,243,218 in assets under management on a non-discretionary basis.

Item 5 Fees and Compensation

A.

INVESTMENT ADVISORY SERVICES

Vision2020 Wealth Management Platform – Advisor Managed Portfolios Program
Vision2020 Wealth Management Platform – SMA and UMA Program
Vision2020 Wealth Management Platform – Model Portfolio Program

If a client engages NCA Financial Planners to provide investment advisory services in conjunction with Royal's wrap-fee programs, Wealth Management Platform – Advisor Managed Portfolios Program ("Advisor Managed Portfolios"), Wealth Management Platform - SMA/UMA Program, and/or Wealth Management Platform – Model Portfolios Program, NCA's annual investment advisory fee shall be based upon a percentage of the market value of assets placed under NCA's management. The client's advisory fee shall be a flat percentage (%) rate dependent upon the client's asset range on a tiered basis, as follows:

<u>Market Value of Portfolio</u>	<u>% of Assets</u>
Up to \$250,000	1.25%
Between \$250,000 and \$25,000,000	0.95%
Above \$25,000,000	0.80%

NCA, in its sole discretion, may charge a lesser investment advisory fee and/or charge a flat fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, prior fee schedules, competition, negotiations with client, etc.). As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. NCA's Chief Compliance Officer, Kelly Russell, remains available to address any questions that a client or prospective client may have regarding advisory fees.

The above percentage advisory fee reflects only that portion of the total wrap program fee that is payable to NCA. The total wrap program fee is higher than the above referenced percentage fee payable to NCA, as further disclosed in the applicable wrap fee brochure received from the wrap program sponsor. However, to the extent that any such wrap fee program charges a "platform fee" payable to the wrap program sponsor, NCA offsets that platform fee so that the combined platform fee and NCA's investment advisory fee is equal to the investment advisory fee percentage indicated above. Clients are therefore encouraged to review the applicable wrap fee brochure.

Clients will pay a quarterly account fee, in advance, based upon the market value of the assets held in their account as of the last business day of the preceding calendar quarter. Account fees are negotiable and will be debited from the account by the account custodian. Clients will receive a full account fee refund if they terminate the applicable agreement with NCA within 5

business days of signing. If the applicable agreement is terminated after the first 5 days, the account fee will be credited back to you the client on a pro rata basis for the unused portion of the quarter. **Please Note:** In the event that additions to, or withdrawals from, the client's account are made in excess of \$10,000 during any given quarter, the account fee will be adjusted on a pro rata basis to the account from which the charge is to be debited. The methodology for such fee adjustment is more fully detailed in the applicable form of agreement. Finally, upon approval of the CEO and Chief Compliance Officer, NCA charges eligible NCA employees, retired NCA employees, and their respective immediate family members (spouses, children, or parents) according to a fee schedule that is significantly reduced from the above fee schedule.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

To the extent specifically requested by a client, NCA Financial Planners may determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone fee basis. NCA's planning and consulting fees are negotiable and generally range from \$500 to \$10,000 on a fixed fee basis depending upon the level and scope of services required and the professional rendering the services. NCA's fixed fee for financial planning and/or consulting services may be billed annually or semi-annually.

Please Note: Before entering into a formal financial planning engagement, NCA may provide an initial limited consultation for a negotiated flat fee to allow NCA and the client to mutually determine whether a continued relationship is prudent for both parties.

- B. Both the Statement of Investment Selection and the custodial/clearing agreement shall generally authorize the custodian to debit the account for the amount of NCA's investment advisory fee and to directly remit that advisory fee to NCA consistent with regulatory procedures. When managing a client's account on a wrap-fee basis, NCA shall receive payment for its investment advisory services from Royal in accordance with the Wrap-Fee Brochure.
- C. As discussed below, NCA Financial Planners shall recommend that Royal Alliance Associates ("Royal") (who clears through Pershing) serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as Royal charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to NCA's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). **Please Note:** in a wrap-fee program, including Royal's wrap-fee program, the commissions and/or transactions fees are included in the wrap fee paid by the client.
- D. NCA Financial Planners' annual investment advisory fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter. NCA's financial planning and consulting fees shall be charged either annually or semi-annual in arrears, based upon the terms of each individual agreement.

NCA does not generally require an annual minimum fee or a minimum asset level for investment advisory services. NCA, in its sole discretion, may charge a lesser investment management fee and/or financial planning and consulting fee, based upon certain criteria (i.e.

anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.), than indicated in the fee schedules discussed above.

The Statement of Investment Selection and/or Financial Planning and Consulting Agreements will continue in effect until terminated by either party, by written notice, in accordance with the terms of the Agreements. Upon termination to NCA's investment advisory services, NCA shall refund the account for the prorated portion of the unearned advanced advisory fee based upon the number of days that services were provided during the billing quarter. To the extent that a client terminates a financial planning and consulting engagement before completion, NCA shall be entitled to a payment commensurate with the value of services provided to the client as of the date of termination.

- E. **Securities Commission Transactions.** If the client desires, the client can engage certain of NCA Financial Planners' representatives, in their individual capacities, as registered representatives of Royal, an SEC-registered and FINRA member broker-dealer, to implement investment recommendations on a commission basis. In the event the client chooses to purchase investment products through Royal, Royal will charge brokerage commissions to effect securities transactions, a portion of which commissions Royal shall pay to NCA's representatives, as applicable. The brokerage commissions charged by Royal may be higher or lower than those charged by other broker-dealers. In addition, Royal, as well as NCA's representatives, relative to commission mutual fund purchases, may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company during the period that the client maintains the mutual fund investment.

With certain of NCA's representatives, Royal has established forgivable and repayable loans, which constitute additional economic benefits ("Forgivable Loans") for such individuals. The terms of the Royal Forgivable Loans require that each applicable recipient remains affiliated with Royal for a specified period of time and meets certain sales production requirements in order to qualify for loan forgiveness. The Forgivable Loans incentivize such representatives to remain affiliated with Royal in their separate and individual capacities as registered representatives. The receipt of Forgivable Loans therefore presents **conflicts of interest**, because NCA's representatives are incentivized to recommend that clients utilize Royal for brokerage and custodial services in order to meet the production requirements necessary for loan forgiveness, rather than basing such recommendations on a client's particular needs. Without limiting the foregoing, the Forgivable Loans incentivize NCA and its representatives to recommend that existing clients keep their assets custodied through Royal/Pershing, that existing clients execute commission transactions through Royal, and also that new clients move their assets to Royal/Pershing for receipt of such custodial and brokerage services. Clients are therefore reminded that they are not under any obligation to purchase securities commission products through Royal and/or NCA's representatives, and that they may purchase such securities commission products through other, non-affiliated broker-dealers. Please also refer to Item 10.C. below with respect to the purchase of commission-based insurance products.

1. **Conflict of Interest:** The recommendation that a client purchase a commission product from Royal presents a **conflict of interest**, as the receipt of commissions provide an incentive to recommend investment products based on commissions to be received, and/or based on the production requirements needed to qualify for loan forgiveness, rather than on a particular client's need. No client is under any obligation to purchase any commission products from NCA's representatives.

NCA Financial Planners' Chief Compliance Officer, Kelly Russell, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.

2. **Please Note:** Clients may purchase investment products recommended by NCA through other, non-affiliated broker-dealers or agents.
3. NCA does not receive more than 50% of its revenue from advisory clients as a result of commissions or other compensation for the sale of investment products NCA recommends to its clients.
4. When NCA's representatives sell an investment product on a commission basis, NCA does not charge an advisory fee in addition to the commissions paid by the client for such product. When providing services on an advisory fee basis, NCA's representatives do not also receive commission compensation for such advisory services (except for any ongoing 12b-1 trailing commission compensation that may be received as previously discussed, which trailing commissions are credited by Royal to the client). **However**, a client may engage NCA to provide investment management services on an advisory fee basis and separate from such advisory services purchase an investment product from NCA's representatives on a separate commission basis.

Item 6 Performance-Based Fees and Side-by-Side Management

Neither NCA nor any supervised person of NCA accepts performance-based fees.

Item 7 Types of Clients

NCA Financial Planners' clients shall generally include individuals, high-net-worth individuals, business entities, pension and profit-sharing plans, trusts, estates, and charitable organizations. Except for SMA accounts under the VISION2020 Wealth Management Platform and MPP accounts under the VISION2020 Model Portfolios Program, NCA does not generally require an annual minimum fee or a minimum asset level for investment advisory services. The minimum account size to initiate and maintain an SMA account is generally \$100,000, and the minimum account size to initiate and maintain a MPP account is generally \$5,500.

NCA, in its sole discretion, may charge a lesser investment advisory and/or financial planning fee than indicated on the fee schedules in Item 5 above and/or charge a flat fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, prior fee schedules, competition, negotiations with client, etc.). **Please Note:** As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. **ANY QUESTIONS:** NCA's Chief Compliance Officer, Kelly Russell, remains available to address any questions that a client or prospective client may have regarding advisory fees.

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

- A. NCA Financial Planners may utilize the following methods of security analysis:
- Fundamental - analysis performed on historical and present data, with the goal of making financial forecasts
 - Technical – analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices
 - Cyclical – analysis performed on historical relationships between price and market trends, to forecast the direction of prices.

NCA Financial Planners may utilize the following investment strategies when implementing investment advice given to clients:

- Long-Term Purchases (securities held at least a year)
- Short-Term Purchases (securities sold within a year)
- Options (contract for the purchase or sale of a security at a predetermined price during a specific period of time)

Please Note: Investment Risk. Investing in securities involves risk of loss that clients should be prepared to bear, including the loss of principal investment. Past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by NCA) will be profitable or equal any specific performance level(s). Investment strategies such as asset allocation, diversification, or rebalancing do not assure or guarantee better performance and cannot eliminate the risk of investment losses. There is no guarantee that a portfolio employing these or any other strategy will outperform a portfolio that does not engage in such strategies. While asset values may increase and client account values could benefit as a result, it is also possible that asset values may decrease and client account values could suffer a loss.

- B. NCA’s methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis NCA must have access to current/new market information. NCA has no control over the dissemination rate of market information; therefore, unbeknownst to NCA, certain analyses may be compiled with outdated market information, severely limiting the value of NCA’s analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

NCA’s primary investment strategies – Long-Term Purchases and Short-Term Purchases – are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy.

In addition to the fundamental investment strategies discussed above, NCA may also implement and/or recommend options transactions. This strategy has a high level of inherent risk. (See discussion below).

Options Strategies. The use of options transactions as an investment strategy involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by NCA shall be with the intent of offsetting/"hedging" a potential market risk in a client's portfolio. Please Note: Although the intent of the options-related transactions that may be implemented by NCA is to hedge against principal risk, certain of the options-related strategies (i.e. straddles, short positions, etc.), may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. Considering these enhanced risks, client may direct NCA, in writing, not to employ any or all such strategies for his/her/their/its accounts.

Covered Call Writing. Covered call writing is the sale of in-, at-, or out-of-the-money call options against a long security position held in a client portfolio. This type of transaction is intended to generate income. It also serves to create downside protection in the event the security position declines in value. Income is received from the proceeds of the option sale. Such income may be reduced to the extent it is necessary to buy back the option position before its expiration. This strategy may involve a degree of trading velocity, transaction costs and significant losses if the underlying security has volatile price movement. There can be no assurance that the security will not be called away by the option buyer, which will result in the client (option writer) to lose ownership in the security and incur potential unintended tax consequences. Covered call strategies are generally suited for positions with little price volatility. **Please Note:** There can be no assurance that the security will not be called away by the option buyer, which will result in the client (option writer) to lose ownership in the security and to incur potential unintended and/or undesired tax consequences (i.e., incurring a capital gains tax).

For detailed information on the use of options and option strategies, please refer to the Option Clearing Corp.'s Option Disclosure Document, which can be found at: <http://www.optionsclearing.com/components/docs/riskstoc.pdf>
Hard copies may be ordered by calling 1-888-678-4667 or writing OCC, 1 North Wacker Drive, Suite 500 Chicago, IL 60606.

- C. Currently, NCA primarily allocates client investment assets among various mutual funds, and, to a lesser extent, among exchange traded funds, individual equities (stocks) and/or individual fixed income securities (bonds, etc.) on both a discretionary and non-discretionary basis in conjunction with the wrap-fee program (discussed above) sponsored by Royal, consistent with the client's designated investment objectives.

All investment portfolios are subject to risks, and there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money. Below is a description of several of the principal risks that client investment portfolios face:

Management Risks. While NCA manages client investment portfolios based on NCA's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying mutual funds and other securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that

NCA allocates assets to asset classes and/or investment managers that are adversely affected by unanticipated market movements, and the risk that NCA's specific investment choices could underperform their relevant indexes.

Risks of Investments in Mutual Funds and ETFs. As described above, NCA will invest client portfolios in mutual funds and ETFs. Investments in mutual funds and ETFs may be less risky than investing directly in individual securities because of their diversified portfolio holdings; however, these investments are still subject to risks associated with the markets in which they invest. In addition, the success of the mutual fund or ETF will be related to the skills of their particular managers and their performance in managing their funds. Mutual funds and ETFs are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

Equity Market Risks. NCA may invest portions of client assets directly into equity investments, including individual equity securities. The risks associated with equity investments include, without limitation, the risks that equity values will decline due to daily fluctuations in the markets, and that equity values will decline over longer periods (e.g., bear markets) due to general market declines in the equity prices for all companies, regardless of any individual security's prospects.

Fixed Income Risks. NCA may invest portions of client assets directly into fixed income instruments (i.e. bonds, notes, certificates of deposits) or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in equity markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

Socially Responsible Investing Risks and Limitations. Socially Responsible Investing involves the incorporation of Environmental, Social and Governance ("ESG") considerations into the investment process. There are potential limitations associated with allocating a portion of an investment portfolio in ESG securities. For example, ESG considerations may vary from person to person, meaning the client's opinion of what constitutes valid and valuable ESG principles may differ from that of the issuer of a security. The number of these securities may also be limited when compared to those that do not maintain an ESG mandate. In addition, ESG securities could underperform broad market indices. Clients requesting to engage in ESG-focused investing must be willing to accept these risks and limitations.

Investment Risk in General. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by NCA) will be profitable or equal any specific performance level(s).

Item 9 Disciplinary Information

NCA Financial Planners has not been the subject of any disciplinary actions.

Item 10 Other Financial Industry Activities and Affiliations

- A. **Registered Representatives of Royal.** As disclosed above in Item 5.E, certain of NCA's representatives are also registered representatives of Royal, a FINRA member broker-dealer.
- B. Neither NCA Financial Planners, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. **Broker-Dealer.** As disclosed above in Item 5.E, certain of NCA's representatives are registered representatives of Royal, a FINRA member broker-dealer. Clients can choose to engage certain of NCA's representatives, in their individual capacities, to effect securities brokerage transactions on a commission basis.

Conflicts of Interest. As discussed in Items 5.E. above and 12.A below, certain of NCA's representatives have received forgivable and repayable loans (the "Forgivable Loans"). With the exception of a Forgivable Loan that was provided from NCA's President to NCA's investment adviser representative Dennis Lehman, all Forgivable Loans have been provided by Royal to NCA's representatives. The terms and conditions of the Forgivable Loans allow the recipients to use the Forgivable Loan proceeds as they wish, but also require that each recipient remains affiliated with Royal for a specified period of time and meet certain annual production requirements for both advisory and brokerage business in order to qualify for loan forgiveness. The Forgivable Loans incentivize those representatives to remain affiliated with Royal in their separate and individual capacities as registered representatives. The receipt of Forgivable Loans therefore presents **conflicts of interest**, as NCA's representatives are incentivized to recommend that clients utilize Royal for brokerage and custodial services in order to meet the production requirements necessary for loan forgiveness, rather than basing such recommendations on a client's particular needs. Without limiting the foregoing, the Forgivable Loans incentivize NCA and its representatives to recommend that existing clients keep their assets custodied through Royal/Pershing, that existing clients execute commission transactions through Royal, and also that new clients move their assets to Royal/Pershing for receipt of such custodial and brokerage services. Clients are therefore reminded that they are not under any obligation to purchase securities commission products through Royal and/or NCA's representatives, and that they may purchase such securities commission products through other, non-affiliated broker-dealers. Clients are also reminded that they are not required to utilize Royal/Pershing for custodial services. However, as indicated in Item 12.A, NCA cannot provide its advisory services to clients who do not maintain their managed investment assets through Royal.

Licensed Insurance Agents. Certain of NCA's representatives are also licensed insurance agents, who may recommend the purchase of certain insurance-related products on a commission basis, including through NCA in its capacity as an insurance agency.

Conflict of Interest. The recommendation by NCA's representatives that a client purchase a securities or insurance commission product presents a **conflict of interest**, as the receipt of commissions provide an incentive to recommend investment products based on commissions to be received, or based on production requirements necessary to qualify for loan forgiveness, rather than on a particular client's need. No client is under any obligation to purchase any commission products from NCA's representatives. Clients are reminded that they may purchase insurance and/or securities products recommended by NCA through other, non-affiliated insurance agents or broker-dealers. **NCA Financial Planners' Chief Compliance Officer,**

Kelly Russell, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.

- D. NCA Financial Planners does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

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

- A. NCA Financial Planners maintains an investment policy relative to personal securities transactions. This investment policy is part of NCA's overall Code of Ethics, which serves to establish a standard of business conduct for all of NCA's Representatives that is based upon fundamental principles of openness, integrity, honesty, and trust; a copy of which is available upon request. In accordance with Section 204A of the Investment Advisers Act of 1940, NCA also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by NCA or any person associated with NCA.
- B. Neither NCA nor any related person of NCA recommends, buys, or sells for client accounts, securities in which NCA or any related person of NCA has a material financial interest.
- C. NCA and/or representatives of NCA may buy or sell securities that are also recommended to clients. This practice can create a situation where NCA and/or representatives of NCA are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if NCA did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of NCA's clients) and other potentially abusive practices.

NCA has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of NCA's "Access Persons." NCA's securities transaction policy requires that an Access Person of NCA must provide the Chief Compliance Officer and/or his/her designee with a written report of their current securities holdings within 10 days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each 12-month period thereafter on a date NCA selects; provided, however that at any time that NCA has only one Access Person, he or she shall not be required to submit any securities report described above.

- D. NCA and/or representatives of NCA may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where NCA and/or representatives of NCA are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation presents a conflict of interest. As indicated above in Item 11 C, NCA has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of NCA's Access Persons.

Item 12 Brokerage Practices

- A. Clients of NCA are required maintain and custody their assets at Royal/Pershing in order to receive NCA's investment advisory services. Prior to engaging NCA to provide investment management services, the client will be required to enter into a formal Statement of Investment Selection setting forth the terms and conditions under which NCA shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

NCA believes that the custodial services provided by Royal/Pershing and the costs of those services incurred by the client are consistent with NCA's fiduciary duty and best execution responsibilities. NCA has made this determination based upon Royal's and Pershing's historical relationship with NCA, as well as, Royal's and Pershing's financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by NCA's clients shall comply with NCA's duty to seek best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to execute the same transaction. However, in seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, Royal may not offer the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by Royal are included in the wrap fee paid by the client.

1. Non-Soft Dollar Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, NCA receives from Royal/Pershing (or could receive from other broker-dealer/custodians, unaffiliated investment managers, vendors, investment platforms, and/or product/fund sponsors) without cost (and/or at a discount) support services and/or products, certain of which assist NCA to better monitor and service client accounts maintained at such institutions. The support services that NCA receives can include: investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or free consulting services, discounted and/or free travel and attendance at conferences, meetings, and other educational and/or social events (which can also include transportation and lodging), marketing support, computer hardware and/or software and/or other products used by NCA in furtherance of its investment advisory business operations.

Certain of the above support services and/or products assist NCA in managing and administering client accounts. Others do not directly provide such assistance, but rather assist NCA to manage and further develop its business enterprise. The receipt of these support services and products presents a **conflict of interest**, because NCA has the incentive to recommend that clients utilize Royal/Pershing as a broker-dealer/custodian based upon its interest in continuing to receive the above-described support services and products, rather than based on a client's particular need. However, NCA's clients do not pay more for investment transactions effected and/or assets maintained at Royal/Pershing as a result of this arrangement. There is no corresponding commitment made by NCA to Royal/Pershing or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement. Clients are further reminded that they are not under any obligation to purchase securities commission products through

Royal/Pershing and/or NCA's representatives, and that they may purchase such securities commission products outside their relationship with NCA through other, non-affiliated broker-dealers. **NCA Financial Planners' Chief Compliance Officer, Kelly Russell, remains available to address any questions that a client or prospective client may have regarding the above arrangement and conflicts of interest presented.**

Forgivable Loans-Conflict of Interest

As discussed above, several of NCA's representatives are registered representatives of Royal. Certain of these representatives have received forgivable and repayable loans (the "Forgivable Loans"). With the exception of a Forgivable Loan that was provided from NCA's President to NCA's investment adviser representative Dennis Lehman, all Forgivable Loans have been provided by Royal to NCA's representatives. The terms and conditions of the Forgivable Loans allow the recipients to use the Forgivable Loan proceeds as they wish, but also require that each recipient remains affiliated with Royal for a specified period of time and meet certain annual production requirements for both advisory and brokerage business in order to qualify for loan forgiveness.

The Forgivable Loans incentivize such representatives to remain affiliated with Royal in their separate and individual capacities as registered representatives. The receipt of Forgivable Loans therefore presents **conflicts of interest**, as NCA's representatives are incentivized to recommend that clients utilize Royal/Pershing for brokerage and custodial services in order to meet the production requirements necessary for loan forgiveness, rather than basing such recommendations on a client's particular needs. Without limiting the foregoing, the Forgivable Loans incentivize NCA and its representatives to recommend that existing clients keep their assets custodied through Royal/Pershing, that existing clients execute commission transactions through Royal, and also that new clients move their assets to Royal/Pershing for receipt of such custodial and brokerage services. Clients are therefore reminded that they are not under any obligation to purchase securities commission products through Royal and/or NCA's representatives, and that they may purchase such securities commission products through other, non-affiliated broker-dealers. Clients are also reminded that they are not required to utilize Royal for its custodial services. However, as indicated herein, NCA cannot provide its advisory services to clients who do not maintain their assets with Royal. **NCA's Chief Compliance Officer, Kelly Russell, remains available to address any questions that a client or prospective client may have regarding the above arrangements and any corresponding conflicts of interest such arrangement creates.**

2. NCA Financial Planners does not receive referrals from broker-dealers.
3. NCA does not accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). Rather, NCA allocates client investment assets among various mutual funds, and, to a lesser extent, among exchange traded funds, individual securities (stocks) and/or individual fixed-income securities (bonds, etc.) on a discretionary basis, in conjunction with the wrap-fee program (discussed above) sponsored by Royal. **NCA's Chief Compliance Officer, Kelly Russell, remains available to address any questions that a client or prospective client may have regarding the above arrangement.**

B. To the extent that NCA provides investment management services to its clients, the transactions

for each client account generally will be effected independently, unless NCA decides to purchase or sell the same securities for several clients at approximately the same time. NCA may (but is not obligated to) combine or “bunch” such orders to seek best execution, to negotiate more favorable commission rates or to allocate equitably among its clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. NCA shall not receive any additional compensation or remuneration as a result of such aggregation.

Item 13 Review of Accounts

- A. For those clients to whom NCA provides investment supervisory services, account reviews are conducted on an ongoing basis by NCA’s Principal and/or representatives. All investment supervisory clients are advised that it remains their responsibility to advise NCA of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with NCA on an annual basis.
- B. NCA Financial Planners **may** conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections, and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. NCA may also provide a written periodic report summarizing account activity and performance.

Item 14 Client Referrals and Other Compensation

- A. As referenced in Items 5.E, 10.C, and 12.A.1 above, NCA Financial Planners may receive direct and indirect economic benefits including Forgivable Loans from Royal, or other direct or indirect economic benefits from other broker-dealer/custodians, investment platforms, unaffiliated investment managers, mutual fund sponsors, or vendors. Please refer to the items discussed above for a complete description of the Forgivable Loans and the concurrent **conflicts of interest** presented by such arrangements.

NCA’s clients do not pay more for investment transactions effected and/or assets maintained at Royal (or any other entity) as a result of this arrangement. There is no corresponding commitment made by NCA to Royal or any other entity to invest any specific amount of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement. **NCA Financial Planners’ Chief Compliance Officer, Kelly Russell, remains available to address any questions that a client or prospective client may have regarding the above arrangements and any corresponding conflicts of interest any such arrangement creates.**

- B. NCA Financial Planners does not compensate, directly or indirectly, any person, other than its representatives, for client referrals.

Item 15 Custody

NCA Financial Planners shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. NCA may also provide a written periodic report summarizing account activity and performance.

To the extent that NCA provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by NCA with the account statements received from the account custodian. The account custodian does not verify the accuracy of NCA's advisory fee calculation.

NCA provides other services on behalf of its clients that require disclosure at ADV Part 1, Item 9. In particular, certain clients have signed asset transfer authorizations that permit the qualified custodian to rely upon instructions from NCA to transfer client funds to "third parties." In accordance with the guidance provided in the SEC Staff's February 21, 2017 Investment Adviser Association No-Action Letter, the affected accounts are not subjected to an annual surprise CPA examination.

Item 16 Investment Discretion

The client can determine to engage NCA Financial Planners to provide investment advisory services on a discretionary basis. Prior to NCA assuming discretionary authority over a client's account, the client shall be required to execute a Statement of Investment Selection, naming NCA as the client's attorney and agent in fact, granting NCA full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Clients who engage NCA on a discretionary basis may, at any time, impose restrictions, **in writing**, on NCA's discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe NCA's use of margin, etc.).

Item 17 Voting Client Securities

- A. NCA Financial Planners does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact NCA Financial Planners to discuss any questions they may have with a particular solicitation.

Item 18 Financial Information

- A. NCA Financial Planners does not solicit fees of more than \$1,200, per client, 6 months or more in advance.
- B. NCA Financial Planners is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. NCA Financial Planners has not been the subject of a bankruptcy petition.

ANY QUESTIONS: NCA Financial Planners' Chief Compliance Officer, Kelly Russell, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.