



## Item 1 – Cover Page

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### Wrap Fee Program Brochure

Date of Brochure Appendix 1 to Part 2A: March 28, 2022

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This wrap fee program brochure provides information about the qualifications and business practices of Monument Capital Management, LLC (“Monument Capital Management”). If you have any questions about the contents of this brochure, please contact David Armstrong at (703) 504-9600 or at [david.armstrong@monumentwm.com](mailto:david.armstrong@monumentwm.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 Monument Capital Management, LLC is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

\*Registration as an investment advisor does not imply a certain level of skill or training.

## **Item 2 – Material Changes**

Since the most recent Annual Amendment filing on March 30, 2021, this Brochure has not been materially amended.

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## **Item 4 – Services, Fees and Compensation**

### **INVESTMENT ADVISORY SERVICES**

The client can engage Monument Capital Management to provide discretionary investment advisory services on a wrap fee basis. (**See** discussion below). If a client determines to engage Monument Capital Management on a wrap fee basis the client will pay a single fee for bundled services (i.e. investment advisory, brokerage, custody). The services included in a wrap fee agreement will depend upon each client's particular need.

### **MONUMENT CAPITAL MANAGEMENT WRAP PROGRAM**

Monument Capital Management is the sponsor and investment manager of the Monument Capital Management Wrap Program (hereinafter the "Program"). Under the Program, we are able to offer participants discretionary investment management services, for a negotiable single specified annual Program fee, inclusive of trade execution, custody, reporting, and investment management fees. TD Ameritrade Institutional, Division of TD Ameritrade, Inc., member FINRA/SIPC ("Ameritrade") shall generally serve as the custodian for Program accounts.

The current annual Program fee generally ranges between negotiable and a maximum of 1.75% of assets under management, which shall be based upon various objective and subjective factors, including, but not limited to: the amount and composition of the assets placed under Monument Capital Management's management, the complexity of the engagement, the potential for additional deposits, your relationship and history with Monument Capital Management, and the level and scope of the overall investment advisory services to be rendered.

As a result of these factors, the services to be provided by Monument Capital Management to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly. In certain limited circumstances, Monument Capital Management may, in its sole discretion, offer its services on a fixed annual fee basis.

The annual fee is prorated and paid quarterly in advance through a direct debit to your account. For those accounts maintained with Ameritrade, we utilize Orion Advisor Services, a third party service provider ("Orion") to calculate fees. Orion calculations are provided to Ameritrade and Ameritrade debits our fees from your account with your written authorization. Advisory fees debited from Ameritrade are paid directly to us. Fees are generally based on the account's asset value as of the last business day of the prior calendar quarter.\* Fees for accounts opened at any time other than the beginning of a quarter are prorated based on the number of days remaining in the initial quarter. Fees are based on the account's asset value as of the last business day of the prior calendar quarter. Fees for accounts opened at any time other than the beginning of a quarter are prorated based on the number of days remaining in the initial quarter. Additional deposits and withdrawals will be added or subtracted from portfolio assets on a prorated basis to adjust the Account Fee.

\* Fee calculation performed through Orion shall rely upon Orion's method for determining account values, which includes accrued interest on bond positions. As a result, these client accounts may be valued for billing purposes higher or lower than as reflected in quarterly account statements

provided by Ameritrade. A higher account valuation will result in a larger fee due to Monument Capital Management. Higher fees adversely effect investment returns.

Under the Program, Monument Capital Management shall be provided with written authority to determine which securities and the amounts of securities that are bought or sold. Any limitations on this discretionary authority shall be included in the written agreement between each client and Monument Capital Management. Clients may change/amend these limitations, in writing, at any time. The client shall have reasonable access to one of Monument Capital Management's investment professionals to discuss their account.

**Wrap Program-Conflict of Interest.** Monument Capital Management provides services on a wrap fee basis as a wrap program sponsor. Under Monument Capital Management's wrap program, the client generally receives investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee. Participation in a wrap program may cost the client more or less than purchasing such services separately.

Beginning in January 2020, your account custodian, TD Ameritrade, stopped charging transaction fees for individual equities (i.e., common stocks and ETFs). As the result of TD's decision, total transaction fees paid by Monument Capital Management under the Monument Capital Management wrap program decreased. Monument did not alter its advisory fee schedule as result of this change.

Monument Capital Management has entered into an Asset Based Pricing ("ABP") arrangement with TD Ameritrade Institutional which covers all program transaction fees, including ticket charges, commissions, and other charges for trading and custody. Because TD Ameritrade Institutional's ABP fee is based on a percentage of the value of all program assets other than assets invested or held in cash, money market funds, non-transaction fee mutual funds, and commission-free exchange traded funds (collectively the "**Non-ABP-Funds**"), a conflict of interest exists as Monument Capital Management has an economic incentive to allocate or re-allocate program clients assets into Non-ABP-Funds to reduce Monument Capital Management's overall costs under the ABP arrangement.

#### Accommodation Account Fees

Clients may request that Monument Capital Management maintain accounts on their behalf on an accommodation basis. Monument Capital Management shall not be responsible for the management of these accounts. Instead, the client and/or their other advisors that maintain trading authority, and not Monument Capital Management, shall be exclusively responsible for the investment performance of the Excluded Assets. However, Monument Capital Management shall impose a nominal annual fee of eight basis points (0.08%), payable quarterly in advance based upon the value of the accommodation account as of the last day of the previous quarter, on any such accommodation accounts maintained by the client at Ameritrade.

#### **General Description of Our Programs**

***MWM Global Macro Opportunities ETF Portfolio*** – (ETF Portfolio) - Tax efficient and globally diversified portfolio comprised entirely of exchange traded funds (ETFs). We conduct macro-economic analysis to select ten (10) to fifteen (15) ETFs that provide exposure to selected equity indices, sectors and asset classes that we believe will do well over a 12-18 month cycle.

**MWM Dividend Portfolio** - A concentrated individual stock portfolio designed to provide returns driven by dividend income and growth by purchasing individual securities that have an acceptable current yield and a history of dividend safety and growth. We identify twenty (20) stocks that are financially sound with a history of increasing dividends.

**MWM Strategic Growth Portfolio** - A concentrated individual stock portfolio designed to provide high equity growth returns. We collect data from a variety of research providers to identify twenty (20) companies with increasing earnings estimates that we anticipate will reflect high growth within 12-18 months.

**MWM Strategic Income Portfolio** - a concentrated portfolio designed to invest in mutual funds, ETFs, and Business Development Companies which provide exposure to managers and sectors that represent certain investment themes determined by the investment management committee.

**MWM Tax Rebalanced Index Optimized (TRIO) Portfolio** - a portfolio comprised of both individual securities and ETFs that is optimized through software to create low tracking error relative to the benchmarked indices while maintaining the ability to harvest tax losses as available.

**Investment Performance:** As a condition to participating in the Program, the participant **must** accept that past performance may not be indicative of future results, and understand that the future performance of any specific investment or investment strategy (**including** the investments and/or investment strategies purchased and/or undertaken by Monument Capital Management) **may not:** (1) achieve their intended objective; (2) be profitable; or, (3) equal historical performance level(s) or any other performance level(s).

Participation in the Program may cost more or less than purchasing such services separately. Also the Program fee charged by Monument Capital Management for participation in the Program may be higher or lower than those charged by other sponsors of comparable wrap fee programs.

Depending upon the percentage wrap-fee charged by Monument Capital Management, the amount of portfolio activity in the client's account, and the value of custodial and other services provided, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately and/or if Monument Capital Management were to negotiate transaction fees and seek best price and execution of transactions for the client's account.

The Program's wrap fee does not include certain charges and administrative fees, including, but not limited to, transaction charges (including mark-ups and mark-downs) resulting from trades effected through or with a broker-dealer other than Ameritrade, transfer taxes, odd lot differentials, exchange fees, interest charges, American Depository Receipt agency processing fees, and any charges, taxes or other fees mandated by any federal, state or other applicable law or otherwise agreed to with regard to client accounts. Such fees and expenses are in addition to the Program's wrap fee.

Monument Capital Management's related persons who recommend the Program to clients do not receive compensation as a result of a client's participation in the wrap fee program.

You have the ability to place reasonable restrictions on the types of investments that may be purchased in an account. You may also place reasonable limitations on the discretionary power granted to us so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Either party may terminate the agreement for services at any time by providing written notice to the other party. Termination is effective immediately upon receipt of the termination notice. Fees are prorated based on the number of days that services were actually provided during the final quarter and any prepaid, unearned fees are promptly refunded to you.

## **Item 5 – Account Requirements and Types of Clients**

### **Minimum Investment Amounts Required**

There is no minimum amount required to establish a Monument Capital Management Wrap Program account. You are required to execute a written agreement with Monument Capital Management specifying the particular services in order to establish a client arrangement with us.

Monument Capital Management, in its sole discretion, may charge a lesser investment management fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees.

### **Types of Accounts**

Monument Capital Management generally provides investment advice to the following types of clients:

- Individuals
- High net-worth individuals
- Trusts, estates, or charitable organizations

## **Item 6 – Portfolio Manager Selection and Evaluation**

Under the Program, we typically provide the ongoing monitoring and review of account performance, asset allocation and client investment objectives. We occasionally may select other unaffiliated portfolio managers to manage client assets.

We rely on third party performance calculations. These third party services utilize standard performance calculation methods. We as a firm cannot confirm or deny the accuracy of these performance measures but rely on them based on their national reputation and standard methods of calculation. We believe them to be fair and accurate representations but do not verify or confirm their accuracy.

## OTHER ADVISORY BUSINESS SERVICES

In addition to the management services described above, we provide financial planning services, consultation services, advisement services and pension consulting services. Our financial planning services include:

- Financial plans that can be full or modular (segmented) in nature. Fees are billed as either a fixed or hourly fee charge. Full financial plans include one-year of ongoing financial planning services at no additional fee. These on-going services can include consultations, reviews and updates regarding any topic found in the original financial plan.
- Consultation services can be on any topic(s) of interest to you and are billed at an hourly or fixed fee rate.
- Advisement consultations to participants in benefit plans (401(k) plans, profit sharing plans, etc.) provided on a one-time or on-going (one-year) basis. We make recommendations regarding asset allocation and investment selections for the investment portfolio in the plan. Fees are billed at an hourly or fixed fee rate. At our discretion, we may also waive fees for a one-time consultation.
- Periodic newsletters that are educational and informational in nature provided to clients and prospective clients free of charge.
- Workshops that are educational, informational and motivational in nature. Workshops are always offered free of charge and are provided on an impersonal basis and do not focus on the individual needs of the participants.
- Seminars in areas such as financial planning, retirement planning, estate planning and charitable planning. No fees are charged, although we reserve the right to charge a fee to cover expenses if seminars are provided to larger groups such as corporations.

Please refer to our separate Disclosure Brochure for full details concerning our advisory services, fees, billing procedures and termination provisions.

When providing asset management services, Monument Capital Management typically constructs each client's account holdings using primarily ETFs, mutual funds and individual equities to build diversified portfolios. We do not typically attempt to time the market but we may increase cash holdings modestly, as deemed appropriate, based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles or special tax situations.

As discussed above, you have the ability to place reasonable restrictions on the types of investments that may be purchased in your account.

### **Miscellaneous**



**Limitations of Financial Planning and Non-Investment Consulting/Implementation Services.**

As indicated above, to the extent requested by a client, Monument Capital Management may provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. for a separate and additional fee per the terms and conditions of a *Financial Planning and Consulting Agreement*. Neither Monument Capital Management nor its investment adviser representatives assist clients with the implementation of any financial plan, unless they have agreed to do so in writing. Monument Capital Management does not monitor a client's financial plan, and it is the client's responsibility to revisit the financial plan with Monument Capital Management, if desired.

Monument Capital Management **does not** serve as an attorney or accountant, and no portion of our services should be construed otherwise. Accordingly, Monument Capital Management **does not** prepare estate planning documents or tax returns. To the extent requested by a client, we may recommend the services of other professionals for certain non-investment implementation purpose (i.e. attorneys, accountants, insurance, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Monument Capital Management and/or its representatives.

If the client engages any recommended unaffiliated professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. At all times, the engaged licensed professional[s] (i.e. attorney, accountant, insurance agent, etc.), and **not** Monument Capital Management, shall be responsible for the quality and competency of the services provided.

**Structured Notes.** Monument Capital Management may purchase structured notes as part of the MWM Structured Notes Portfolio offered to clients. A structured note is generally a financial instrument that combines two elements, a debt security and exposure to an underlying asset or assets. However, the MWM Structured Notes Portfolio may also contain structured notes that **do not** contain a debt security. A structured note is essentially a promissory note, carrying counter party risk of the issuer. However, the return on the note is linked to the return of an underlying asset or assets (such as the S&P 500 Index or commodities). It is this latter feature that makes structured products unique, as the payout can be used to provide some degree of principal protection, leveraged returns (but usually with some cap on the maximum return), and be tailored to a specific market or economic view. In addition, investors may receive long-term capital gains tax treatment if certain underlying conditions are met and the note is held for more than one year. There can be **no assurance** that any such product will prove profitable or successful. In light of the enhanced risks/rewards, a client may direct Monument Capital Management, in writing, not to direct any portion of their investing portfolio into the MWM Structured Notes Portfolio.

**Unaffiliated Private Investment Funds.** Monument Capital Management may recommend that certain qualified clients consider an investment in unaffiliated private investment funds. Monument Capital Management's role relative to the private investment funds shall be limited to its initial and ongoing due diligence and investment monitoring services. Clients are under absolutely no obligation to consider or make an investment in a private investment fund(s).

Risks: Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may own, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

Valuation: If Monument Capital Management bills an investment advisory fee based upon the value of private investment funds or otherwise references private investment funds owned by the client on any supplemental account reports prepared by Monument Capital Management, the value for all private investment funds owned by the client will reflect the most recent valuation provided by the fund sponsor. The current value of any private investment fund could be significantly more or less than the original purchase price or the price reflected in any supplemental account report.

**Retirement Rollovers-Potential for Conflict of Interest:** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Monument Capital Management provides a recommendation as to whether a client should engage in rollover or not, we are acting as an ERISA fiduciary by making such a recommendation. Furthermore, should the rollover result in the client's retirement plan assets transitioning into an account to be managed by us, such a recommendation creates a conflict of interest. If Monument Capital Management provides a recommendation as to whether a client should engage in a rollover or not, Monument Capital Management is acting as a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. No client is under any obligation to roll over retirement plan assets to an account managed by Monument Capital Management.

**Use of Mutual and Exchange Traded Funds:** Most mutual funds and exchange traded funds are available directly to the public. Therefore, a prospective client can obtain many of the funds that may be utilized by Monument Capital Management independent of engaging Monument Capital Management as an investment advisor. However, if a prospective client determines to do so, he/she will not receive Monument Capital Management's initial and ongoing investment advisory services.

**Independent Managers.** Monument Capital Management may recommend that the client allocate a portion of a client's investment assets among unaffiliated independent investment managers ("Independent Manager(s)") in accordance with the client's designated investment objective(s). In such situations, the Independent Manager(s) will have day-to-day responsibility for the active discretionary management of the allocated assets. Monument Capital Management will continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation, and client investment objectives. Monument Capital Management generally considers the following factors when recommending Independent Manager(s): the client's designated investment objective(s), management style, performance,

reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Manager(s) are exclusive of, and in addition to, Monument Capital Management's ongoing investment advisory fee, subject to the terms and conditions of a separate agreement between the client and the Independent Manager(s). Monument Capital Management's advisory fee is set forth above.

**Socially Responsible Investing Limitations.** Socially Responsible Investing involves the incorporation of Environmental, Social and Governance considerations into the investment due diligence process ("ESG"). There are potential limitations associated with allocating a portion of an investment portfolio in ESG securities (i.e., securities that have a mandate to avoid, when possible, investments in such products as alcohol, tobacco, firearms, oil drilling, gambling, etc.). The number of these securities may be limited when compared to those that do not maintain such a mandate. ESG securities could underperform broad market indices. Investors must accept these limitations, including potential for underperformance. Correspondingly, the number of ESG mutual funds and exchange traded funds are few when compared to those that do not maintain such a mandate. As with any type of investment (including any investment and/or investment strategies recommended and/or undertaken by Monument Capital Management), there can be no assurance that investment in ESG securities or funds will be profitable, or prove successful.

**eMoney Advisor Platform and Orion Advisor Services.** Monument Capital Management may provide its clients with access to online platforms hosted by "eMoney Advisor" ("eMoney") and Orion Advisor Services ("Orion"). The eMoney platform and Orion, through its use of Quovo, allow clients to view their complete asset allocation, including those assets that Monument Capital Management does not manage (the "Excluded Assets"). Monument Capital Management does not provide investment management, monitoring, or implementation services for the Excluded Assets. Therefore, Monument Capital Management shall not be responsible for the investment performance of the Excluded Assets. Rather, the client and/or their advisor(s) that maintain management authority for the Excluded Assets, and not Monument Capital Management, shall be exclusively responsible for such investment performance. The client may choose to engage Monument Capital Management to manage some or all of the Excluded Assets pursuant to the terms and conditions of an Investment Advisory Agreement between Monument Capital Management and the client.

**Cash Positions.** Monument Capital Management continues to treat cash as an asset class. As such, unless determined to the contrary by Monument Capital Management, all cash positions (money markets, etc.) shall continue to be included as part of assets under management for purposes of calculating Monument Capital Management's advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), Monument Capital Management may maintain cash positions for defensive purposes. In addition, while assets are maintained in cash, such amounts could miss market advances. Depending upon current yields, at any point in time, Monument Capital Management's advisory fee could exceed the interest paid by the client's money market fund.

**Portfolio Activity.** Monument Capital Management has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Monument Capital Management will review client portfolios on an ongoing basis to determine if any changes

are necessary based upon various factors, including, but not limited to, investment performance, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Monument Capital Management determines that changes to a client's portfolio are neither necessary nor prudent. Clients nonetheless remain subject to the fees described in Item 5 below during periods of account inactivity.

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

**Disclosure Statement.** Copies of our written Brochure and Client Relationship Summary, as set forth on Part 2 of Form ADV and Form CRS respectively, shall be provided to each client prior to, or contemporaneously with, the execution of an Advisory or Financial Planning Agreement.

**Fee Differentials.** As indicated in Item 4 above, Monument Capital Management shall price its services based upon various objective and subjective factors. In certain circumstances, Monument Capital Management, in its sole discretion, may charge a different fee (higher or lower) to its clients based upon various objective and subjective factors, including, but not limited to: the amount and composition of the assets placed under Monument Capital Management's management, the complexity of the engagement, the potential for additional deposits, your relationship and history with Monument Capital Management, and the level and scope of the overall investment advisory services to be rendered. As a result of these factors, the services to be provided by Monument Capital Management to any particular client could be available from other advisers at lower fees.

Monument Capital Management's services are provided based on the individual needs of each client. This means, for example, that clients are given the ability to impose restrictions on the accounts we manage for them, including specific investment selections and sectors. We work with each client on a one-on-one basis through interviews and questionnaires to determine their investment objectives and suitability information. However, we reserve the right to not enter into an investment advisor relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

### **Performance-Based Fees**

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. We do not receive performance-based fees.

### **Methods of Analysis**

Monument Capital Management uses charting, cyclical, fundamental and technical analysis when considering investment strategies and recommendations for clients. Our primary method of investment strategy and analysis is fundamental.

Fundamental. This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short).

Charting. Charting is a technical analysis that charts the patterns of stocks, bonds and commodities to help determine buy and sell recommendations for clients. It is a way of gathering and processing price and volume information in a security by applying mathematical equations and plotting the resulting data onto graphs in order to predict future price movements. A graphical historical record assists the analyst in spotting the effect of key events on a security's price, its performance over a period of time and whether it is trading near its high, near its low or in between. Chartists believe that recurring patterns of trading, commonly referred to as indicators, can help them forecast future price movements.

Cyclical. Cyclical analysis looks at recurring periods of expansion and contraction that can impact a company's profitability and cash flow. Cyclical stocks tend to rise quickly when the economy turns up and fall quickly when the economy turns down (i.e., housing, automobiles, telecommunications, paper, etc.). Non-cyclical industries (i.e., food, insurance, drugs, health care, etc.) are not as directly impacted by economic changes.

Technical. This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

There are risks involved in using any analysis method. Fundamental analysis takes a long-term approach to analyzing markets, often looking at data over a number of years. The data reviewed is released over years (e.g., quarterly financial statements). Technical analysis uses a shorter timeframe—often weeks or days. The price and volume data reviewed is released on a daily basis. Therefore, fundamental analysis could mean a gain is not realized until a security's market price rises to its "correct" value over the long run--perhaps several years.

As a general statement, technical analysis is used for a trade while fundamental analysis is used for an investment. It could also be said that traders buy assets they believe they can sell to someone else at a greater price while investors buy assets they believe will increase in value. The frequency of trading securities using technical analysis could have both a positive or negative impact and could also lead to increased brokerage and transaction costs, thus lowering performance. The less

frequent trading practices of fundamental analysis could also have a positive or negative impact on a client's portfolio value, but likely has reduced brokerage and transaction costs.

Cyclical analysts look for patterns to help identify the direction the market is going at any given time. However, patterns and expected ranges or time frames may not occur as anticipated due to any number of factors (i.e., natural disasters, political upheaval, etc.). This could also be true of charting analysis.

To conduct analysis, Monument Capital Management gathers information from financial newspapers and magazines, inspection of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses and filings with the SEC and company press releases.

### **Investment Strategies**

Monument Capital Management uses the following investment strategies when managing client assets and/or providing investment advice:

- Long term purchases. Investments held at least a year
- Short term purchases. Investments sold within a year.
- Trading. Investments sold within 30 days.

Monument Capital Management's methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis Monument Capital Management must have access to current/new market information. Monument Capital Management has no control over the dissemination rate of market information; therefore, unbeknownst to Monument Capital Management, certain analyses may be compiled with outdated market information, severely limiting the value of the Monument Capital Management's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Monument Capital Management's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period, involves a very short investment time period but will incur higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy.

### **Recommendation to Use a Specific Type of Security**

Monument Capital Management recommends ETFs for client investments. In simple terms, ETFs are funds that hold all the securities in an index (e.g., the U.S. Dow) and trade like a stock. In an ETF, the manager's job is to keep the portfolio as close to its index as possible rather than to make judgments on a single security. To keep the portfolio aligned with its index, the manager must buy the stock in the index regardless of the security's price. There are also risks associated with ETFs:

- **Geographical Limitations:** The United States has many ETF products but some countries have only a few ETFs available with limited products (e.g., only large-cap products).
- **Trading Limitations:** If ETFs have large trading volumes, the advantage of purchasing it over an index or equity diminishes. In addition, active ETFs can increase trading fees and expenses.
- **Investment Horizon Limitation:** The trading opportunities of an ETF may be more suitable for a short-term investor than a long-term investor.
- **Inactivity Limitation:** Some ETFs are not as actively traded as others and investing in actively managed mutual fund may be more effective.
- **Tax Limitations:** Tax laws vary from state to state and country to country. For foreign investments, it may be more advantageous to find another product.

**Borrowing Against Assets/Risks.** A client who has a need to borrow money could determine to do so by using:

- **Margin-**The account custodian or broker-dealer lends money to the client. The custodian charges the client interest for the right to borrow money, and uses the assets in the client's brokerage account as collateral; and,
- **Pledged Assets Loan-** In consideration for a lender (i.e., a bank, etc.) to make a loan to the client, the client pledges its investment assets held at the account custodian as collateral;

These above-described collateralized loans are generally utilized because they typically provide more favorable interest rates than standard commercial loans. These types of collateralized loans can assist with a pending home purchase, permit the retirement of more expensive debt, or enable borrowing in lieu of liquidating existing account positions and incurring capital gains taxes.

Such loans are not without potential material risk to the client's investment assets. The lender (i.e. custodian, bank, etc.) will have recourse against the client's investment assets in the event of loan default or if the assets fall below a certain level. For this reason, Monument Capital Management does not recommend such borrowing unless it is for specific short-term purposes (i.e. a bridge loan to purchase a new residence). Monument Capital Management does not recommend such borrowing for investment purposes (i.e. to invest borrowed funds in the market). However, if the client was to determine to utilize margin or a pledged assets loan, the following economic benefits would inure to Monument Capital Management:

- by taking the loan rather than liquidating assets in the client's account, Monument Capital Management continues to earn a fee on such Account assets; and,

- if the client invests any portion of the loan proceeds in an account to be managed by Monument Capital Management, Monument Capital Management will receive an advisory fee on the invested amount; and,
- if Monument Capital Management's advisory fee is based upon the higher margined account value, Monument Capital Management will earn a correspondingly higher advisory fee. This could provide Monument Capital Management with a disincentive to encourage the client to discontinue the use of margin.

The Client must accept the above risks and potential corresponding consequences associated with the use of margin or a pledged assets loans.

### **Options Strategies**

Monument Capital Management may engage in options transactions for the purpose of hedging risk and/or generating portfolio income. The use of options transactions as an investment strategy can involve a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security, depending upon the nature of the option contract. Generally, the purchase or sale of an option contract shall be with the intent of "hedging" a potential market risk in a client's portfolio and/or generating income for a client's portfolio.

Certain options-related strategies (i.e. straddles, short positions, etc.), may, in and of themselves, produce principal volatility and/or risk. Therefore, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, client may direct Monument Capital Management, in writing, not to employ any or all such strategies for their accounts.

There can be no guarantee that an options strategy will achieve its objective or prove successful. No client is under any obligation to enter into any option transactions. However, if the client does so, they must be prepared to accept the potential for unintended or undesired consequences (i.e., losing ownership of the security, incurring capital gains taxes).

### **Covered Call Writing**

Covered call writing is the sale of in-, at-, or out-of-the-money call options against a long security position held in a client portfolio. This type of transaction is intended to generate income. It also serves to create partial downside protection in the event the security position declines in value. Income is received from the proceeds of the option sale. Such income may be reduced or lost to the extent it is determined to buy back the option position before its expiration. There can be no assurance that the security will not be called away by the option buyer, which will result in the client (option writer) to lose ownership in the security and incur potential unintended tax consequences. Covered call strategies are generally better suited for positions with lower price volatility.

### **Risk of Loss**

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on



the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through our investment management program.

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting 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.
- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- 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.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in a an ETF or mutual fund, you may bear additional expenses based on your pro rata share of the ETF's 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 the ETF or mutual fund holds. Clients may also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.
- REITs - REITs are subject to risks generally associated with investing in real estate, such as: possible declines in the value of real estate; adverse general and local economic conditions; possible lack of availability of mortgage funds; changes in interest rates; and environmental problems. In addition, REITs are subject to certain

other risks related specifically to their structure and focus such as: dependency upon management skills; limited diversification; the risks of locating and managing financing for projects; heavy cash flow dependency; possible default by borrowers; the costs and potential losses of self-liquidation of one or more holdings; the possibility of failing to maintain exemptions from securities registration; and, in many cases, relatively small market capitalization, which may result in less market liquidity and greater price volatility.

Monument Capital Management may also allocate investment management assets of its client accounts, on a discretionary basis, among one or more of its asset allocation models described below. Monument Capital Management's asset allocation model administration has been designed to comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940. Rule 3a-4 provides similarly managed investment programs with a non-exclusive safe harbor from the definition of an investment company. In accordance with Rule 3a-4, the following disclosure is applicable to Monument Capital Management's management of client assets asset allocation models:

1. Initial Interview – at the opening of the account, Monument Capital Management, through its designated representatives, shall obtain from the client information sufficient to determine the client's financial situation and investment objectives;
2. Individual Treatment - the account is managed on the basis of the client's financial situation and investment objectives;
3. Quarterly Notice – at least quarterly Monument Capital Management shall notify the client to advise Monument Capital Management whether the client's financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;
4. Annual Contact – at least annually, Monument Capital Management shall contact the client to determine whether the client's financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;
5. Consultation Available – Monument Capital Management shall be reasonably available to consult with the client relative to the status of the account;
6. Quarterly Report – the client shall be provided with a quarterly report for the account for the preceding period;
7. Ability to Impose Restrictions – the client shall have the ability to impose reasonable restrictions on the management of the account, including the ability to instruct Monument Capital Management not to purchase certain securities;
8. No Pooling – the client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the account;
9. Separate Account - a separate account is maintained for the client with the Custodian;
10. Ownership – each client retains indicia of ownership of the account (e.g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

Monument Capital Management believes that its annual investment management fee is reasonable in relation to: (1) the advisory services provided under the *Investment Advisory Agreement*; and (2) the fees charged by other investment advisers offering similar services/programs. However, Monument

Capital Management's annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to Monument Capital Management's annual investment management fee, the client will also incur charges imposed directly at the mutual and exchange traded fund level (e.g., management fees and other fund expenses).

Monument Capital Management's investment programs may involve above-average portfolio turnover which could negatively impact upon the net after-tax gain experienced by an individual client in a taxable account.

### **Voting Client Securities**

Monument Capital Management does not vote proxies on your behalf. You should read through the information provided with the proxy-voting documents and make a determination based on the information provided. If requested, we may provide limited clarifications of the issues presented in the proxy voting materials based on our understanding of issues presented in the proxy-voting materials. However, you have the ultimate responsibility for making all proxy-voting decisions.

With respect to assets managed by any outside money manager, we do not vote the proxies associated with these assets. You need to refer to each outside money manager's disclosure brochure to determine whether the outside money manager will vote proxies on your behalf. You may request a complete copy of sub-advisor's proxy voting policies and procedures as well as information on how your proxies were voted by contacting Monument Capital Management at the address or phone number indicated on Page 1 of this disclosure document.

## **Item 7 - Client Information Provided to Portfolio Managers**

Monument Capital Management shall be the Program's portfolio manager. Monument Capital Management shall provide investment advisory services specific to needs of each client. Prior to providing investment advisory services, an investment adviser representative will discuss with each client, their particular investment objective(s). Monument Capital Management shall allocate each client's investment assets consistent with their designated investment objective(s). Clients may, at any time, impose restrictions, in writing, on Monument Capital Management's services.

As indicated above, each client is advised that it remains their responsibility to promptly notify Monument Capital Management if there is ever any change in their financial situation or investment objectives for the purpose of us reviewing and revising our previous recommendations or services.

## **Item 8 - Client Contact with Portfolio Managers**

Monument Capital Management serves as the program manager for the Monument Capital Management Wrap Program. We typically utilize mutual funds, ETFs and occasionally individual securities. Clients participating in the Monument Capital Management Wrap Program shall have,

without restriction, reasonable access to their investment adviser representative at Monument Capital Management, the Program's portfolio manager.

## **Item 9 - Additional Information**

### **Disciplinary Information**

We have no legal or disciplinary events that are material to your evaluation of our business or the integrity of our management. Therefore, this item is not applicable to our brochure.

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

Monument Capital Management is an independent registered investment registered advisor and only provides investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives may sell other products or provide services outside of their role as investment advisor representatives with us.

### **Code of Ethics**

Monument Capital Management maintains an investment policy relative to personal securities transactions. This investment policy is part of our overall Code of Ethics, which serves to establish a standard of business conduct for all of our representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, Monument Capital Management also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Monument Capital Management or any person associated with us.

Neither we nor any related person of Monument Capital Management recommends, buys, or sells for client accounts, securities in which Monument Capital Management or any related person of Monument Capital Management has a material financial interest.

Monument Capital Management and/or our representatives *may* buy or sell securities that are also recommended to clients. This practice may create a situation where we and/or our representatives are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Monument Capital Management did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of our clients) and other potentially abusive practices.

Monument Capital Management has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of our "Access Persons." Our securities transaction policy requires that an Access Person of Monument Capital Management must

provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report quarterly, addressing any changes in the Access Person's holdings from the previous quarter, and annually, detailing Access Person's current securities holdings, thereafter on a date Monument Capital Management selects; provided, however that at any time that Monument Capital Management has only one Access Person, he or she shall not be required to submit any securities report described above.

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

### **Account Reviews**

Clients contracting for modular (segmented) financial plans do not receive account reviews. Clients contracting for full plans receive on-going financial planning services for a one-year period that can include plan reviews and updates. We recommend that all clients have their financial situation reviewed and updated at least annually. Managed accounts are reviewed on an ongoing basis.

While the calendar is the main triggering factor, reviews can also be conducted at your request, a change in your financial situation, or unusual market activity or economic conditions. David Armstrong, Dean Catino, Jessica Gibbs and Emily Harper are responsible for reviewing all accounts. Account reviews include checking investment strategy and objectives for a possible change in strategy and objectives.

### **Account Reports**

You receive statements at least quarterly from the investment company, broker/dealer, clearing firm or money manager where your account is maintained. Additionally, Monument Capital Management may provide performance reports to you quarterly at no additional charge. These reports should be compared against the reports received from your account custodian. You can request a report from us at any time.

Financial planning clients do not receive any report other than the plan originally contracted for.

### **Client Referrals and Other Compensation**

From time to time, we may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors.

Monument Capital Management participates in Ameritrade's institutional customer program and Monument Capital Management may recommend Ameritrade to clients for custody and brokerage services. There is no direct link between Monument Capital Management's participation in the program and the investment advice it gives to its clients, although Monument Capital Management receives economic benefits through its participation in the program that are typically not available to Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Monument Capital Management participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Monument Capital Management by third party vendors. Ameritrade may also have paid for business consulting and professional services received by Monument Capital Management's related persons. Some of the products and services made available by Ameritrade through the program may benefit Monument Capital Management but may not benefit its client accounts. These products or services may assist Monument Capital Management in managing and administering client accounts, including accounts not maintained at Ameritrade. Other services made available by Ameritrade are intended to help Monument Capital Management manage and further develop its business enterprise. The benefits received by Monument Capital Management or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to Ameritrade. As part of its fiduciary duties to clients, Monument Capital Management endeavors at all times to economic benefits by Monument Capital Management or its related persons in and of itself creates a conflict of interest and may indirectly influence Monument Capital Management's choice of Ameritrade for custody and brokerage services.

### **Financial Information**

Monument Capital Management does not solicit fees of more than \$1,200, per client, six months or more in advance.

Monument Capital Management is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.

Monument Capital Management has not been the subject of a bankruptcy petition.