



# MRA Advisory Group

**Morris Retirement Advisors, LLC  
d/b/a MRA Advisory Group  
3799 US Highway 46  
Ste. 100  
Parsippany, NJ 07054-1060**

[www.mraadvisory.com](http://www.mraadvisory.com)

**Firm Disclosure Brochure  
May 27, 2020**

This wrap fee program brochure provides information about the qualifications and business practices of the MRA Advisory Group. If you have any questions about the contents of this brochure, please contact us at 973.917.3905 and/or [support@mraadv.com](mailto:support@mraadv.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 Morris Retirement Advisors also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Material Changes

### May 2020

1. MRA added Financial Marketplace by MRA Advisory - a free subscription-based website that provides financial wellness content for consumers.
2. MRA has received a Paycheck Protection Program Loan.

### February 2020

1. Adding Property and Casualty insurance capabilities as an agent.
2. Ending the custodial relationship with Interactive Brokers.
3. Adding MRA Yield Cash – federally insured cash accounts.
4. MRA closed the website [www.coveryournest.com](http://www.coveryournest.com)
5. MRA has added a new third-party money manager (Betterment LLC).
6. MRA has added Estate Planning.

### October 2019

1. Item 12 and 14 have been updated to reflect the firm uses the custodian Charles Schwab & Co., Inc. Advisor Services.
2. MRA will pass along to clients account closure and transfer fees that the firm incurs when clients move their assets away from MRA to another provider. Current account closure fee is \$250 per account.
3. MRA closed the website [www.mraadvisory.net](http://www.mraadvisory.net) and continues to use [www.mraadvisory.com](http://www.mraadvisory.com) as its primary website.
4. MRA realigned its service model in order to better meet its clients' service needs.

### May 2019

1. Item 4 of Form ADV Part 2 was amended to add RetirementBuilder, a new business that offers personalized investment advisory service for certain held away accounts such as 401ks, 403bs, IRAs and annuities.
2. Item 10 of Form ADV Part 2 was amended to add coveryournest.com, a website operated by MRA offering clients and prospective clients various insurance products sold on a commission basis.
3. Item 14 was amended to state that MRA has entered into an agreement with certain individuals (Referring Parties) to refer prospective clients to the firm.

### March 2019:

1. Form ADV was amended to reinsert Adam C. Anderson as a 50% owner of MRA Advisory Group. Marco Lima retains his 50% ownership of MRA Advisory Group and remains Chief Executive Officer.

2. MRA Advisory Group began offering residential and commercial real estate brokerage services through its affiliated company MRA Real Estate Advisors, LLC in February 2019.
3. MRA Advisory Group entered into a referral agreement in November 2018 to introduce clients and others seeking business loans or financing to National Business Capital, Inc. and its affiliates. Pursuant to this agreement MRA Advisory Group receives a referral fees for successful referrals.
4. MRA entered into an agreement with Interactive Brokers in February 2019 to offer certain clients the option of using Interactive Brokers as a custodian.
5. Conflict of Interest disclosures have been added to Sections 10 and 11 because employees of MRA also serving as employees and owners of MRA Capital Partners, GP LLC, and serving in an advisory capacity to a Fund managed by MRA Capital Partners, GP LLC.
6. MRA has closed its office in Sparta, NJ.

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## Item 4 Advisory Business

### MRA ADVISORY GROUP

MRA Advisory Group (“MRA”) was organized in 2017 as Morris Retirement Advisors, LLC, a Delaware limited liability company, to provide wealth management and financial planning services to clients. MRA and its affiliates specialize in Comprehensive Financial Planning, fee-based Wealth Management, Risk-based investing, Tax Planning, Tax Preparation, Retirement Planning, Retirement Income Strategies, Business Services, Real Estate Brokerage Services, as well as Insurance Planning and Implementation: life, health, disability, long-term care and property and casualty insurance. These services provided are based on the unique needs of each client.

As of December 31, 2019, MRA had the following Regulatory Assets Under Management:

- \$141,476,697 in Discretionary Regulatory Assets Under Management;
- \$ 0 in Non-Discretionary Regulatory Assets Under Management; and
- \$141,476,697 in Total Regulatory Assets Under Management.

MRA offers the following planning options to clients:



Menu of Services	Plus	Consolidator	Protector	Women & Wealth
We offer generational planning services for all stages of your financial journey	From \$79/month	From \$99/month	From \$130/month	From \$99/month
Client portal. View your financial life. Anytime. Anywhere	X	X	X	X
Budget, cash flow, net worth projection tools	X	X	X	X
Dedicated Wealth Advisor	X	X	X	X
Asset allocation advice	X	X	X	X
Portfolio construction advice and Investment Policy Statement	X	X	X	X
Insurance planning: life, disability, long-term care	X	X	X	X
Charitable giving strategies	X	X	X	X
Retirement income distribution planning			X	X
Lifestyle Planning				X
Typical number of goals covered	2	3	Customized	Customized
Typical number of meetings per year	2	3	Customized	Customized
Case complexity	Basic	Advanced	Basic-Complex	Basic-Complex

**Overall Case complexity** are determined by a combination of meetings per year, number of goals and net worth.

**RetirementBuilder:**

- i. Personalized investment advisory service for certain held away accounts such as 401ks, 403bs, IRAs and annuities.
- ii. Clients give MRA discretionary investment management authority over these accounts and MRA utilizes the services of FeeX - a Held Away Order Management System service - to manage and trade these investments on the clients' behalf.
- iii. MRA will make asset allocation and investment decisions subject to the options established by the client's plan provider.
- iv. The fee for RetirementBuilder ranges from 0.40% to 1.50% based on assets under management. Fee Payment Options are available. See Section 5 below.

\* For MRA Wealth Management Program household accounts of \$1 million plus, MRA may waive the subscription service fee for the following planning services: Plus, Consolidator, Protector and Business Owners.

**2. MRA Wealth Management:**

For clients who are US Citizens or Residents

As described in Item 8, and in the MRA Wrap Fee Brochure, MRA offers a discretionary asset management program, the MRA Wealth Management Program that combines management and transaction expenses into a single fee. The MRA Wealth Management Program includes personalized professional investment management tailored to each of its clients' needs. With a \$5,000 minimum to open an account, clients are able to choose to invest using WealthBuilder Investing, which offers a set of risk-based investment portfolios designed to align with our clients' risk tolerance and long-term investment objectives. For clients with investable assets of \$500,000 or higher, MRA will offer additional portfolio customization that includes individual stocks, bonds, alternatives and/or private equity. MRA does not charge trading commissions for investment accounts. The firm charges an annual investment advisory fee ranging from 0.40% to 1.50% based on service model selection, portfolio complexity and assets under management.

For Individuals who are International Clients (neither a US Citizen nor a US resident)

As described in Item 8, and in the MRA Wrap Fee Brochure, MRA offers WealthBuilder Investing risk-based portfolios for account sizes from \$25,000 to \$499,999 at the annual investment advisory fee of 1.25%. For non-US citizens and/or non-US resident clients with investable assets of \$500,000 or higher, MRA will offer additional portfolio customization that includes individual stocks, bonds, alternatives and/or private equity at the annual investment advisory fee of 1.00% (fees are negotiable). MRA does not charge trading commissions for investment accounts.

**MRA High Yield Cash**

MRA will be offering federally insured cash accounts to clients. Specifically, the firm will offer access to a liquid insured deposit account. Accounts will be federally Insured up to \$25M per Tax ID.

MRA High Yield Cash is offered through StoneCastle Capital Management, LLC (StoneCastle)'s FICA® for IMPACT program. MRA receives a referral fee from StoneCastle. IMPACT ("FICA®") satisfies the Federal

Deposit Insurance Corporation's (FDIC) requirements for agency pass-through deposit insurance coverage. Program banks in the FICA® network are FDIC-insured "banks" and "savings associations" as those terms are defined in the Federal Deposit Insurance Act. The FDIC Limit is \$250,000 per depositor per bank.

StoneCastle Cash Management, LLC (StoneCastle) is not a bank, nor does it offer bank deposits and its services are not guaranteed or insured by the FDIC, or any other governmental agency. StoneCastle is an investment adviser registered with the United States Securities and Exchange Commission (SEC). For more information regarding the firm, please see its Form ADV Part 1 and 2A on file with the SEC. Registration with the SEC does not imply a particular level of skill or training.

FICA® is not a member of the FDIC, but the depository banks where your money is placed are FDIC members. FDIC is an independent agency of the U.S. government that protects the funds depositors place in FDIC insured institutions. FDIC deposits insurance is backed by the full faith and credit of the U.S. government.

Balances held in your Custody Account may not receive FDIC insurance. If you have any cash at any depository institution that is in the FICA® network then you may not receive full FDIC insurance coverage on your deposits at those institutions. Funds may be submitted for placement only after a depositor enters into a FICA® IMPACT agreement. The agreement contains important information and conditions regarding the placement of funds.

Liquidity is on a next business day basis. Same day purchase credit and next day liquidity redemptions are subject to a 3:00 PM ET cut-off. Please read the FICA® Program Terms and Conditions for more complete information and the governing terms of the account (including liquidity, terms, etc.). This can be found at [www.ficaaccount.com](http://www.ficaaccount.com).

Current yield and maximum deposit insurance coverage is indicative for FICA® and may change without notice. FICA® yield will vary due to the size of the account balance and introducing party. Past performance does not guarantee future results.

FICA® is a registered trademark of StoneCastle.

#### For All Clients

Clients in the MRA Wealth Management Program may authorize MRA to automatically rebalance their investments on a quarterly basis. For these clients MRA will make appropriate adjustments by buying and selling portfolio securities if the client's asset allocation deviates by 10% or more from the desired model. MRA will also periodically revise the model portfolios and make corresponding adjustments to client portfolios.

### **3. MRA Insurance Solutions (clients pay agency commissions for insurance solutions)**

MRA works with its clients to help protect them in the areas of insurance using a comprehensive due diligence process to address one of the foundations of a solid financial plan. The process includes:

- a. Determining a client's insurance needs based upon the client's personal financial situation.
- b. Evaluating multiple insurance types and providers.
- c. Facilitating underwriting process, which determines clients' insurance eligibility.
- d. Helping clients choose a plan based upon their needs.

#### **4. WealthBuilder Taxes: (from \$49/month)**

Tax preparation and planning services offered by a Certified Public Accountant employed by our affiliate, MRA Tax Services LLC.

#### **Selection of Other Advisers**

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MRA may direct clients to third-party investment advisers, Betterment LLC. Before selecting other advisers for clients, MRA will verify that all recommended advisers are properly licensed, notice filed, or exempt in the states where MRA is recommending the adviser to clients.

#### **Estate Planning – Document(s) Preparation Services**

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Estate Planning is an essential component to your overall financial plan. It allows you to gain more control over aspects of your life both during your lifetime and after your death. The goal of this document is to prepare you for the questions that will be asked by your financial advisor as it relates to your estate plan.

There are five major decisions that go into each estate plan. Those decisions are described below, along with examples and a description of people in your life that may be up to the task.

- 1) Beneficiaries – This is WHO will get your assets when you pass away. Generally, if you have children, we see to it that things go to your children in equal shares. However, there are also opportunities to leave things to charity (via a specific dollar amount after a death), or to other loved ones.
- 2) Method of Distribution – This is HOW your beneficiaries will get everything when you pass away. Depending on the age and financial capabilities of your beneficiaries, you may wish to delay distributions to a beneficiary. For example, for young beneficiaries, we often see clients give it in stages (1/3 at 25, 1/3 at 30, and 1/3 at 35). Please keep in mind that those young beneficiaries will have immediate access to funds for health care, education, and support. If you have a beneficiary with special health needs, you can leave assets for them through a special needs trust.
- 3) Successor Trustee/Executor/Financial Power of Attorney – This is the person (or people) who will make financial decisions for you in the event you cannot. The type of person who makes a good trustee is someone who is financially responsible, would handle finances similar to you, and is generally a good decision maker. If you don't have a family member or friend who fits the bill, you can consider a professional trustee. Generally, there are 2-3 successors named (in order of preference).
- 4) Health Care Power of Attorney – This is the person (or people) who will make health care decisions for you in the event you cannot. The type of person you name here would need to be able to make decisions during a difficult, emotional time. You will have the ability to state your end of life and organ donation wishes in this document as well. Generally, there are 2-3 successors named (in order of preference).

5) Guardian (if necessary) – This is the person (or people) who will have legal custody of any minor children should you pass away. The guardian will work with the trustee to access funds for any minor children. We often see your parents, siblings, or dear friends named here. We also see other children you have that are over the age of 18 named here. Generally, there are 2-3 successors named (in order of preference).

**Financial Marketplace by MRA Advisory:**

- a) The Financial Marketplace by MRA Advisor is a free subscription-based website that provides financial wellness content for consumers. The content and administration of this service is provided by The Enrich Platform which is a Software-as-a-Service (SaaS) Platform. The content provided by Financial Marketplace by MRA Advisory, includes:
- Financial Videos
  - Financial Infographics
  - Financial Articles
  - Financial Calculators
  - Sample Financial Courses:
    - Creating a Financial Plan for your Priorities and Goals
    - Spending Smart & Creating a Budgeting
    - Banking and Managing Accounts
    - Using Credit Cards Responsibly
    - Understanding Your Credit Report
    - Protecting Yourself from Identity Theft and Scams
    - Decoding Your Paycheck
    - Investing to Build Wealth
    - Planning for Retirement
    - Buying a Home and Understanding Mortgages
    - Buying or Leasing a Car
    - Understanding Health Insurance
    - Assessing Your Insurance Needs
    - Borrowing Smart and Preparing for Higher Education
    - Staying on Track with Student Loans While in School
    - Repaying Your Student Loans

Privacy notice about Financial Marketplace by MRA Advisory. Subscribers of Financial Marketplace by MRA Advisory agrees to be contacted by products and services offered by MRA and its affiliates. MRA will never sell data gathered from this service to unaffiliated third-parties. To participate in Financial Marketplace by MRA Advisory, users must adhere to the privacy policies outlined by the Enrich platform (available at <https://edemo3.enrich.org/Privacy>)

## **FINANCIAL PLANNING**

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As wealth advisors, we tailor our investment advice for each client to address his/her financial goals, objectives and risk tolerance. We endeavor to consider the client's complete financial outlook when making investment recommendations and planning for his/her future. Therefore, we may structure our investment advice in view of any outside investments held by the client, considering each investment's effect on the client's total portfolio. At the request of a client, we may perform due diligence and furnish advice on current or potential outside investments or provide investment management services for certain outside investments, which may include ongoing research and analysis, benchmarking and rebalancing.

Our financial planning service includes:

- Personal budgeting and cash flow
- Personal financial statements
- Life, disability and long-term care insurance consulting
- Investment due diligence, management and portfolio construction
- Financial independence planning
- Education and specific goal/need planning
- Foundation management and charitable giving
- Business investment analysis and succession planning

These services may be undertaken on a comprehensive or modular basis.

## **Item 5 Fees and Compensation**

### **Financial Planning Fee**

#### **(WealthBuilder Plus, Consolidator, Protector and Women & Wealth clients)**

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MRA's Financial Planning clients will generally be charged a separate fee for financial planning that is in addition to the fee for the MRA Wealth Management Program. Financial planning fees start at \$69/month, as noted in Section 4. The fee is based on the complexity of the client's financial situation, number of goals and meetings per year; however, it is negotiable and in some cases it may be waived or combined with the MRA Asset Management fee. Arrangements can be made to deduct the financial planning fee from another account (i.e. pay the fee for a retirement account from a non-retirement account, or to have the fee paid directly to MRA). The fee may be waived for MRA Wealth Management Program household accounts of \$1 million plus.

### **MRA Wealth Management Program**

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Fees for the MRA Wealth Management Program are described in Item 8, and in the MRA Wrap Fee Brochure.

### **RetirementBuilder Program**

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The fee payment arrangements for the RetirementBuilder Program is generally negotiated but may range up to 1.50%. The fee is based on the level of assets under management calculated on a monthly basis, according to the following schedule:

MRA Fee Schedule (based on assets under management per client household)	
\$0 - \$499K	1.50%
\$500K - \$999K	1.35%
\$1 Mil - \$1,999,999	1.10%
\$2.0 Mil - \$2,999,999	1.00%
\$3.0 Mil - \$3,999,999	0.90%
\$4.0 Mil - \$4,999,999	0.80%
\$5.0 Mil - \$5,999,999	0.70%
\$6.0 Mil - \$6,999,999	0.60%
\$7.0 Mil - \$7,999,999	0.50%
\$8.0 Mil +	0.40%

All fees are negotiable.

An initial fee will be charged for new accounts that are not open a full month. The initial billing period begins when the client signs the MRA fee agreement and MRA accepts the fee agreement. The initial billing period is adjusted for the number of days remaining in the initial month and will run from the date the assets are received by the custodian through the last business day of the initial month.

Clients in the RetirementBuilder Program may elect one of the following options to pay the RetirementBuilder Program fee:

1. Custodial Account: The RetirementBuilder fee is (i) calculated on a monthly basis based on the value of assets under management as of the last day of the month, (ii) paid in arrears and (iii) debited directly from another one of the client's accounts managed by MRA. Accordingly, this option is only available for clients with investment accounts held by one of MRA's recommended custodians.
2. ACH/Debit Card/Credit Card Payment: The RetirementBuilder fee is calculated on an annual basis, initially based on the value of assets under management at the time of service engagement and adjusted on January 1st every year based on the account value as of December 31st of the prior year. The annual fee is divided into equal monthly installments and is collected, at the client's discretion, by either ACH, Credit Card or Debit Card. MRA utilizes the services of AdvicePay to collect fees for RetirementBuilder. With AdvicePay, clients have access to a portal where they can obtain current and past invoices, process payments and/or terminate the service at their discretion.

Although all client's fees are based on a percentage of the value of assets under management, clients who select the ACH/Debit Card/Credit Card Payment option may pay more or less than other clients for MRA's management fee because their fee amount is calculated annually rather than monthly. In addition, clients who select the ACH/Debit Card/Credit Card Payment option may also incur fees charged by their bank.

If MRA or the client terminates the fee arrangement, a pro-rated fee for the billing period will be calculated for the period beginning on the first date of the billing period through and including the date

of termination through the end of the applicable billing and the amount of the pro-rated fee will be deducted from the client's account.

The RetirementBuilder service requires the client to provide account data to us on a regular basis through FeeX. Accordingly, there is a risk that our advice in connection with RetirementBuilder may be impacted to the extent that account data is not available or is inaccurate. To participate in RetirementBuilder, clients must adhere to the privacy policies outlined by FeeX (available at feex.com) .

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### **Selection of Other Advisers Fees**

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MRA may direct clients to third-party investment advisers, Betterment LLC. MRA will be compensated via a fee share from the advisers to which it directs those clients. The fees shared are negotiable and will not exceed any limit imposed by any regulatory agency. The notice of termination requirement and payment of fees for third-party investment advisers will depend on the specific third-party adviser selected.

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### **Estate Planning Fees**

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Basic planning will start at \$750 for a basic will, POA and health care directive.

Description of services: CLIENT has requests a MRA FINANCIAL ADVISOR ("FA") to provide estate planning services. FA will conduct a client interview to gather data that will be forwarded to HELIOS INTEGRATED PLANNING ("HIP"), a third-party estate planning preparation service. HIP will then prepare the estate planning documents strictly using the data gathered by FA.

No Legal Advice. CLIENT understands that FA is not a licensed attorney and will be giving no legal advice as part of the engagement. CLIENT understands that HIP will be producing an estate plan based on the information provided to HIP by FA. CLIENT also understands that HIP is not their attorney.

Termination. CLIENT may terminate this Agreement at any time and with or without cause by giving FA written notice, which shall be effective immediately, unless stated otherwise in such notice. FA may terminate this Agreement, with CLIENT'S consent or for good cause. Good cause includes, but is not limited to, CLIENT'S breach of this Agreement, refusal to cooperate or to follow FA's instructions that would render FA's continuing obligations to be impractical, unethical, or unlawful. Written notice of termination for good cause will be mailed to CLIENT at the address set forth below, at least five (5) business days prior to the desired termination date.

Confidentiality. FA agrees to keep all information provided by CLIENT confidential, except as it relates to providing the necessary information to HIP to produce the estate planning documents. FA cannot disclose to any other third party without CLIENT's written consent.

Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without giving effect to California's choice of law rules.

### **MRA High Yield Cash**

MRA will ear 0.05% of any client deposits in MRA High Yield Cash accounts. These fees are non-negotiable and are in addition to any other fees payable to MRA.

**Tax Preparation Services:**

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MRA's fee for tax preparation fees start at \$49/month. The fee is based on the complexity of the client's tax situation and the number of tax forms to file. These services are provided by a CPA employed by MRA and the CPA, and therefore MRA, will need to have access to all of a client's tax related information. Clients are not required to use MRA's tax preparation services and the services may cost more or less than comparable services offered by an unaffiliated CPA. Services provided by affiliated MRA Tax Services, LLC.

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

MRA does not provide any services for performance-based fees. Performance-based fees are those based on a share of capital gains on or capital appreciation of the assets of a client.

Because some of our supervised persons manage both accounts that are not charged a performance-based fee and another firm that charges a performance-based fee, they face a conflict of interest because they have an incentive to favor accounts that are charged a performance-based fee. For example, MRA may have an incentive to direct the best investment ideas to an account that pays a performance-based fee or to allocate or sequence trades in favor of the performance fee account. To manage this potential conflict, all accounts are managed in line with the account's objective and strategy, and portfolios are monitored by our compliance department for consistency with client objectives and restrictions. In addition, we have trade allocation policies and procedures designed to ensure that all clients are treated fairly and equally and to prevent this conflict from influencing the allocation of investment opportunities among clients.

## Item 7 Types of Clients

**MRA MANAGEMENT PROGRAM**

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MRA provides services primarily to individuals and businesses with a \$5,000 minimum per household to open an investment account. The typical client has a net worth of a least of \$1 million.

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

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**Investment Strategy****Separate Accounts**

MRA currently maintains multiple model portfolios that are used as the basis for implementing a client's investment plan. The models range from income, conservative, moderate, moderately aggressive and aggressive. Each portfolio has varying degrees of asset categories and is reviewed with the client prior to implementation and periodically thereafter.

MRA's Investment Committee meets quarterly to review investment policy and strategy. During the investment committee meeting, there is a review of each investment model that may result in tactical adjustments to each model determined by market and economic conditions. The committee also reviews our core recommendation list of investments, analyzing each individual asset class that supports our investment models.

MRA employs the following analytical criteria to select the funds and securities in its recommended portfolios:

- i. Past risk-adjusted performance and expense ratios relative to other investments within the same asset class having similar investment objectives.
- ii. Consistency of performance and rankings over time.
- iii. The historical volatility and downside risk of each proposed investment.
- iv. Consistency of investment style and tenure of the portfolio manager.
- v. How each investment complements the others in the portfolio.
- vi. Economic conditions and comparisons to other investment opportunities.

Each quarter MRA reevaluates portfolios using fundamental and tactical analysis, and rebalances or reallocates them as necessary. For portfolio risk assessment, the company utilizes Riskalyze, a software service that provides risk management analytics for investing. Based on the risk metrics of each portfolio, the software assigns Risk Number and projects the potential investment outcomes on the upside and downside for investment portfolios. Clients receive a report containing their Risk Number and its methodology. Projections on potential investment outcomes are no guarantees of outcomes and may be only used a reference in the investment decision making process.

### **Risks of Loss**

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Past performance is not indicative of future results. Therefore, current and prospective clients should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, bonds, and pooled investment vehicles) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

### **Separate Accounts**

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We do not represent to any client, either directly or indirectly, any level of performance or any representation that our professional services will not result in a loss to the Client's invested assets. We do our very best as an investment adviser to manage risk exposures and to prevent losses; however, losses cannot be prevented in all cases. Below are certain additional risks associated when investing in securities through our investment management program.

- Market Risk – Any market, whether stocks, bonds, or other asset classes goes up and down as a result of overall market conditions. When markets go down, this can result in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Fixed Income Risk – When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Interest Rate Risk - The value of fixed income investments tends to decline as interest rates rise. As a result, investors who own fixed income investments through pooled vehicles such as ETFs

or mutual funds, and investors who seek to sell fixed income investments prior to maturity, may incur losses.

- ETF and Mutual Fund Risk—When our firm invests in an ETF or mutual fund, it will bear additional expenses based on its pro rata share of the ETFs or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities held by the ETF or mutual fund, including equities, fixed income, commodities, and derivatives on such securities. In addition, ETFs and closed-end mutual funds may trade at a premium or discount to the net asset value of their underlying portfolio securities. As a result, there is a risk that an investment in an ETF or a closed end mutual fund may result in the client paying more for, or selling for less, the portfolio securities, than a direct investment in the underlying securities. This risk, however, is offset by the additional costs of investing directly in the underlying securities.
- Master Limited Partnerships (“MLPs”) - MLPs are collective investment vehicles, the partnership interests in which are publicly traded on national securities exchanges. MLPs invest primarily in companies within the energy sector that engage in qualifying lines of business, such as natural resource production and mineral refinement. MLPs are therefore subject to the underlying volatility of the energy industry and may be adversely affected by changes to supply and demand, regional instability, currency spreads, inflation and interest rate fluctuations, and environmental risks among other such factors. In addition, MLPs operate as pass- through tax entities, meaning that investors are liable for their pro rata share of the partnership taxes, regardless of the types of accounts where the interests are held.
- Real Estate Investment Trusts (“REITs”) - REITs are collective investment vehicles, the interests in which exist in the form of either publicly traded or privately placed securities. REITs are collective investment vehicles with portfolios comprised primarily of real estate and mortgage related holdings. Many REITs hold heavy concentrations of investments tied to commercial and/or residential developments, which inherently subject REIT investors to the risks associated with a downturn in the real estate market. Investments linked to certain regions that experience greater volatility in the local real estate market may give rise to large fluctuations in the value of the vehicle’s shares. Mortgage related holdings may give rise to additional concerns pertaining to interest rates, inflation, liquidity and counterparty risk.
- Liquidity Risk – High volatility and/or the lack of deep and active liquid markets for a security may prevent a Client from selling their securities at all, or at an advantageous time or price because MRA and the Client’s broker may have difficulty finding a buyer and may be forced to sell at a significant discount to market value. Some securities (including ETFs) that hold or trade financial instruments may be adversely affected by liquidity issues as they manage their portfolios.
- Concentration Risk – Portfolios managed by MRA may from time to time be concentrated in a single security, geographic region, or asset class. The value of Client accounts will vary considerably in response to changes in the market value of that individual security, region or asset class. This may result in higher volatility.
- Foreign Investing and Emerging Markets Risk – Foreign investing involves risks not typically associated with U.S. investments, and the risks may be exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency

values, as well as adverse political, social and economic developments affecting one or more foreign countries. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.

- Inflation, Currency, and Interest Rate Risks – Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by MRA may be affected by the risk that currency devaluations affect Client purchasing power.
- Legislative and Tax Risk – Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment advisor or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations (particularly for ETF securities dealing in natural resources). In certain circumstances a Client may incur taxable income on their investments without a cash distribution to pay the tax due.
- Counterparty Risk – Counterparty risk is the risk to MRA that the counterparty to a services contract will not fulfill its contractual obligations. Should the counterparty fail to fulfill its obligations to MRA, clients could potentially incur significant losses and may have access to their accounts and investments limited or restricted.
- Advisory Risk – There is no guarantee that MRA's judgment or investment decisions about particular securities or asset classes will necessarily produce the intended results. MRA's judgment may prove to be incorrect, and a Client might not achieve her investment objectives. In addition, it is possible that we fail to manage our business such that MRA remains a going concern which would be disruptive to our Clients as they would need to find a new investment advisor.

**The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in any or all of the strategies managed by MRA. Prospective Clients should read this entire Form ADV and all accompanying materials provided by MRA before deciding whether to invest with us. In addition, as our investment philosophy develops and changes over time, an investment with MRA may be subject to additional and different risk factors. MRA will promptly amend this Brochure if and when any information regarding its investment risks becomes materially inaccurate.**

## **Item 9 Disciplinary Information**

MRA is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. MRA does not have any required disclosures for this Item.

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

### **Insurance Services**

MRA's Investment Adviser Representatives are affiliated with Highland Capital Brokerage, Inc. ("Highland"), and Benefits Mall which are insurance agencies that offer insurance products including term life, whole life, universal life, and long-term care insurance as well as fixed annuities. In addition, MRA is affiliated with Coverwallet and New Agency Partners which offer commercial insurance products such as general liability, errors and omissions, workers compensation, and others. In such capacity, MRA may offer for sale, insurance-related products to investment advisory and non-investment advisory clients of MRA. These insurance products are sold on a commission basis.

The recommendation by MRA or MRA's representatives that a client buy an insurance product does present a conflict of interest, as the receipt of commissions on the sale of insurance products may provide an incentive to recommend insurance products based on commissions to be received, rather than on a particular client's need. As a result, MRA has procedures in place to ensure that any recommendations made by such Supervised Persons are in the best interest of its clients. In addition, no client is under any obligation to purchase any commission products from MRA or MRA's representatives. Clients are reminded that they may purchase insurance products recommended by MRA through other non-affiliated insurance agents.

### **Real Estate Brokerage**

MRA offers residential and commercial real estate brokerage services through its affiliated company MRA Real Estate Advisors, LLC in February 2019. Clients are not required to use MRA's real estate brokerage services and the services may cost more or less than comparable services offered by unaffiliated firms. MRA's owners receive an economic benefit by referring clients to use the services provided by MRA Real Estate Advisors, LLC.

### **Business Loans**

MRA Advisory Group entered into a referral agreement in November 2018 to introduce clients and others seeking business loans or financing to National Business Capital, Inc. and its affiliates. Pursuant to this agreement MRA Advisory Group receives a referral fees for successful referrals. Clients are not required to use MRA's business loan referral services and the services may cost more or less than comparable services offered by unaffiliated firms.

### **Tax and CPA Services**

As set forth in Item 5 above, MRA offers CPA and tax preparation services through its affiliate MRA Tax Services, LLC. These services are provided by individuals who are also employed by MRA and therefore MRA will have access to all of a client's tax related information. Clients are not required to use MRA's tax

preparation services and the services may cost more or less than comparable services offered by unaffiliated firms. MRA's owners receive an economic benefit by referring clients to use the services provided by MRA Tax Services, LLC.

#### **MRA Capital Partners**

MRA may refer clients, where suitable, to invest in MRA Capital Partners, LP, which is a Hybrid Private Equity Fund with the focus of delivering investment returns and income from strategic real estate investments and asset-based lending. The Fund's investments are managed by individuals who are also employed by MRA and therefore MRA will have access to all of a client's information. Clients are not required to invest in MRA Capital Partners, LP and investing in the Fund may cost more or less than comparable funds offered by unaffiliated firms. As a result, there is a material conflict of interest because MRA's owners receive an economic benefit by referring clients to invest in MRA Capital Partners, LP. MRA addresses this conflict through by disclosing it in writing to prospective MRA Capital Partners, LP. Investors.

#### **MRA High Yield Cash**

MRA will earn 0.05% of any client deposits in MRA High Yield Cash accounts. These fees are non-negotiable and are in addition to any other fees payable to MRA.

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

MRA and persons associated with MRA ("Associated Persons") are permitted to buy or sell securities that it also recommends to clients consistent with MRA's policies and procedures.

MRA has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("Code of Ethics"). MRA's Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by MRA or any of its associated persons. The Code of Ethics also requires that certain MRA personnel (called "Access Persons") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

When MRA is engaging in or considering a transaction in any security on behalf of a client, no Access Person may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Person) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Access Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by Access Persons to be completed without any appreciable impact on the markets of such securities. Therefore, under certain limited circumstances, exceptions may be made to the policies stated above.

Clients and prospective clients may contact MRA to request a copy of its Code of Ethics.

As discussed above in Item 10, MRA may refer clients, where suitable, to invest in MRA Capital Partners, LP, which is a Hybrid Private Equity Fund with the focus of delivering investment returns and income from strategic real estate investments and asset-based lending. The Fund's investments are managed by individuals who are also employed by MRA and therefore MRA will have access to all of a client's information. Clients are not required to invest in MRA Capital Partners, LP and investing in the Fund may cost more or less than comparable funds offered by unaffiliated firms. As a result, there is a material conflict of interest because MRA's owners receive an economic benefit by referring clients to invest in MRA Capital Partners, LP. MRA addresses this conflict through by disclosing it in writing to prospective MRA Capital Partners, LP. Investors.

## Item 12 Brokerage Practices

MRA periodically and systematically reviews its recommendation of Financial Institutions used as brokers and custodians in light of its duty to obtain best execution. The factors which MRA considers includes the respective financial strength, reputation, execution, pricing, research and overall service provided by Raymond James Financial Services (RJFS) and Charles Schwab & Co., Inc. ("CS&Co").

The commissions paid by MRA's clients (including those commissions paid for by MRA in wrap fee accounts) comply with MRA's duty to obtain "best execution." Commissions paid may be higher than another qualified Financial Institution might charge to effect the same transaction where MRA determines that the commissions are reasonable in relation to the value of the brokerage and research services received. 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 Financial Institution's services, including among others, the value of research provided, if any, execution capability, commission rates, and responsiveness. MRA seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

The separate account client may direct MRA in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution, and MRA will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by MRA (as described below). As a result, the client 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. Subject to its duty of best execution, MRA may decline a client's request to direct brokerage if, in MRA's sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

Transactions for each client generally will be effected independently, unless MRA decides to purchase or sell the same securities for several clients at approximately the same time. MRA may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among MRA's 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 generally be averaged as to price and allocated among MRA's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that MRA determines to aggregate client orders for the purchase or sale of securities, including securities in which MRA's Supervised Persons may invest, MRA generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. MRA does not receive any additional compensation or remuneration as a result of the aggregation. In the event that MRA determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, MRA may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

MRA generally recommends that separate account clients utilize the custody, brokerage and clearing services of Raymond James Financial Services ("RJFSFS"), Charles Schwab & Co., Inc. ("CS&Co") and/or Betterment LLC. RJFS provides us with access to its institutional brokerage services – trading, custody, reporting and related services – many of which are not typically available to RJFS's retail customers. RJFS also makes available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. RJFS's support services described below are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. The availability to us of RJFS's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients. Here is a more detailed description of RJFS's support services:

RJFS's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab Advisor Services include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. RJFS's services described in this paragraph generally benefit the client and the client's account.

RJFS also makes available to us other products and services that benefit us but may not directly benefit the client or its account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at RJFS. In addition to investment research, RJFS also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping and client reporting. RJFS also offers other services intended to help us manage and further develop our business enterprise. These services include:
  - educational conferences and events
  - technology, compliance, legal, and business consulting;
  - publications and conferences on practice management and business succession; and
  - access to employee benefits providers, human capital consultants and insurance providers.

RJFS may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. RJFS may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. RJFS may also provide us with other benefits such as occasional business entertainment of our personnel.

The availability of services from RJFS benefits us because we do not have to produce or purchase them. We don't have to pay for these services, and they are not contingent upon us committing any specific amount of business to RJFS in trading commissions or assets in custody.

MRA also offers custody, brokerage and clearing services of Charles Schwab & Co., Inc. Advisor Services (Schwab) where its execution services are deemed to be better, particularly for certain clients who are International Clients (neither a US Citizen nor a US resident). Schwab offers these clients a cost effective digital online account opening capability, a mobile app, and ease of doing business that may be available from other custodians. MRA receives no monetary incentives for conducting business with Schwab. However, MRA benefits from the following services provided Schwab: Schwab's trading platform, investment research, digital account opening and servicing.

Through Charles Schwab, MRA offers an automated investment program (the "Program") through which clients are invested in a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange-traded funds and mutual funds ("Funds") and a cash allocation. The client may instruct us to exclude up to three Funds from their portfolio. The client's portfolio is held in a brokerage account opened by the client at Charles Schwab & Co., Inc. ("CS&Co"). MRA uses the Institutional Intelligent Portfolios® platform ("Platform"), offered by Schwab Performance Technologies ("SPT"), a software provider to independent investment advisors and an affiliate of CS&Co., to operate the Program. We are independent of and not owned by, affiliated with, or sponsored or supervised by SPT, CS&Co., or their affiliates (together, "Schwab"). MRA, and not Schwab, are the client's investment advisor and primary point of contact with respect to the Program. We are solely responsible, and Schwab is not responsible, for determining the appropriateness of the Program for the client, choosing a suitable investment strategy and portfolio for the client's investment needs and goals, and managing that portfolio on an ongoing basis. We have contracted with SPT to provide us with the Platform, which consists of technology and related trading and account management services for the Program. The Platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the "System"). The System includes an online questionnaire that can help us determine the client's investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that, if we use the online questionnaire, we will recommend a

portfolio via the System in response to the client's answers to the online questionnaire. Or, based on information the client provides to us, we will recommend a portfolio via the System. The client may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but we then make the final decision and select a portfolio based on all the information we have about the client. The System also includes an automated investment engine through which we manage the client's portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects). MRA charges clients a fee for our services as described below under Item 5 Fees and Compensation. Our fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to CS&Co. as part of the Program. Schwab does receive other revenues, including (i) the profit earned by Charles Schwab Bank, SSB, a Schwab affiliate, on the allocation to the Schwab Intelligent Portfolios Sweep Program described in the Schwab Intelligent Portfolios Sweep Program Disclosure Statement; (ii) investment advisory and/or administrative service fees (or unitary fees) received by Charles Schwab Investment Management, Inc., a Schwab affiliate, from Schwab ETFs™ Schwab Funds® and Laudus Funds® that we select to buy and hold in the client's brokerage account; (iii) fees received by Schwab from mutual funds in the Schwab Mutual Fund Marketplace® (including certain Schwab Funds and Laudus Funds) in the client's brokerage account for services Schwab provides; and (iv) remuneration Schwab receives from the market centers where it routes ETF trade orders for execution.

### **Forgivable and Non-Forgivable Loans**

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RJFS has made available forgivable and non-forgivable loans to MRA to assist our business operations. The non-forgivable loan is guaranteed by Marco Lima and Adam C. Anderson, principal(s) of MRA. The terms of the non-forgivable loan require that management fees to MRA be paid to an account at RJFS for deduction of interest and principal payments on the loan before MRA may access such management fees. Each loan agreement contains various representations and covenants by MRA, including, with respect to the forgivable loan agreement, that MRA will, consistent with its fiduciary duty, endeavor to maintain a substantial percentage of committed AUM in end client net assets held at RJFS ("Assets Under Management at RJFS"), and that MRA will comply with all applicable laws, regulations, and agreements, and obtain all necessary licenses, consents and permits. Upon the occurrence and during the continuance of an event of default under the loan agreement, RJFS may terminate and/or accelerate the loans, which may have a material adverse effect on the MRA's ability to perform services for you.

Some of the products, services and other benefits provided by RJFS, including the loan noted above, benefit MRA and may not benefit MRA's client accounts. MRA's recommendation or requirement that a client place assets in RJFS's custody may be based in part on benefits RJFS provides to MRA, or MRA's agreement to maintain certain Assets Under Management at RJFS, and not solely on the nature, cost or quality of custody and execution services provided by RJFS.

MRA places trades for its clients' accounts subject to its duty to seek best execution and its other fiduciary duties. MRA may use broker-dealers other than RJFS to execute trades for client accounts maintained at RJFS, but this practice may result in additional costs to clients so that MRA is more likely to place trades through RJFS rather than other broker-dealers. RJFS's execution quality may be different than other broker-dealers.

MRA also applied and received funds available through the U.S. Government's Payroll Protection Loan in March 2020. A portion of this loan may be forgivable if MRA uses most of the proceeds of the loan to cover payroll expenses.

## Item 13 Review of Accounts

### **Account Reviews**

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MRA monitors its clients' investment management portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. Where MRA provides advisory and/or consulting services, reviews are conducted on an "as needed" basis. Such reviews are conducted by the Partners of MRA. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with the firm and to keep MRA informed of any changes thereto. The firm contacts ongoing investment advisory separate account clients at least annually to review its previous services and recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

### **Account Statements and General Reports**

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*Separate Account Clients.* Clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for their accounts. Clients may also receive reports from MRA that includes relevant account and/or market-related information such as an inventory of account holdings and account performance on a monthly basis or as otherwise agreed upon with the client. Clients should compare the account statements they receive from their custodian with any supplemental reports they receive from MRA and/or the Independent Managers.

## Item 14 Client Referrals and Other Compensation

MRA is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. In addition, MRA is required to disclose any direct or indirect compensation that it provides for client referrals.

MRA has entered into an agreement with certain individuals (Referring Parties) to refer prospective clients to the firm. If a referred client enters into an investment advisory agreement with MRA, a cash referral fee calculated as a percentage of the fees generated may be paid to the Referring Party. The referral agreement will not result in any charges to clients in addition to the normal level of advisory fees charged.

When a client is referred the Referring Party provides the client with a copy of MRA's Disclosure Brochure as required by the Investment Advisers Act of 1940. The client also will complete a Disclosure Statement document.

The referral agreement between MRA and each Referring Party is in compliance with U.S. state and federal securities rules, including SEC Rule 206(4)-3, regarding paid solicitor arrangements.

MRA may occasionally refer clients to members of the community such as lawyers and accountants who have made, or may make, referrals to the firm. Consequently, there is the potential for a conflict of interest where MRA makes such referrals.

MRA receives an economic benefit from RJFS and Schwab in the form of the support products and services it makes available to us. These products and services, how they benefit us, and the related conflicts of interest are described above under Item 12 Brokerage Practices. The availability to us of products and services from RJFS is not based on us giving particular investment advice, such as buying particular securities for our clients.

MRA Advisory Group receives referrals fees from National Business Capital (NBC) for referring business loan clients to NBC.

MRA owners receive an economic benefit by referring clients to use the services provided by its affiliated companies: MRA Tax Services, LLC, MRA Real Estate Advisors, LLC and MRA Capital Partners, LP.

MRA receives referrals fees for business services provided by MRA Tax Services through its service offering called SmallBizExes ([smallbizexecs.com](http://smallbizexecs.com)). SmallBizExes offers services tailored to small business owners which include tax preparation, bookkeeping, tax resolution, part-time CFO, among others.

MRA will ear 0.05% of any client deposits in MRA High Yield Cash accounts. These fees are non-negotiable and are in addition to any other fees payable to MRA.

Charles Schwab & Co., Inc. Advisor Services provides MRA with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For MRA client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to MRA other products and services that benefit MRA but may not benefit its clients' accounts. These benefits may include national, regional or MRA specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of MRA by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist MRA in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of MRA's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of MRA's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to MRA other services intended to help MRA manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to MRA by independent third parties. Charles Schwab & Co., Inc. Advisor Services may discount

or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to MRA. Clients will pay all account closure fees. MRA is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

## Item 15 Custody

An outside Financial Institution will act as the qualified custodian for client accounts. The client's selected Financial Institution will be the custodian for clients' assets in the MRA Wrap Fee Program. RJFS and Schwab are the custodians of clients' assets in the MRA ETF Program.

As previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure, the outside Financial Institution will debit advisory fees from separate client accounts and remit them to MRA or the client may arrange to pay them directly. As a result, under government regulations, we are deemed to have custody of a client's assets if the client authorizes us to instruct their custodian to deduct our advisory fees directly from the client's account, and we are deemed to have custody of the Fund's assets as a result of our affiliation with the General Partner.

Separate account clients receive account statements directly from their custodian at least quarterly. They will be sent to the email or postal mailing address the client provides to their custodian. Clients should carefully review those statements promptly when received. We also urge clients to compare the account statements to the periodic portfolio reports clients receive from us.

## Item 16 Investment Discretion

For discretionary accounts, we have full trading authority under a limited power of attorney assigned to us in the client agreement. As a result, we will determine both the investments, and how much of each, should be purchased or sold on each client's behalf. In making investment decisions, we adhere to the investment strategy outlined in each client's Investment Policy Statement and the Fund's governing documents.

Nondiscretionary accounts are managed for clients who are unwilling or unable to provide limited power of attorney to us.

## Item 17 Voting Client Securities

MRA is required to disclose if it accepts authority to vote client securities. MRA does not vote client securities on behalf of its separate account clients. These clients' proxies are voted either by the Independent Managers or the clients themselves.

## Item 18 Financial Information

MRA is not required to disclose any financial information pursuant to this Item due to the following:

- The firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance;

- In light of the COVID-19 coronavirus and historic decline in market values, MRA has elected to participate in the CARES Act's Paycheck Protection Program ("PPP") to strengthen its balance sheet. MRA intends to use this loan predominantly to continue payroll for the firm and may ultimately seek loan forgiveness per the terms of the PPP. Due to this and other measures taken internally, MRA has been able to operate and continue serving its clients.
- The firm has not been the subject of a bankruptcy petition at any time during the past ten years.