



## **Level Paths, LLC**

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### **FORM ADV PART 2 BROCHURE**

**This brochure provides information about the qualifications and business practices of Level Paths, LLC. If you have any questions about the contents of this brochure, please contact us at telephone number 573.426.5770. 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 Level Paths, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Level Paths, LLC is 148525.**

**Level Paths, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.**

## Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since our last annual updating amendment, dated January 30, 2017 we have made the following changes to our Form ADV Part 2A:

1. We offer financial planning and consulting services that provide specific levels of services and corresponding fees. Please see Item 4 and Item 5 of this document for specific information regarding the financial planning services we offer.

2. We changed the fees for portfolio management services:

Fees for Portfolio Management Services (non-wrap) are as follows:

<b>Equity and Balanced Accounts</b>	
<b>Portfolio Size</b>	<b>Annualized Fee</b>
\$0 to \$500,000	1.25%
\$500,001 to \$1,000,000	1.00%
Accounts over \$1,000,000	0.80%

<b>Fixed Income Portfolios</b>	
<b>Portfolio Size</b>	<b>Annualized Fee</b>
\$0 to \$500,000	0.80%
\$500,001 to \$1,000,000	0.70%
Accounts over \$1,000,000	0.60%
Accounts over \$10,000,000	0.30%

Fees for Wrap Fee Portfolio Management Services are as follows:

<b>Equity and Balanced Accounts</b>	
<b>Portfolio Size</b>	<b>Annualized Fee</b>
\$0 to \$500,000	1.50%
\$500,001 to \$1,000,000	1.25%
Accounts over \$1,000,000	1.00%

<b>Fixed Income Portfolios</b>	
<b>Portfolio Size</b>	<b>Annualized Fee</b>
\$0 to \$500,000	1.20%
\$500,001 to \$1,000,000	0.90%
Accounts over \$1,000,000	0.70%
Accounts over \$10,000,000	0.50%

3. We offer portfolio management services in a wrap fee program on a limited basis only.

4. Our investment strategy includes Values-Based Analysis which involves analyzing individual companies and their business practices including processes, products, and corporate citizen priorities. With this analysis we strive to produce an assessment regarding a company's propensity for adding value to their various constituencies beyond just shareholders. The assessment serves two purposes. First, it is combined with financial analyses to prioritize investment candidates for selection by Level Paths, and second, it is done in concert with any priorities or restrictions from our clients' values-based profile(s). The methodology for this moral audit is provided upon request to all applicable clients.

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## Item 4 Advisory Business

### Description of Services and Fees

Level Paths, LLC is a registered investment adviser based in Rolla, Missouri. We are organized as a limited liability company under the laws of the State of Missouri. We have been providing investment advisory services since February of 2009. Mark Turner Riefer, Managing Member and Chief Compliance Officer is the principal owner of Level Paths, LLC.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we," "our," and "us" refer to Level Paths LLC and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

### Financial Planning Services

Financial planning services will typically involve providing a variety of services, principally advisory in nature, to you regarding the management of your financial resources based upon an analysis of your individual needs. We will first conduct a complimentary initial consultation. After the initial consultation, if you decide to engage us for financial planning services, we will conduct follow up meetings as necessary, during which pertinent information about your financial circumstances and objectives is collected.

Once such information has been reviewed and analyzed, a written financial plan - designed to achieve your stated financial goals and objectives may be produced and presented to you. The primary objective of this process is to allow us to assist you in developing a strategy for the successful management of income, assets, and liabilities in meeting your financial goals and objectives.

We provide the following ongoing retainer packages. All packages are *guidelines* for client service levels and can be modified according to your specific needs. Each level corresponds to the number of planning meetings needed for the calendar year and is reflective of the complexity of your situation.

#### *Level 1:*

Typically for clients with a Net Worth over \$150,000. This level includes the annual planning meeting for updating our 24/7 planning tool and your Personal Finance Progress Report. (Estate Planning and Insurance is reviewed every 3 years). Additional services include a comprehensive Financial Statement, and access to Level Paths' educational materials.

#### *Level 2:*

Typically for clients with a Net Worth over \$500,000. This level includes 2 semi-annual planning meetings; one for updating our 24/7 planning tool and the Personal Finance Progress Report, and another for the Estate Planning and Insurance Progress Reports. Additional services include a comprehensive Financial Statement, coordination of strategies with your legal and tax professionals, access to Level Paths' educational materials, and a Level Paths Survivor Binder.

#### *Level 3:*

Typically for clients with a Net Worth over \$1,000,000. This level includes 3 planning meetings through the year, one for updating our 24/7 planning tool and the Personal Finance Progress Report, another for the Estate Planning and Insurance Progress Reports, and a third for the Strategic Giving meeting. Additional services include a comprehensive Financial Statement, coordination of strategies with your legal and tax professionals, access to Level Paths' educational materials, comprehensive Data Aggregation across all financial accounts, and a Level Paths Survivor Binder.

#### *Level 4:*

Typically for clients with a Net Worth over \$1,500,000. This level includes the Level 3 planning meetings throughout the year, *and* the custom *Financial Retreat* meeting (which includes your legal and tax professionals and your Next Generation participation). Level 3 meetings: one for updating our 24/7 planning tool and the Personal Finance Progress Report, another for the Estate Planning and Insurance Progress, and a third for the Strategic Giving meeting. Additional services include a comprehensive Financial Statement, coordination of strategies with your legal and tax professionals, access to Level Paths' educational materials, comprehensive Data Aggregation across all financial accounts, and a Level Paths Survivor Binder.

Financial plans and planning services are based on your financial situation at the time the plan is presented and are based on financial information disclosed by you to us. You are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. Past performance is in no way an indication of future results. We cannot offer any guarantees or promises that your financial goals and objectives will be met. As your financial situation, goals, objectives, or needs change, you must notify us promptly. In limited circumstances, you may only require advice on a single aspect of the management of your financial resources. If this is your case, we offer financial plans in a modular format and/or general consulting services that address only those specific areas of interest or concern.

#### **Portfolio Management Services**

We are also engaged in the business of providing discretionary portfolio management and investment advisory services on a continuous basis. If you participate in our discretionary portfolio management services, we require you to grant us discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm, a power of attorney, or trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account.

In limited circumstances, we may also manage advisory accounts on a non-discretionary basis, meaning your specific consent must be granted prior to each transaction. You have an unrestricted right to decline to implement any advice issued on a non-discretionary basis.

Our fees for non-WRAP programs do not encompass transaction, custodial and administrative costs charged by the account custodian. Fees for these services are disclosed in Section 5 of this brochure.

#### *WRAP Program:*

On a limited basis we also offer a wrap fee program where you can pay a single fee to us which encompasses our money management fees, certain transaction costs and custodial and administrative cost (referred to as "wrap fee" arrangements). Investments in this program primarily focus on various types of securities such as equities, Exchange Traded Funds (ETFs), Indexes and investment grade fixed income securities. Other types of investments may also be recommended where we deem such investments appropriate based on your stated goals and objectives. As a condition of this program, transactions are executed by Raymond James Financial Services, Inc. (RJFS), member FINRA/SIPC. Individuals who participate in the WRAP Program will receive the Form ADV Appendix 1 or equivalent wrap fee brochure provided by our firm. Fees for this service are disclosed in the fee schedule below.

### **Raymond James Consulting Services (RJCS)**

For separately managed accounts, our firm uses Raymond James Consulting Services (RJCS) as a sub-advisor in recommending, selecting, and monitoring one or more affiliated or unaffiliated sub-advisors with which RJCS has entered into a sub-advisory agreement. RJCS is a division of Raymond James and Associates, Inc. (RJA), a registered investment adviser, and offers a bundled asset-based fee schedule.

Our firm will select the appropriate portfolio manager(s) on the RJCS platform, based upon your financial needs and investment objectives. RJCS also establishes custodial facilities, monitors performance of portfolio managers, provides you with performance accounting and other administrative services, and assists portfolio managers with certain trading activities.

### **Outside Managers Program**

As part of our portfolio management services, we may use one or more sub-advisers to manage a portion of your account on a discretionary basis. The sub-adviser(s) may use one or more of their model portfolios to manage your account. We will regularly monitor the performance of your accounts managed by sub-adviser(s), and may hire and fire any sub-adviser without your prior approval. Our ability to hire and fire sub-advisers on your behalf is based on you granting our firm discretionary authority, which is typically granted by the investment advisory agreement you sign with our firm, a power of attorney, or trading authority forms.

We may offer you access to certain third-party investment advisers ("Outside Manager(s)") to manage a portion of, or your entire, portfolio. All Outside Managers to whom we refer you to must be registered, notice filed, or exempt from registration in the jurisdiction where you reside. Additionally, such managers must utilize Raymond James Financial Services, Inc. (RJFS) for brokerage services.

After gathering information about your financial situation and investment objectives, an Associated Person of our firm will assist you in selecting a particular Outside Manager. In addition to evaluating and recommending Outside Managers to you, we will review reports provided to you by the Outside Manager(s). Additionally, our firm will contact you periodically to review your financial situation and objectives, communicate information to the Outside Manager as warranted, and assist you in understanding and evaluating the services provided by the Outside Manager. You are reminded to promptly notify our firm of any material change in your financial situation, investment objectives, or account restrictions.

The Outside Manager (s) will actively manage the client's portfolio and will assume investment discretionary and trading authority over the managed account. For certain clients, our firm may assume discretionary authority to hire and / or terminate Outside Manager(s) or to reallocate that client's assets to other Outside Manager (s).

If you are referred to an Outside Managers you will receive full disclosure that includes detailed information on the services rendered, at the time of the referral, by delivery of a copy of the relevant Outside Manager's Form ADV Part 2 or equivalent disclosure document. In addition, if the investment program recommended to you is a wrap fee program, you will also receive the Appendix 1 or equivalent wrap fee brochure provided by the sponsor of the program. Our firm will provide to you all appropriate disclosure statements, including disclosure of fees paid to us, our Associated Persons and the Outside Managers.

## **Educational Seminars**

Our firm may conduct speaking engagements and educational seminars for a fee. We generally provide these types of seminars to companies, associations, clubs, and other business or non-profit entities. The topics may include issues related to asset/wealth management services, such as financial planning, investment planning, retirement planning, and/or various other economic and investment topics. In limited circumstances, we may waive the fee.

The information covered in a seminar is not based on the individual needs of the attendees. Our firm does not provide investment advice to attendees unless engaged independently, and only where the attendee's individualized financial information, investment goals, and objectives are provided.

## **Pension Consulting Services**

We offer various levels of advisory and consulting services to employee benefit plans ("Plan") and to the participants of such plans ("Participants"). The services are designed to assist plan sponsors in meeting their management and fiduciary obligations to Participants under the Employee Retirement Income Securities Act ("ERISA"). Pursuant to adopted regulations of the U.S. Department of Labor, we are required to provide the Plan's responsible plan fiduciary (the person who has the authority to engage us as an investment adviser to the Plan) with a written statement of the services we provide to the Plan, the compensation we receive for providing those services, and our status.

The pension-consulting services we provide to employee benefits plans and their fiduciaries are based upon an analysis of the needs of the Plan. In general, these services may include the selection of the Plan, an existing plan review, formation of the investment policy statement, asset allocation advice, and/or communication and education services where we will assist the Plan sponsor in providing meaningful information regarding the retirement plan to its participants.

Level Paths, LLC is a state registered investment adviser and represents that it is not subject to any disqualification as set forth in Section 411 of ERISA.

All employee benefit plans are regulated under the Employee Retirement Income Securities Act ("ERISA"). We will provide consulting services to the plan fiduciaries as described above. Typically, the named plan fiduciary must make the ultimate decision as to retaining the services of such investment advisers as we may recommend. The plan fiduciary is free to seek independent advice about the appropriateness of any recommended services for the plan. In performing fiduciary services, we are acting either as a non-discretionary fiduciary of the Plan as defined in Section 3(21) under ERISA, or as a discretionary fiduciary of the plan as defined in Section 3(38) under ERISA, as set forth in the arrangement with each Plan sponsor.

We may also assist with participant enrollment meetings and provide investment-related educational seminars to plan participants on such topics as:

- Diversification
- Asset allocation
- Risk tolerance
- Time horizon

Our educational seminars may include other investment-related topics specific to the particular plan.



## **Types of Investments**

We primarily offer advice on equity securities, warrants, corporate debt securities, certificates of deposit, municipal securities, investment company securities, U.S. Government securities, and options contracts on securities. Additionally, we may recommend other types of investments since each client has different needs and different tolerances for risk. We may also advise you on any type of investment held in your portfolio at the inception of our advisory relationship, or on specific types of investments at your request.

You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

In general, we manage wrap fee accounts on a discretionary basis based on a long-term investment strategy. However, we manage non-wrap fee accounts on either a discretionary or a non-discretionary basis, and may include a short-term investment strategy in managing this type of account. A long-term investment strategy will typically involve investing in securities that are anticipated to grow in value over a relatively long period of time. On the other hand, a short-term investment strategy will typically involve purchasing and selling securities within a relatively short period of time based on these securities' short-term price fluctuations.

If you participate in our wrap fee program, we will provide you with a separate Wrap Fee Program Brochure (Appendix 1) explaining the program and costs associated with the program.

## **Assets Under Management**

As of December 31, 2017, we provide continuous management services for \$41,140,150 in client assets on a discretionary basis, and \$59,076 in client assets on a non-discretionary basis.

## **Item 5 Fees and Compensation**

### **Financial Planning Services**

We utilize the following financial planning fee schedules for all clients, subject to negotiation, depending on the nature, complexity and time involved in providing you with the requested services.

**Fixed Fees:** We will charge a fixed fee that ranges between \$250.00 and \$5,000 for a financial plan. *In limited circumstances*, the total cost could potentially exceed \$5,000. In such cases, we will notify you in advance and may request that you pay us an additional fee.

Fees for Customized Services Packages described in Item 4 are:

- Level 1: \$500 minimum annual retainer fee
- Level 2: \$1,000 minimum annual retainer fee
- Level 3: \$1,500 minimum annual retainer fee
- Level 4: \$2,000 minimum annual retainer fee

Financial planning fees are payable upon execution of the financial planning agreement. Alternately, we may require that you pay an initial retainer of 50% of the estimated financial planning or consulting fee in advance of any services rendered with the remaining balance payable upon completion of the contracted services. Under no circumstance will we require prepayment of a fee more than six months in advance and in excess of \$500. If you request a specific hourly consultation, the entire fee will be payable upon completion of the service.

**Hourly Fees:** We charge an hourly fee of \$250 for individuals who request specific services and do not desire a written financial plan or retainer services.

When the scope of the financial planning services has been agreed upon, a determination will be made as to the applicable fee. The final fee shall be directly dependent upon the facts and circumstances of your financial situation and the complexity of the financial plan or service requested. For example, fees for individual clients are likely to be less than fees for corporate clients due to a greater degree of complexity in general. An estimate of the total cost will be determined at the start of the advisory relationship. Financial planning fees are payable upon execution of the financial planning agreement. Alternately, we may require that you pay an initial retainer of 50% of the estimated financial planning or consulting fee in advance of any services rendered with the remaining balance payable upon completion of the contracted services. Under no circumstance will we require prepayment of a fee more than six months in advance and in excess of \$500. If you request a specific hourly consultation, the entire fee will be payable upon completion of the service.

In our discretion, we may waive or offset a portion of the financial planning fee by commissions earned by an Associated Person for the sale of insurance products in their separate capacities as insurance agents.

You may terminate the financial planning agreement by providing us with written notice. You will incur a pro rata charge for services rendered prior to the termination of the agreement. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Unless you received our disclosure brochure at least 48 hours prior to signing the advisory or planning agreement, the agreement may be terminated within five (5) business days without incurring advisory fees or penalties.

### **Portfolio Management Services**

The annual fee for portfolio management services is billed quarterly in advance based on the market value of your assets on the last day of the preceding month. Fees will be assessed pro rata in the event the asset management agreement is executed at any time other than the first day of a calendar month; provided, however, fees shall not be prorated for deposits or withdrawals in excess of \$10,000 (in the aggregate) during in a billing period. On an annualized basis, our fees for ongoing portfolio management services. Certain clients may be using a wrap fee program. New clients are not solicited to invest using a wrap fee program.

Fees for Portfolio Management Services (non-wrap) are as follows:

<b>Equity and Balanced Accounts</b>	
<b>Portfolio Size</b>	<b>Annualized Fee</b>
\$0 to \$500,000	1.25%
\$500,001 to \$1,000,000	1.00%
Accounts over \$1,000,000	0.80%

<b>Fixed Income Portfolios</b>	
<b>Portfolio Size</b>	<b>Annualized Fee</b>
\$0 to \$500,000	0.80%
\$500,001 to \$1,000,000	0.70%
Accounts over \$1,000,000	0.60%
Accounts over \$10,000,000	0.30%

Fees for Wrap Fee Portfolio Management Services are as follows:

<b>Equity and Balanced Accounts</b>	
<b>Portfolio Size</b>	<b>Annualized Fee</b>
\$0 to \$500,000	1.50%
\$500,001 to \$1,000,000	1.25%
Accounts over \$1,000,000	1.00%

<b>Fixed Income Portfolios</b>	
<b>Portfolio Size</b>	<b>Annualized Fee</b>
\$0 to \$500,000	1.20%
\$500,001 to \$1,000,000	0.90%
Accounts over \$1,000,000	0.70%
Accounts over \$10,000,000	0.50%

The Fee charged to the account is negotiable and is set forth in the portfolio management services agreement ("Agreement"). Upon entering into the Agreement, you will need to open a brokerage account with an independent and unaffiliated brokerage firm, such as RJFS. The brokerage firm will provide you with securities custodial and execution services. Our firm shall never have custody of your funds or securities. We do not impose a minimum to open and maintain an advisory account however some of the programs offered through Raymond James do impose a minimum.

Payment for management fees will be made by the qualified custodian holding your funds and securities provided that you grant written authorization permitting the fees to be paid directly from your account. Our firm will not have access to your funds for payment of fees without your granting such consent in writing. Further, the qualified custodian agrees to deliver a monthly account statement directly to you showing all disbursements from the account. You are encouraged to review your account statements for accuracy. We will receive a duplicate copy of the statement that was delivered to you.

Either our firm or you may terminate the management agreement upon 30 days' written notice to the other. All prepaid fees for the month in which the cancellation notice is given will be returned to you.

Unless you received the firm's disclosure brochure at least 48 hours prior to signing the advisory or planning agreement, the agreement may be terminated within five (5) business days without incurring advisory fees or penalties.

### **Raymond James Consulting Services (RJCS)**

The fees payable to our firm are as follows:

<b>Equity and Balanced Accounts</b>	
<b>Portfolio Size</b>	<b>Annualized Fee</b>
\$0 to \$500,000	1.40%
\$500,001 to \$1,000,000	1.20%
Accounts over \$1,000,000	0.95%

<b>Fixed Income Accounts</b>	
<u>Portfolio Size</u>	<u>Annualized Fee</u>
First \$500,000	0.45%
Next \$1,500,000	0.35%
Next \$8,000,000	0.25%
Accounts over \$10,000,000	0.20%

Annual fees for RJCS are as follows:

<b>Equity and Balanced Accounts</b>	
<u>Account Size</u>	<u>Management Fees</u>
First \$500,000	0.80%
Next \$500,000	0.70%
Assets Over \$1,000,000	0.65%
<u>Account Size</u>	<u>Administrative Fees</u>
First \$200,000	0.15%
Next \$1,800,000	0.10%
Assets Over \$2,000,000	0.05%
<u>Account Size</u>	<u>Clearing Fees</u>
First \$200,000	0.25%
Next \$300,000	0.15%
Next \$500,000	0.10%
Assets Over \$1,000,000	0.05%

<b>Fixed Income</b>	
<u>Account Size</u>	<u>Management Fees</u>
First \$500,000	0.50%
Next \$1,500,000	0.40%
Next \$8,000,000	0.35%
Assets Over \$10,000,000	0.30%
<u>Account Size</u>	<u>Administrative Fees</u>
First \$200,000	0.15%
Next \$1,800,000	0.10%
Assets Over \$2,000,000	0.05%
<u>Account Size</u>	<u>Clearing Fees</u>
First \$200,000	0.15%
Next \$300,000	0.10%
Assets Over \$500,000	0.05%

The management fee is paid to our firm as advisor, RJCS as sub advisor and the underlying portfolio manager. The administrative and clearing fees are paid to RJA, as broker. As an alternative to the administrative and clearing fees, you may pay a commission to RJFS, as broker. You may also incur charges for other account services provided by RJA not directly related to the execution and clearing of transactions including, but not limited to, IRA custodial fees, safekeeping fees, and fees for legal or courtesy transfers of securities.

RJA negotiates with portfolio manager the management fee payable to portfolio manager, based on factors including, but not limited to, the portfolio manager's assets under management in the RJCS program, average number of portfolio holdings, average annual turnover, anticipated sales and administrative service levels, among others. The fee payable to portfolio managers is typically 0.40% - 0.50% for equity and balanced accounts, and 0.25% - 0.30% for fixed income accounts, but may be lower due to incremental rate negotiation. Although the basis of RJCS' recommendation of portfolio manager is not based on this negotiated management fee, a conflict may exist due to the potential incentive RJCS may have to recommend a portfolio manager(s) with a lower management fee.

The annual asset-based fee is paid quarterly in advance. When an account is opened, the asset-based fee is billed for the remainder of the current billing period and is based on the initial contribution. Thereafter, the quarterly asset-based fee is paid in advance, is based on the account asset value on the last business day of the previous calendar quarter, and becomes due the following business day. You will need to authorize and direct RJA as Custodian to deduct asset-based fees from your account. You will also need to authorize and direct the Custodian to send a quarterly statement to you, which shows all amounts disbursed from your account, including fees paid to RJA.

The brokerage statement will show the amount of the asset-based fee, the value of the assets on which the fee was based, and the specific manner in which the fee was calculated. Should you transfer management duties from one portfolio manager to another portfolio manager within RJCS platforms, any prepaid asset-based fees will be reimbursed for the period not utilized by the previous portfolio manager and billed for the remainder of the period for the newly designated portfolio manager.

Accounts are subject to a minimum quarterly fee of \$375. There generally is a minimum investment of \$100,000 for all equity and balanced accounts, and \$250,000 for most fixed income accounts, although smaller accounts may be accepted based upon the specific circumstances of an account.

The Advisory Agreement is between our firm, RJCS/RJA, and you, and there is no direct agreement between the underlying portfolio manager and you.

### **Outside Managers Program**

Advisory fees charged by Outside Manager(s) are separate and apart from our advisory fees. Advisory fees that you pay to the Outside Manager(s) are established and payable in accordance with the disclosure brochure provided by each Outside Manager(s) to whom you are referred. These fees may or may not be negotiable. You should review the recommended Outside Manager(s)'s disclosure brochure and take into consideration the Outside Manager(s) fees along with our fees to determine the total amount of fees associated with this program.

You will be required to sign an agreement directly with the recommended Outside Manager(s). You may terminate your advisory relationship with the Outside Manager(s) according to the terms of your agreement with the Outside Manager(s). You should review each Outside Manager(s)'s disclosure brochure for specific information on how you may terminate your advisory relationship with the Outside Manager and how you may receive a refund, if applicable. You should contact the Outside Manager(s) directly for questions regarding your advisory agreement with the Outside Manager(s).

The fees payable to our firm are as follows:

<b>Equity and Balanced Accounts</b>	
<b>Portfolio Size</b>	<b>Annualized Fee</b>
\$0 to \$500,000	1.75%
\$500,001 to \$1,000,000	1.40%
Accounts over \$1,000,000	1.10%
<b>Fixed Income Accounts</b>	
<b>Portfolio Size</b>	<b>Annualized Fee</b>
First \$500,000	0.75%
Next \$1,500,000	0.50%
Next \$8,000,000	0.35%
Accounts over \$10,000,000	0.30%

The Outside Manager will be compensated pursuant to an agreement between you and the Outside Manager. Asset management fees for the Outside Managers' advisory services are paid directly to the Outside Manager which are established and payable in accordance with the Form ADV Part 2 or other equivalent disclosure document provided by each Outside Manager to whom you are referred. Our firm will have the ability to negotiate the Outside Manager's asset management fee directly with the Outside Manager.

In some circumstances, we may share in the advisory fee paid to the Outside Manager for asset management services. Under these circumstances, our firm will waive its management fees for those assets.

You or the Outside Manager, in accordance with the provisions of the agreement entered into by you directly with the Outside Manager, may terminate the advisory relationship with the Outside Manager. In addition, our firm may terminate the advisory relationship with the Outside Manager on your behalf if granted such power by you. If the Outside Manager is compensated in advance, you will typically receive a pro rata refund of any prepaid advisory fees upon termination of the agreement.

### **Educational Seminars**

Our firm may conduct speaking engagements and educational seminars for a fee which is negotiated on a case-by-case basis. Normally, the fixed fee ranges from \$750 to \$5,000 with travel expenses charged separately unless negotiated as part of the overall fee. The fee is based on the length of the seminar, location, number of attendees, and whether or not the company or employer hiring us for the engagement is an existing client. In limited circumstances, we may waive the fee.

### **Pension Consulting Services**

Your fee-paying arrangements will be determined on a case-by-case basis and will be detailed in the advisory agreement. Our firm may either be compensated on a basis of assets under management (especially if the assets are managed by our firm - see the fee schedules above regarding types of programs available), a fixed fee (used most often if the assets are managed outside our firm) or a combination of fee arrangements based on the complexity and size of the plan, the number of participants, the level of services required, and our agreement with you. Examples of the fixed fees are: Business Needs Analysis which is a minimum of \$500 and includes the recommendation of a

qualified plan that fits your business. Employee Education is generally \$25 per employee with a \$350 minimum for providing education to employees regarding the company sponsored plan. You may request a quote for our services in advance, free of charge.

In any case, our firm will not have access to your funds for payment of fees without your written consent. We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan or Participants, unless the plan sponsor directs us to deduct our fee from the plan or directs the plan record-keeper to issue payment for our fee out of the plan. If we receive any other compensation for such services, we will (i) offset the compensation against our stated fees, and (ii) we will promptly disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

The terms regarding payment of fees and refunds can be found in the related sections above. Either party may terminate the contract upon a 30 day written notice to the other party.

Unless you received the firm's disclosure brochure at least 48 hours prior to signing the advisory or planning agreement, the agreement may be terminated within five (5) business days without incurring advisory fees or penalties.

### **Wrap Fee Program**

Wrap Fees accounts are offered on a limited basis. Transactions for your account may be executed by Raymond James and Associates, Inc. a securities broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation or other broker dealers. To compare the cost of the wrap fee program with non-wrap fee portfolio management services, you should consider the frequency of trading activity associated with our investment strategies and the brokerage commissions charged by Raymond James and Associates, Inc, or other broker-dealers, and the advisory fees charged by investment advisers.

### **Additional Fees and Expenses**

In addition to, and exclusive of, our investment advisory fees disclosed under the *Advisory Business* section above, you will also be charged brokerage commissions, transaction fees, and other related costs and expenses for trade execution. These transaction charges are paid to, and retained by, the account custodian for its clearance and execution services. We do not receive any portion of these commissions, fees, or costs. For information on our brokerage practices, please refer to the "Brokerage Practices" section below of this Disclosure Brochure.

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this Brochure.

We may trade client accounts on margin. Fees for advice and execution on these securities are based on the total asset value of the account, which includes the value of the securities purchased on margin. While a negative amount may show on a client's statement for the margined security as the result of a lower net market value, the amount of the fee is based on the absolute market value. This could create

a conflict of interest where we may have an incentive to encourage the use of margin to create a higher market value and therefore receive a higher fee. The use of margin may also result in interest charges in addition to all other fees and expenses associated with the security involved.

Retirement Plans and Plan Participants - We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan or Participants.

### **Compensation for the Sale of Other Investment Products**

Persons providing investment advice on our behalf are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents may have an incentive to recommend insurance products to you for the purpose of generating commissions. However, you are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

Any material conflicts of interest between you and our firm, or our employees are disclosed in this Disclosure Brochure. If at any time, additional material conflicts of interest develop, we will provide you with written notification of the material conflicts of interest or an updated Disclosure Brochure.

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

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of a capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## **Item 7 Types of Clients**

We offer investment advisory services to individuals, banks and thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

Level Paths generally does not impose a minimum to open and maintain an advisory account.

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

### **Our Methods of Analysis and Investment Strategies**

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- Charting Analysis - involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends.



- **Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.
- **Technical Analysis** - involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.
- **Cyclical Analysis** - a type of technical analysis that involves evaluating recurring price patterns and trends.
- **Values-Based Analysis** - involves analyzing individual companies and their business practices including processes, products, and corporate citizen priorities. With this analysis we strive to produce an assessment regarding a company's propensity for adding value to their various constituencies beyond just shareholders. The assessment serves two purposes. First, it is combined with financial analyses to prioritize investment candidates for selection by Level Paths, and second, it is done in concert with any priorities or restrictions from our clients' values-based profile(s). The methodology for this moral audit is provided upon request to all applicable clients.
- **Long Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- **Short Term Purchases** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short term price fluctuations.
- **Short Sales** - a securities transaction in which an investor sells securities he or she borrowed in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future. A short seller will profit if the stock goes down in price.
- **Margin Transactions** - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.
- **Options Trading/Writing**: a securities transaction that involves buying or selling (writing) an option. If you write an option, and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the expiration of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

### **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will use the FIFO accounting method as the default method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right

choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

### **Recommendation of Particular Types of Securities**

As disclosed under the "Advisory Business" section in this Brochure, we primarily recommend the following types of securities; equity securities, warrants, corporate debt securities, certificates of deposit, municipal securities, investment company securities, U.S. Government securities, and options contracts on securities; however, we may recommend other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to: the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

Certificates of deposit are generally the safest type of investment since they are insured by the federal government. However, because the returns are generally very low, it's possible for inflation to outpace the return. Likewise, US Government securities are backed by the full faith and credit of the United States government but it's also possible for the rate of inflation to exceed the returns.

Municipal securities, while generally thought of as safe, can have significant risks associated with them including, but not limited to: the credit worthiness of the governmental entity that issues the bond; the stability of the revenue stream that's used to pay the dividends; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same dividend.

Mutual funds and exchange traded funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. The fund will have a

manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. Exchange traded funds differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely which can dilute other investors' interests.

Options and warrants give an investor the right to buy or sell a stock at some future time at a set price. Options are complex investments and can be very risky, especially if the investor does not own the underlying stock. In certain situations, an investor's risk can be unlimited. The main difference between warrants and call options is that warrants are issued and guaranteed by the issuing company, whereas options are traded on an exchange and are not issued by the company. Also, the lifetime of a warrant is often measured in years, while the lifetime of a typical option is measured in months.

## **Item 9 Disciplinary Information**

Our firm has been registered and providing investment advisory services since 2009. Neither our firm nor any of our associated persons has any reportable disciplinary information.

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

In addition to being registered as an Associated Person of our firm, Mark Riefer is also licensed as an insurance agent. Mr. Riefer will earn commission-based compensation for selling insurance products, including insurance products he sells to you. Insurance commissions earned by our Associated Persons are separate from our advisory fees. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by insurance agents who are affiliated with our firm. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents may have an incentive to recommend insurance products to you for the purpose of generating commissions. However, you are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

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

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Our Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting Mark Riefer at telephone number 573.426.5570.

### **Participation or Interest in Client Transactions - Personal Trading Practices**

Our firm or Associated Persons of our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities.

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). Please refer to the "Brokerage Practices" section in this Brochure for information on our block trading practices.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities.

## **Item 12 Brokerage Practices**

Our firm may recommend that you establish a brokerage accounts with Raymond James Financial Services, Inc. (RJFS), a FINRA member. RJFS provides our firm with access to its institutional trading and operations services, which typically are not available to RJFS retail customers. These services are generally available, without cost, to financial advisory firms who maintain a minimum threshold of investor assets with RJFS.

Raymond James & Associates, Inc.'s (RJA), a corporate affiliate of RJFS and member of the New York Stock Exchange and the Securities Investor Protection Corporation, acts as the clearing agent in the execution of securities transactions placed through RJFS. Our firm has retained and will compensate RJFS and or RJA to provide various administrative services which include determining the fair market value of assets held in the account at least quarterly and producing a brokerage statement and performance reporting for your account detailing account assets, account transactions, receipt and disbursement of funds, interest and dividends received, and account gain or loss by security as well as for the total account.

### **Directed Brokerage**

In limited circumstances and at our discretion, some investors may instruct us to use one or more particular brokers for the transactions in their accounts. Those investors who may want to direct us to use a particular broker should understand that this may prevent us from effectively negotiating brokerage compensation on their behalf and may prevent our firm from obtaining the most favorable net price and execution. Moreover, investors that direct brokerage may incur additional costs for performance reporting. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that they will obtain through their broker are adequately favorable in comparison to those that our firm would otherwise obtain for you.

### **Block Trades**

We combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares

purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

## **Item 13 Review of Accounts**

### **Review of Accounts/Reports to Clients**

Client accounts are monitored on a continuous basis, with a formal review conducted at least annually. Mark Riefer, Managing Member/CCO or the advisory representative assigned to the account will conduct the review. The calendar is the triggering factor for reviews.

For those investors that retain our firm for financial planning only, and do not implement the financial plan through our firm, reviews and updates to a financial plan are provided at your request, and may be subject to an additional fee. Such arrangements will be negotiated in advance of services rendered.

The custodian holding your funds and securities will send you a confirmation of every securities transaction in your account(s), and a brokerage statement at least quarterly. Our firm will provide reports to you on an as needed basis. Such reports may include information about accounts that are not directly managed by our firm.

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

### **Additional Compensation**

Services provided by Raymond James Financial Services, Inc., to our firm including mutual fund research, third-party research, and Raymond James & Associates, Inc.'s (RJA) proprietary research), brokerage, custody, and access to mutual funds and other investments that are available only to institutional investors or would require a significantly higher minimum initial investment. In addition, Raymond James Financial Services, Inc., makes available software and other technologies that provide access to your account data (such as trade confirmations and account statements), facilitate trade execution, provide research, pricing information, quotation services, and other market data, assist with contact management, facilitate payment of fees to our firm from your account(s), assist with performance reporting, facilitate trade allocation, and assist with back-office support, record-keeping, and account reporting. Raymond James Financial Services, Inc., also provides access to financial planning software, practice management consulting support, best execution assistance, consolidated statements assistance, educational and industry conferences, marketing and educational materials, technological and information technology support, and Raymond James Financial Services, Inc., corporate discounts. Many of these services may be used to service all or a substantial number of our accounts, including accounts not maintained at Raymond James Financial Services, Inc.

Raymond James Financial Services, Inc., may provide financial assistance to our firm by establishing forgivable and repayable loan programs. Loan amounts are normally intended to assist us with start-up costs, including rent, overhead expenses, computers, monies owed to third parties, and similar costs. Under the Raymond James Financial Services, Inc., forgivable loan program, such loans normally become forgivable when a minimum of eighty percent (80%) of a pre-negotiated amount of our clients establish and continuously maintain accounts with Raymond James Financial Services, Inc., (or its affiliates as agreed between Raymond James Financial Services, Inc., and our firm for at least three years. The terms of the Raymond James Financial Services, Inc., forgivable loan program are negotiable. The terms of the Raymond James Financial Services, Inc., repayable loan program are normally competitive with interest rates offered within the securities industry, including margin loan

interest rates. Raymond James Financial Services, Inc., repayable loans normally range from one (1) to three (3) years. However, the terms of the Raymond James Financial Services, Inc., repayable loan program are negotiable. Clearing and custodial arrangements with Raymond James Financial Services, Inc., Raymond James & Associates, or any other Raymond James Financial Services, Inc., affiliates as described herein do not and will not in any way affect, or relate or pertain to, the Raymond James Financial Services, Inc., forgivable or repayable loan programs.

Raymond James Financial Services, Inc., may also provide our firm with other services intended to help the us manage and further develop our business enterprise, including assistance in the following areas: consulting, publications and presentations, information technology, business succession, and marketing. In addition, Raymond James Financial Services, Inc., may make available or arrange and/or pay for these types of services provided by independent third parties, including regulatory compliance.

Raymond James Financial Services, Inc. is recognized as a full-service registered broker-dealer and registered investment adviser. We have no formal relationship with Raymond James Financial Services, Inc., for client referrals and receives no compensation from Raymond James Financial Services, Inc., (other than the services and arrangements described herein) for accounts opened by our clients. On an informal basis, Raymond James Financial Services, Inc. occasionally may make referrals to us as a courtesy or accommodation. Nothing of value, monetary or otherwise, is given, paid, or received in exchange for such referrals.

Associated Persons of our firm may sell insurance products, including, but not limited to, life, health, and long-term care products, and will receive additional compensation, in the form of commissions, on the sale of such products.

As part of its fiduciary duties to our clients, we endeavor at all times to put the interests of our advisory clients first. However, you should be aware that the receipt of economic benefits by our firm or its related persons in and of itself creates a potential conflict of interest.

### **Compensation for Client Referrals**

We directly compensate non-employee (outside) consultants, individuals, and/or entities (Solicitors) for client referrals. In order to receive a cash referral fee from our firm, Solicitors must comply with the requirements of the jurisdictions in which they operate. If you were referred to our firm by a Solicitor, you should have received a copy of this Disclosure Brochure along with the Solicitor's disclosure statement at the time of the referral. If you become a client, the Solicitor that referred you to our firm will receive a percentage of the advisory fee you pay our firm for as long as you are a client with our firm, or until such time as our agreement with the Solicitor expires or a one-time, flat referral fee upon your signing an advisory agreement with our firm. You will not pay additional fees because of this referral arrangement. Referral fees paid to a Solicitor are contingent upon your entering into an advisory agreement with our firm. Therefore, a Solicitor has a financial incentive to recommend our firm to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms.

Solicitors that refer business to more than one investment adviser may have a financial incentive to recommend advisers with more favorable compensation arrangements. We request that our Solicitors disclose to you whether multiple referral relationships exist and that comparable services may be available from other advisers for lower fees and/or where the Solicitor's compensation is less favorable.

## **Item 15 Custody**

We directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact Mark Riefer, Managing Member and Chief Compliance Officer at 573.426.5770.

## **Item 16 Investment Discretion**

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement, a power of attorney, and/or trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s).

## **Item 17 Voting Client Securities**

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

## **Item 18 Financial Information**

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$500 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

## **Item 19 Requirements for State Registered Advisers**

Refer to the Part(s) 2B for background information about management personnel and those giving advice on behalf of our firm.

Our firm is not actively engaged in any business other than giving investment advice.

Neither our firm, nor any persons associated with our firm are compensated for advisory services with performance-based fees. Please refer to the "Performance-Based Fees and Side-By-Side Management" section above for additional information on this topic.

Neither our firm, nor any of our management persons have any reportable arbitration claims, civil, self-regulatory organization proceedings or administrative proceedings.

Neither our firm, nor any of our management persons have a material relationship or arrangement with any issuer of securities.

## **Item 20 Additional Information**

### **Your Privacy**

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact Mark Riefer, Managing Member and Chief Compliance Officer at 573.426.5770 if you have any questions regarding this policy.

### **Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, you will keep the profit.





**Mark T. Riefer**

**Level Paths, LLC**

**619 Pine Street  
Suite B  
Rolla, MO 65401**

**Telephone: 573.426.5770**

**February 9, 2011**

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

**This brochure supplement provides information about Mark T. Riefer that supplements the Level Paths, LLC brochure. You should have received a copy of that brochure. Please contact Mark T. Riefer, Managing Member and Chief Compliance Officer if you did not receive Level Paths, LLC's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Mark T. Riefer is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 Educational Background and Business Experience**

### **Mark T. Riefer**

*Year of Birth:* 1964

*Formal Education after High School:*

- Bowling Green State University, B.S., History, Mathematics, 1988.

*Business Background for the Previous Five Years:*

- Level Paths LLC, Managing Member/CCO, 02/2009 to Present.
- Wachovia Securities, LLC, Branch Manager, Registered Representative/Investment Adviser Representative, 01/2008 to 02/2009.
- A.G. Edwards & Sons, Inc., Branch Manager, Registered Representative/Investment Adviser Representative, 02/1999 to 01/2008.

## **Item 3 Disciplinary Information**

Mark Riefer does not have, nor has he ever had, any disciplinary information.

## **Item 4 Other Business Activities**

In addition to being registered as an Associated Person of Level Paths, Mark Riefer is also licensed as an insurance agent. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents may have an incentive to recommend insurance products to you for the purpose of generating commissions. However, you are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

## **Item 5 Additional Compensation**

In addition to being registered as an Associated Person of Level Paths, Mr. Riefer is also licensed as an insurance agent. Mr. Riefer will earn commission-based compensation for selling insurance products, including insurance products that he sells to you. Insurance commissions earned by these persons are separate from the fees our firm charges. Please see the "Fees and Compensation" section in The Level Paths, LLC Part 2 Brochure for more information on the compensation received by insurance agents who are affiliated with our firm.

## **Item 6 Supervision**

Mark Riefer is the Managing Member and Chief Compliance officer of Level Paths, LLC. As such he is responsible for supervising the activities of our firm. Our firm has developed Written Supervisory Policies and procedures which we follow that address his supervisory responsibilities. Our firm maintains the net capital requirement required by the State of Missouri and is subject to periodic examinations by the Securities Division of the State of Missouri.

Mr. Riefer can be reached at the address and telephone number found on the cover page of this Part 2B Brochure.

## **Item 7 Requirements for State-Registered Advisers**

Mark Riefer does not have any reportable arbitration claims, has not been found liable in a reportable civil, self-regulatory organization proceeding or administrative proceeding, and has not been the subject of a bankruptcy petition.