



Item 1 – Title Page

# Form ADV Part 2A Brochure Leading Edge Financial Planning, LLC Doing Business As “StewardRight”

515 South Main Street Suite 103

Wichita, KS 67202

316-768-7526(PLAN)

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

July 01, 2024

This brochure provides information about the qualifications and business practices of Leading Edge Financial Planning, LLC, which conducts business under the business name “StewardRight”. If you have any questions about the contents of this brochure, please contact us at 316-768-7526 and/ or [mike@leadingedgefp.com](mailto:mike@leadingedgefp.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. StewardRight is a registered investment advisor. Registration as an investment advisor does not imply any level of skill or training. The oral and written communications of an advisor provide you with information from which you can determine whether to hire or retain an advisor. Information about individual advisors is available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Additional information about StewardRight is also available via the SEC’s web site: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## Item 2 – Material Changes

This Brochure dated July 01, 2024, represents an amendment to the Brochure for Leading Edge Financial Planning, LLC (StewardRight).

Since the filing of the last annual update Brochure on March 19, 2024, subsequently amended May 29, 2024, we have begun conducting business under the name “StewardRight” and have updated our fee schedule and billing practices. We have also made other minor updates, but no other material changes were made.

Pursuant to SEC and similar state Rules, we will deliver to you a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year. We may further provide other ongoing disclosure information about material changes as necessary. All such information will be provided to you free of charge.

Currently, our Brochure may be requested by contacting us at (316)768-7526. Additional information about StewardRight is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with StewardRight who are registered as investment advisor representatives of the firm.



## Item 3 – Table of Contents

### Contents

Item 1 – Title Page .....	1
Item 2 – Material Changes .....	2
Item 3 – Table of Contents .....	3
Item 4 – Advisory Business .....	4
Item 5 – Fees and Compensation .....	8
Item 6 – Performance-Based Fees and Side-By-Side Management .....	14
Item 7 – Types of Clients .....	14
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	14
Item 9 – Disciplinary Information .....	16
Item 10 – Other Financial Industry Activities and Affiliations .....	16
Item 11 – Code of Ethics .....	17
Item 12 – Brokerage Practices .....	18
Item 13 – Review of Accounts .....	19
Item 14 – Client Referrals and Other Compensation .....	20
Item 15 – Custody .....	20
Item 16 – Investment Discretion .....	21
Item 17 – Voting Client Securities .....	21
Item 18 – Financial Information .....	22
Item 19 – Requirements for State-Registered Advisers .....	22



## Item 4 – Advisory Business

### Ownership and Management

Leading Edge Financial Planning, LLC, which operates under the business name “StewardRight” (StewardRight), is registered or exempt as an investment advisor with the state of Kansas and all other states in which it has clients. Leading Edge Financial Planning, LLC is organized as a limited liability company under the laws of the State of Kansas and has been in business since 2017. The firm is owned by Michael S. Proctor, who serves as its President, CEO and Chief Compliance Officer (CCO).

### Types of Services

StewardRight provides the following services:

1. Financial Planning
2. Portfolio Management
3. Retirement Plan Services
4. Wrap Fee Accounts
5. Seminars and Workshops

#### **1. Financial Planning**

StewardRight offers and specializes in financial planning services. Our analysis frequently includes insurance planning, retirement savings, asset allocation and asset location, retirement, life event planning (such as college, major purchase or extended medical care costs) and retirement cashflow planning. It can also include other incidental advice such as paying down debt, managing a budget, practical cost control tips or how to discuss topics with family.

We value the legacy our clients wish to leave and engage in discussions when appropriate regarding estate planning techniques such as use of wills, trusts and proactive stewardship of relationships for those affected.

Our philosophy for planning is to generally start with an initial financial plan and then proceed to scenario planning. The interactive financial planning and wealth management software that we use allows us to make adjustments to priorities and assumptions as needed, which we feel creates a more productive, effective experience.

Generally, an initial meeting is held to assess options for moving forward in the selection of the appropriate structure of the proposed financial planning engagement.



**We offer three forms of financial planning, which include:**

- a. Subscription Financial Planning
- b. Hourly Rate Financial Planning
- c. Fixed Fee Planning

a. Subscription Financial Planning

The monthly subscription model is made available for ongoing relationships allowing us to assist as life evolves, goals change, and certainly unexpected events can change everything. This service begins with creating a financial plan ideally within the first 90 days of the engagement.

We begin with a discovery meeting to assess the goals and objectives of the client. This meeting often causes us to generate a list of requested documents for us to learn more about the client's specific circumstances, needs, resources and future considerations.

The next step in the planning process is to clarify and refine the information with the client. Sometimes it is appropriate to recalibrate goals at this stage as the plan comes into focus and we can begin determining which appropriate strategies might be considered as options. We are able to do this either before a final meeting over the phone or video connection, or we can have a meeting to review this with our financial planning software that allows us to have a clearer conversation with the client on preference, goal priority and how they would prefer to accomplish their goals.

Sometimes another meeting is necessary to clarify information. Regardless, we generally then have a final meeting, agree on a course of action, and move towards the implementation of the plan if some immediate action is warranted. There are often several recommendations given at that time along with access to the report generated. We can also provide a final copy of a report if wanted.

A financial plan will generally be completed by the end of the first six months, followed by the implementation and ongoing relationship phase of the engagement. During this phase, we will have regular communication through educational emails, check-ins, and occasional group learning or webinar events. We also review your specific circumstances at least annually and assist with any changes or impacts they may have on your planning. We are here to help throughout the year in implementing the financial plan via ongoing communication, reminders and document sharing.



b. Hourly Rate Financial Planning

We also offer clients to engage our services on an “as needed” basis rather than as a packaged arrangement.

Under this arrangement, the client has access to their financial planning portal on the financial planning website. At least one annual meeting is required to maintain client status and website access. The main difference is that the cost could be more volatile in nature and could become higher than the subscription model if significant work is completed in a short period of time. Clients however are able to maintain control over work flow.

c. Fixed Fee Planning

Fixed fee planning is similar to subscription planning but does not include ongoing implementation services. However, after the plan is agreed upon and delivered, we do offer up to six months of assistance in implementing recommendations. After those six months, the client can either subscribe to an ongoing subscription or hire us on an hourly rate if additional assistance is needed. Fixed fee planning does not include ongoing education and follow-up support after the follow-up support concludes.

Unless a client engages one of the other planning services, access to the planning software would not be supported beyond the scope of the engagement and follow-up period.

**2. Portfolio Management**

StewardRight provides ongoing portfolio management services on a discretionary basis. As such, StewardRight has the authority to make trades within clients’ accounts without their prior consent according to our agreed upon management terms related to their account (See Investment Policy Statement).

The firm’s advisory services are tailored to the individual needs of each client. That process begins by conducting an initial meeting with clients to determine their personal goals regarding each account and conducting a risk assessment profile to assess how much investment risk they are willing to incur. Based upon those considerations, clients will be categorized into a general investment strategy.

Small accounts at StewardRight will naturally be managed differently than larger accounts due to cost consideration.

While StewardRight generally applies strategic asset allocation models to a client based



upon a client's objectives and situation, , but may supplement a simple model allocation with tactical management methods. Clients may impose specific restrictions on investing in certain securities or types of securities on their investment management agreement and are reminded to notify the firm of any new restrictions on a quarterly basis.

As of December 31, 2023, StewardRight was managing approximately \$33.9 million in assets. \$33.4 of which was managed on a discretionary basis and \$0.5M of which was managed on a non-discretionary basis.

### **3. Fee Wrap Accounts**

StewardRight does not sponsor a wrap fee program but may use outside platform providers that do.

SEI Investments Management Corporation sponsors a wrap fee program on their platform which we utilize. They provide a separate brochure for their disclosures on their "Managed Account Solutions – Advisor Network", which is available upon request. In this type of account, we outsource the ETF management to SEI and acting in a co-advisor capacity, StewardRight provides service to the client for the account, updating information and making any appropriate changes whether it is to stay in this program, change models within the program or transition to another method of management altogether.

The wrap fee program is a bundled fee service that includes brokerage, advisory and custody services, sometimes with a separate administrative fee. This is in lieu of individual brokerage and administrative fees to simplify account expenses and fees associated with trades and account activity. Please reference the separate disclosures for wrap-fee account specific expenses.

Within the SEI managed ETF fee wrap accounts, SEI manages the trades within the account and we work with the client to qualify which program or combination of strategies are to be used for the client. Sometimes a client may use StewardRight management alongside SEI. Our portfolio management consists of ETF and mutual fund selection with various asset allocations being the focus of our management strategy. Item 8 discusses more specifics on our investment philosophy and methods of analysis.

### **4. Retirement Plan Services**

StewardRight offers non-discretionary retirement plan consulting services to various retirement plans and retirement plan sponsors. Services vary by client and are detailed in the applicable Retirement Plan Service Agreement. For example, we often help with coordinating or providing education, plan review, onboarding meeting with plan participants, shopping the plan and acting as support in coordinating plan services with the



TPA or Custodian. In this capacity, we do not provide individualized investment advice to plan participants. If a participant in one of these retirement plans wishes to engage StewardRight for financial planning or asset management, they may do so separately.

## **5. Seminars and Workshops**

Educational Seminars and Workshops offered may include paid workshops for benefit of a company's retirement plan participants as a benefit to them to increase financial literacy, retirement readiness and motivation towards their financial goals. Other workshops offered may be focused on estate, business or succession planning for individuals or business owners. They may or may not have a fee associated with them depending on the context in which they are given. Generally, seminars sponsored by the advisor will not carry a fee.

## **Item 5 – Fees and Compensation**

### **1. Financial Planning Fees**

#### **a. Subscription Financial Planning**

With the monthly financial planning subscription service offered by StewardRight, each engagement is discussed with the client up-front to determine scope, complexity, expectations, and the anticipated value to be realized from the planning services before determining the level of fees. If a client chooses, they may pay fees up to 6 months in advance.

Fees for the initial portion of the engagement (typically within the first 6 months of the engagement) are for the creation of the initial financial plan. Fees beyond the first 6 months of the engagement are structured as a subscription to our team's services and resources intended to assist you in making financial decisions, reaching your goals and adjusting as your specific life situation changes.

Monthly fees may range from \$100 per month to \$1,000 per month or more depending on the scope and complexity of the planning services being rendered. In the event this fee is not paid, the services are suspended until payment is current.

The ongoing monthly subscription fees for each period of service are billed in arrears. Clients are encouraged to use our services as much as necessary within the scope of the engagement without worry of incurring hourly fees at our standard billing rates. Each monthly invoice will include the amount due and will be sent electronically shortly after





the service period with a payment portal for ease of payment. Payment is due upon receipt of the invoice.

Cancellation must be done in writing via email or written letter with an effective date of the cancellation. A final invoice will be issued for the unbilled, pro-rated days of service for the final service month.

Subscription fees are negotiable and can adjust up or down. Any such change will be made in writing by amending or replacing the original engagement letter.

b. Hourly Billing Plan

We offer hourly billing for certain financial planning engagements. Like our other planning engagements, we start with an initial meeting to discuss scope and complexity of the engagement, to discuss what your goals are in the engagement, and to provide an estimate of time we believe it would likely take us to complete the engagement. Fees are negotiable.

We require an up-front deposit of half of the estimated fees before beginning work. If it becomes apparent the project will significantly exceed our estimate, we may request an additional deposit or suggest scaling back the scope of work being performed to stay within the initial budget. We can provide a report detailing the work being done at any time throughout the engagement. This time tracking will be the basis of invoices provided. To release the completed analysis or documents of work performed, we require the invoice to be paid before releasing work accounted for on the invoice. Clients who wish to cancel the engagement before completion are required to do so in writing and pay the final invoice which would include work or expenses incurred up to the point of cancellation.

Our billing rates are as follows and may be updated periodically. However for each engagement, we will lock in the rates for the duration of the engagement even if our standard rates should increase during that time.

Hourly Rates

Certified Financial Planner	\$350/ Hour
Financial Advisor	\$275/ Hour
Paraplanner	\$150/ Hour
Administrative	\$ 75/ Hour

We may elect to charge for mileage or other relevant expenses, but such terms would be identified in the financial planning engagement at the beginning of the engagement.



c. Fixed Fee Plan

Financial planning services are also available under a fixed fee structure. One-time fees for a single event engagement such as doing one financial plan as a deliverable may range from \$1,500 to \$5,000 or more depending on the scope of the engagement, and such fees are negotiable. Half of the fee is due up front and the remainder is due upon delivery of the plan. Should the scope of engagement increase, the fee will be discussed and agreed upon to increase the scope of engagement. This structure guarantees a fixed price for the engagement. Once the final plan is delivered, the remainder of the fixed fee is due regardless of hours spent on the engagement, whether more or less than the hourly-equivalent rate.

If for some reason the client wishes to cancel the engagement, they must do so in writing. Any work performed will be charged as an hourly billed planning engagement according to the prior section's Hourly Rates. An invoice will be sent for any unpaid work or a refund will be sent for any un-earned fees with an accounting thereof. Working documents will only be released upon payment in full of the final invoice. If the first half of fees are not collected, the engagement is considered suspended. Should the advisor wish to cancel the engagement, all materials will be returned along with the full amount of fees and the engagement will be considered terminated.

**2. Portfolio Management Fees**

StewardRight bases its portfolio management fee on a percentage of the total value of the assets in all client accounts held with StewardRight as valued by the applicable custodian. Dependent on the fee schedule(s) selected in the Portfolio Management Agreement, fees are charged either a) in arrears shortly after the end of each quarter of service based on the portfolio market value at the end of the quarter of service or b) in arrears shortly after the end of each month of service based on the portfolio's average daily market and/or contract value over the course of the month of service. StewardRight fees are negotiable and may vary from the firm's published fee schedule. Our advisory fees generally range from .50% to 1.75% for individual accounts.

a. Fee Schedule

<b>Assets under Management</b>	<b>Annualized Fee</b>
First \$250,000	1.75%
\$250,001 to \$500,000	1.50%
\$500,001 to \$1,000,000	1.25%
\$1,000,001 and above	1.00%



**SAMPLE CALCULATION OF QUARTERLY BILLING IN ARREARS:**

Assuming the Q1 Ending Balance = \$2,750,000

Calculations:

$\$250,000 * 1.75\% / 4 \text{ Quarters} = \$1,093.75$

$(\$500,000 - \$250,000) * 1.50\% / 4 \text{ Quarters} = \$937.50$

$(\$1,000,000 - \$500,000) * 1.25\% / 4 \text{ Quarters} = \$1,562.50$

$(\$2,750,000 - \$1,000,000) * 1.00\% / 4 \text{ Quarters} = \$4,375.00$

$\$1,093.75 + \$937.50 + \$1,562.50 + \$4,375.00 = \$7,968.75$

Q1 total fee amount: \$7,968.75

**SAMPLE CALCULATION OF MONTHLY AVERAGE DAILY BALANCE BILLING IN ARREARS:**

Assuming the January Average Daily Balance = \$2,750,000

Calculations:

$\$250,000 * 1.75\% / 12 \text{ Months} = \$364.58$

$(\$500,000 - \$250,000) * 1.50\% / 12 \text{ Months} = \$312.50$

$(\$1,000,000 - \$500,000) * 1.25\% / 12 \text{ Months} = \$520.83$

$(\$2,750,000 - \$1,000,000) * 1.00\% / 12 \text{ Months} = \$1,458.33$

$\$364.58 + \$312.50 + \$520.83 + \$1,458.33 = \$2,656.27$

January total fee amount: \$2,656.27

The determination of which of the above fee structures apply is contingent on the custodian used. StewardRight currently used two custodians for client accounts:

**SEI** charges an account fee on accounts with balances of \$1,000.00 to \$50,000.00 at a rate of \$15.00 per quarter. StewardRight does not share in this account fee. SEI or whatever custodian may have other administrative fees which would be disclosed in the account agreement with the custodian such as account closing fees, wire or transfer fees or special service fees such as ordering checks for an account.

**Charles Schwab & Co. Inc. ("Schwab")** does not apply account fees and our management style is to seek out non-transaction fee funds when building portfolios to reduce expenses. Schwab does have some fees that could apply at times. These fees can be referenced here at [schwab.com/aspricingguide](http://schwab.com/aspricingguide). Schwab does earn internal fees on their funds and funds that partner with their platform. They also make money by having cash on deposit and earning an



interest rate on that cash as noted in their disclosures.

StewardRight establishes a final fee schedule (which is negotiable) for each client based upon the total assets contained in the client's accounts, the types of investments held in the accounts, and the amount of time the complexity of the engagement. StewardRight generally deducts fees directly from client accounts but in some instances will allow clients to pay the fee quarterly directly. Because the advisory fee is based upon the level of assets in the client's account each quarter (an amount that will likely change from quarter to quarter), clients should understand the stated percentage is not intended to represent an annualized fee applicable to the average total of assets within the accounts during a calendar year.

StewardRight will combine the account values of family members living in the same household to determine the applicable advisory fee. For instance, StewardRight will combine account values for Client, his minor children, joint accounts with his spouse, and other types of related accounts. Combining account values increases the asset total, ultimately resulting in Client(s) paying a reduced advisory fee based on the available breakpoints in the fee schedule published above.

StewardRight does not charge fees on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of a client.

As noted in the investment advisory or management agreement, StewardRight's advisory fee does not include any applicable taxes; confirmation fees for trades; custodial or platform fees; brokerage commissions; transaction fees; charges imposed directly by a mutual fund, index fund, or exchange traded fund (as disclosed on the fund's prospectus); fees imposed by variable annuity providers (as disclosed in the annuity contract); certain deferred sales charges; oddlot differentials; transfer taxes; wire transfer and electronic fund fees, as well as other fees imposed upon brokerage accounts and securities transactions.

### **3. Fee Wrap Accounts**

StewardRight does not sponsor a "wrap fee" program where investment management services and trading costs are both covered in a single "wrap" fee, although outside managers or other providers used by StewardRight may sponsor and offer such programs. Information about outside manager wrap programs is available in the applicable outside manager's Form ADV Part 2 Disclosure Brochure which is available upon request. Information about other provider programs is available in the providers disclosure documents. Depending on the volume of trading activity, clients should note that a wrap fee program may cost the client more than purchasing management services and trading separately. Clients should also note that advisers may have a financial incentive to recommend wrap fee programs and that wrap fee sponsors may have a financial incentive to trade an account less



frequently.

#### **Further Comments (Sections 1-3)**

In certain situations, StewardRight's investment advisor representatives may also be insurance licensed and earn sales commission, which creates a conflict of interest. StewardRight will typically recommend "no load" mutual funds, which do not offer sales commissions, when available to advisory clients. However, if recommending a fund that does include a sales commission to an advisory client, that advisor will not be permitted to retain those commissions because they are not registered in that capacity.

If an advisor representative recommends the purchase of an investment product or annuity in an account that is not governed by an investment management agreement, the client should understand those products may be purchased through a broker or agent that is not affiliated with StewardRight. Furthermore, our clients always have the right to decide whether to accept and act upon our recommendations regarding such products. If the client does decide to accept and act upon our recommendation, they always have the right to do so through the professional of their choosing. Regardless, our recommendations are intended to be consistent with our clients' needs and best interests.

#### **4. ERISA Retirement Plan Service Fees [401(k)- not IRA accounts]**

Fees are defined within the Retirement Plan Service Agreement and are payable either by deduction from participant accounts as a negotiated asset based amount charged in arrears or as a fixed fee arrangement charged in advance monthly, quarterly or semi-annually via invoice.

Most often, our retirement plan fees are paid as an asset based percentage deducted from the plan assets in arrears on a quarterly basis ranging from a .30% to .50% annual rate. Fees are negotiable.

StewardRight does not accept or maintain physical possession of client funds or securities. StewardRight instead requires clients to designate an unaffiliated "qualified custodian" to hold the assets in their accounts. Although StewardRight does not hold these assets, it is deemed by statute to have a limited form of custody related to these accounts held at the applicable custodians because it has written authority from the client to instruct the custodian to deduct fees from the client's account and remit it to StewardRight. Where required by statute, fee calculation invoices will be sent to the client at the email or postal mailing address provided by the client. Clients should carefully review the invoices, account statements and reports they receive and compare them to the agreed upon fee with StewardRight in the applicable advisory/ portfolio management agreement with StewardRight and promptly notify StewardRight of any discrepancies.



### **Seminars and Workshops**

Seminars and workshops provided to companies for their employee's benefit will generally require a fee. The fees generally range from \$500 to \$2,500 but can potentially be higher, depending on scope, time engagement, participants, etc. Travel and other expenses may apply but will be addressed prior to the engagement. Generally, workshops or seminars organized and sponsored by the StewardRight will not carry a fee.

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

StewardRight does not currently offer performance-based fees and therefore does not simultaneously manage performance based and non-performance based accounts.

### **Item 7 – Types of Clients**

StewardRight offers portfolio management and advisory services to individuals, trusts, charitable organizations, retirement plans, and business entities. The firm requires a minimum account size of \$50,000 for managed accounts (and a minimum of \$250,000 for certain strategies), but reserves the right to waive minimum requirements or decline accounts based on account size and other factors. Our planning services cater to individuals, families, and business owners alike regardless of their level of resources.

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

StewardRight's general investment strategy is consistent with the tenets of modern portfolio theory and is intended to reduce risk and volatility by building globally diversified portfolios. StewardRight seeks to build portfolios with appropriate asset allocation models using a mixture of equity and income-based investments. We also supplement this strategic approach for some accounts with tactical market timing trading. Our primary objective for all accounts is to use an investment approach that is consistent with a client's goals, objectives, needs and risk tolerance.

To implement this strategy, StewardRight typically recommends the use of no-load mutual funds, exchange traded funds (ETF's), investment grade individual bonds, government



securities, alternative assets, derivatives, and annuity products where warranted, whether fixed or variable by use of sub-accounts.

StewardRight conducts research to identify and evaluate investment options we feel would be appropriate to represent various asset classes and investment styles in clients' portfolios through various avenues such as investment software, custodian services or other sources. When we are evaluating actively managed mutual funds, they may come with higher expense ratios. We would use these types of funds in categories that have generally benefited from active management and appear to be adding value through their active management. Examples of categories would be emerging markets where securities may be more difficult to analyze and an active manager adds value or in active bond funds during a rising interest rate environment, where passive management would be more likely to produce low or negative returns. We also use passively managed mutual funds or ETFs that have broad diversification and take advantage of the overall stability of a category of investments. By limiting the attempted picking of success of one or another company, they are able to keep expense ratios low and, in turn, pass the savings on to the investor. We rely on data from Morningstar (an investment analysis company) to look at the broad context of the funds we use in our strategies and how they compare with their respective peer group in determining whether or not they are a good fit for our investment portfolios. We use top down analysis when selecting our funds where we filter and search for a particular segment of the asset allocation and then, by way of quality of management company, statistical performance and risk qualities and peer group standings make a decision on how well the investment fits our portfolio mixture. This may include conducting due diligence on the funds' investment managers. Using this research, the investment advisor representative will then assist the client in developing an investment mix that matches their needs.

### Risk

Clients must remember that investing in securities involves risk of loss, which they should be prepared to bear. These risks include market risk, interest rate risk, currency risk, and political risk, among others. Additionally, certain market timing and trading strategies can affect investment performance through increased brokerage and other transactions. Examples of risk include:

**Market risk** or systematic risk is the possibility of experiencing loss due to overall market performance. Investments increase and decrease in value. When the contributing market factors bring performance down, the investor is at risk of losing capital.



**Equity risk** is the risk of loss associated with supply and demand in a specific equity. High demand increases the value while less demand decreases the value. Shareholders are also the last to be paid when it comes to a company liquidation in the event of a bankruptcy.

**Interest rate risk** is inherent in bond or income-based investments. When interest rates from the Federal Reserve (Fed) increase, bond values decrease much like a seesaw. When the Fed rates decrease, bond values go up. Interest rate risk is mitigated by hedging or holding a bond to maturity. Most of our holdings are mutual funds or ETFs, so depending on the nature of the fund, they will experience this risk in different ways.

**Currency risk** occurs when investing abroad and is driven by exchange rate fluctuation. The US Dollar increases or decreases in strength relative to other countries' currency and creates an additional layer of risk when converted back to the Dollar.

**Political risk** is the risk of the government adversely affecting the underlying investment with policy, instability or occasionally nationalization of a company or industry.

**Behavioral risk** is the risk of unplanned behaviors from an investor that may result in loss of capital by not allowing an investment sufficient time to compensate the investor for the underlying risk factors accepted by the investor to reach the original objectives of the investor.

This is not an exhaustive list of risks present when considering investments and which investments are appropriate for you. By recognizing, managing, and accepting certain healthy forms of risk, investors can realize additional growth on their investments in a healthy way over certain periods of time relating to their specific objectives.

No investment strategy, nor the use of a third-party manager, can assure a profit or avoid a loss, and StewardRight does not guarantee any level of investment returns.

## Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of the firm or the integrity of its management. Neither StewardRight nor any of its executive officers or investment committee members are currently subject to, or have ever been subject to, any material legal or disciplinary events.

## Item 10 – Other Financial Industry Activities and Affiliations

Some StewardRight investment advisor representatives are appointed as agents of certain





insurance companies and medical bill-sharing organizations such as Health Trust Financial, L.L.C. (Medi-Share) and, in those capacities, may recommend the purchase of insurance products, such as fixed or variable annuities, for individuals or entities who are also clients of StewardRight. In that event, the insurance company will pay these individuals a sales commission for the products they sell. This creates a conflict of interest. However, our clients always have the right to decide whether to accept and act upon our recommendations regarding such products. If the client does decide to accept and act upon our recommendation, they always have the right to do so through the professional of their choosing. Our recommendations are intended to be consistent with our clients' needs and best interests.

StewardRight is affiliated with Leading Edge Growth, LLC (LEG), a non investment related consulting firm providing business owners with consulting services related to business valuations, operations, and succession planning. StewardRight receives revenues from a fee-sharing agreement that LEG has established with Bryan Elmore and Bryan Elmore, CPA, an accounting firm that shares office space with StewardRight and provides tax preparation, staff support, bookkeeping, and other business services. The fee-sharing agreement and other shared benefits creates a conflict of interest for StewardRight advisors because they can receive compensation or other benefits when referring clients to Bryan Elmore and Bryan Elmore, CPA. StewardRight clients are, however, under no obligation to use the CPAs that have fee-sharing relationships with LEG and are always able to choose if they utilize the financial professionals StewardRight refers.

## Item 11 – Code of Ethics

### **Code of Ethics**

StewardRight has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. The StewardRight Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and details practices for reviewing the personal securities transactions of supervised persons with access to client information. The Code also requires compliance with applicable securities laws, addresses insider trading, and details possible disciplinary measures for violations. StewardRight will provide a complete copy of its Code of Ethics to any client upon request to the Chief Compliance Officer.

### **Trading Conflicts of Interest**

Individuals associated with StewardRight are permitted to buy or sell securities for their personal accounts identical to or different than those recommended to clients. However,



no person employed by StewardRight is allowed to favor his or her own interest over that of a client or make personal investment decisions based on the investment decisions of advisory clients.

In order to address potential conflicts of interest, StewardRight requires that associated persons with access to advisory recommendations provide annual securities holdings reports and quarterly transaction reports to the firm's Chief Compliance Officer. StewardRight also requires prior approval from the Chief Compliance Officer for investing in any IPOs or private placements (limited offerings). The firm and its associated persons are prohibited from front running or trading activities that would disadvantage clients.

### **Financial Planning Conflicts of Interest**

Conflicts of interest with the monthly planning subscription services are inherently included. By nature of a fixed monthly subscription fee, each month with each client will have more or less workload, and potentially no work for the month. Some months may create extensive work for many clients and present a challenge to deliver all the service required immediately with all clients. This is a conflict of interest due to inherent time limitations as workload ebbs and flows as the fees are still being earned. Another conflict of interest would be not encouraging clients to engage StewardRight's services as they are paying for them so the firm may continue earning fees for less work or services performed.

## **Item 12 – Brokerage Practices**

StewardRight does not maintain physical custody of any client accounts or any assets within them. Instead, clients are required to deposit assets at a broker-dealer, investment company, or another financial institution that meets the definition of a "qualified custodian" as described in K.A.R. 81-14-9(a)(4) through which StewardRight will monitor the assets in the account. As a result, clients are required to complete all documentation required by the applicable custodian for each account, including the appropriate new account documentation, if necessary. While StewardRight does not open custodial accounts for its clients, it can assist them in doing so. In the event a broker-dealer is selected as the custodian of the client's account, StewardRight will process all trades in the account through that custodian.

StewardRight seeks to limit the custodians which hold its client's assets due to the complexity associated with managing accounts on multiple custodial platforms. StewardRight generally recommends SEI or Schwab as custodian based upon the quality of their service, the types of services the firms offer, their overall capability, execution quality, competitiveness of transaction costs, the investment research they make available to us



and our clients, and each firm's reputation and financial stability, among other things.

SEI and Schwab provide products and services to StewardRight that benefit it but may not directly benefit its clients. These products and services assist StewardRight in managing and administering its clients' accounts, such as providing access to investment research produced by the company's analysts or other third parties. StewardRight may use this research to service all or a substantial number of its clients' accounts, including accounts not maintained at that custodian. In addition to investment research, these custodians offer StewardRight software and other technologies that provide access to client account data, facilitate trade execution 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, compliance, recordkeeping, and client reporting. Because of SEI and Schwab's relationship with StewardRight, SEI and Schwab offer other services intended to help us manage and further develop StewardRights business, including educational conferences and consulting on technology, compliance, legal, and business needs. StewardRight's receipt of these benefits creates a conflict of interest because it relieves the firm from paying for these items or producing them itself. As a result, the receipt of these benefits makes it more likely that StewardRight will recommend SEI or Schwab as the custodian for its clients' accounts instead of searching for the custodian that would provide the most favorable execution for each transaction in a client's account.

These soft-dollar benefits may create a slight markup versus other custodians in certain situations in the course of doing business. However, StewardRight believes its recommendation of these companies to serve as the custodians and brokers on our clients' accounts is in the best interests of its clients, based upon the scope, quality, and price of their services that benefit them, as opposed to the services that only benefit StewardRight. StewardRight seeks to apportion soft-dollar benefits for the ultimate benefit of clients.

### **Aggregation of Transactions**

StewardRight may, from time to time, aggregate client orders into blocks in order to facilitate more efficient account management and execution. When aggregating orders, an average price is given to all participants in the block, or other measures are taken, in order to treat all accounts fairly.

## **Item 13 – Review of Accounts**

StewardRight conducts a general review of its investment strategies, including



consideration of any political, market, and economic issues that may affect those strategies, as a team at least quarterly. We not only review the securities held in client accounts through the monitoring of the several model portfolios we maintain, but also look at securities at the account level upon reviews with individual clients. Investment research may be performed by the firm itself or using custodian software, review and commentary. SEI and Schwab will make certain report available after the end of each quarter, accessible by the client through their online portal or by mail.

Meetings generally take place on an annual, semi-annual or quarterly basis, depending upon the size of the account and the client's interest in participating in such reviews. Because we are a fiduciary, we strive to meet at least annually with every client to see what, if any, changes may affect their account management. The content of these reviews is driven by the client-advisor scope of engagement. Additional client reviews may be triggered by a specific client request or by a change in market or economic conditions. Financial planning is excluded from the portfolio management engagement but may be purchased through a separate financial planning engagement.

## Item 14 – Client Referrals and Other Compensation

StewardRight does not compensate any outside parties for client referrals, nor do we receive any compensation or non-cash economic benefit for client referrals other than the arrangement listed in Item 10 above.

StewardRight does, however, receive economic benefits from our custodians and brokers in the form of the support products and services that are made available to us and to other independent investment advisors. These products and services, how they benefit us, and the related conflicts of interest are described in Item 12 above. The availability to us of these economic benefits is not based on us giving particular investment advice, such as buying or recommending particular securities for our clients. Furthermore, our representatives are required to make all investment decisions and recommendations based solely on the interests of the applicable client.

## Item 15 – Custody

StewardRight does not accept or maintain possession of client funds or securities but instead requires clients to designate an unaffiliated "qualified custodian" to hold the assets in their accounts. Although StewardRight does not hold these assets, it is deemed by statute to have a



form of limited custody related to certain accounts because it has the authority to deduct fees from such accounts. Account statements will be sent by the applicable custodian at least quarterly to the email or postal mailing address provided by the client. Clients in some regulatory jurisdictions will also receive quarterly invoices which detail the amount of fee deducted and how it was calculated. Clients should carefully review the account statements and reports they receive from StewardRight or the applicable custodian and notify us of any questions or discrepancies.

## Item 16 – Investment Discretion

For most client accounts, StewardRight will have discretionary authority to manage the investments within the account. The investment management agreement provided to the client will include a limited power of attorney (POA) that outlines the specific authority StewardRight will have to initiate investment transactions in the client's accounts. That document also permits StewardRight to notify the account's custodian and/or broker-dealer of its authority (although these entities may require clients to execute separate forms to confirm StewardRight's discretionary authority over each account). Specifically, StewardRight will have the authority to:

- i. buy, sell, and trade securities (mutual funds, ETFs, stocks, bonds, options, etc.),
- ii. place, withdraw, or change transaction orders or instructions with the account's custodian,
- iii. instruct the custodian as to which cost basis formula to apply to each account.

However, StewardRight will manage each client's account consistent with the client's investment objectives, which are established at the opening of the account but are subject to change at any time at the client's written direction. In addition, clients may designate specific restrictions on the investments to be held in their accounts on the investment policy statement and are reminded each calendar quarter to notify StewardRight in writing of any changes they want to make to those restrictions. The limited POA will NOT give StewardRight the authority to transfer funds out of the client's account without the client's consent.

## Item 17 – Voting Client Securities

StewardRight will not accept authority to vote on securities held in client accounts (i.e., proxy requests). Proxies are sent directly to clients from the applicable custodian or transfer agent. Clients may contact the firm with general questions about solicitations, however StewardRight does not offer advice on any particular solicitations.



In addition, StewardRight does not take any action or make recommendations with respect to the voting of proxies, unless required by law.

## Item 18 – Financial Information

Registered investment advisors are required, in some cases, to provide certain financial information and or disclosures about financial condition. For example, if StewardRight required clients to prepay advisory fees six months or more in advance, had a financial condition that was reasonably likely to impair its ability to meet its contractual commitments to its clients, or had been the subject of a bankruptcy petition during the past ten (10) years, it would be required to include certain financial information and make disclosures.

StewardRight has no financial or operating conditions which trigger such additional reporting requirements.

## Item 19 – Requirements for State-Registered Advisers

The firm is owned by Michael S. Proctor, who serves as its President, CEO and CCO. Patrick M. McGinn serves as the firm’s Chief Investment Officer. Further information regarding either can be found in Item 4 above and in the attached Part 2B Supplement.

State registered firms are required to make additional disclosures if a) the firm is compensated for advisory services with performance based fees, b) the firm or any of its management persons has been involved in certain types of arbitration, civil, or administrative claims, or c) the firm or any of its management persons has a relationship or arrangement with any issuer of securities.

Neither StewardRight nor any of its management persons has any such arrangements, nor has been involved in any such actions, which require additional disclosures.

Kansas registered firms are also required to disclose whether the firm carries professional liability insurance coverage for its investment advisory services. The firm does carry professional liability insurance coverage and will provide any client or prospective Kansas client proof of coverage upon request to the Chief Compliance Officer.