



## Statement of Investment Selection & Separate Fee Disclosure for Self-Directed Brokerage Accounts (SDBA) - Strategy PLUS

### ACCOUNT / CLIENT INFORMATION

<i>Client Name, First M.I. Last</i>		<i>Client SSN</i>	
<i>Account # (if available)</i>		<i>Estimated Account Value \$</i>	
<i>Plan Name</i>	<i>Plan Number</i>	<i>Registration Type:</i> <input type="checkbox"/> 401(k) <input type="checkbox"/> 403(b) <input type="checkbox"/> 457 <input type="checkbox"/> 401(a) <input type="checkbox"/> Roth 401(k) <input type="checkbox"/> Roth 403(b) <input type="checkbox"/> Roth 457 <input type="checkbox"/> Other _____	
<i>Financial Adviser Name:</i>		<i>Introducing firm</i>	
<b>CUSTODIAN/ADMINISTRATOR:</b>			
<input type="checkbox"/> Aspire	<input type="checkbox"/> Fidelity	<input type="checkbox"/> TIAA-CREF Brokerage <sup>1</sup>	
<input type="checkbox"/> Charles Schwab	<input type="checkbox"/> Alight (formerly Hewitt) <sup>1</sup>	<input type="checkbox"/> Prudential Brokerage	
<input type="checkbox"/> Empower <sup>1</sup>	<input type="checkbox"/> TD Ameritrade	<input type="checkbox"/> Other	
<sup>1</sup> \$10,000 account minimum for SDBA accounts held at Empower, Alight, and TIAA-CREF.			

### RISK PROFILE QUESTIONNAIRE & MODEL PORTFOLIO SELECTION



This questionnaire is designed to gather information to help identify your investment objectives, time horizon and investment risk profile, in order to assist you in selecting an appropriate model portfolio. The RPQ is not required if submitting a RiskPro Proposal.

**Instructions:** Select the answer that is most applicable to you. Once completed, a Risk Profile Score will be calculated for you. If you are completing the form manually, add the points in parenthesis assigned to each response. The total is your Risk Profile Score.

- 1) What is your age?
  - Over 66 (2.5)
  - 56-65 (5)
  - 45-55 (7.5)
  - Under 45 (10)
  
- 2) How much cash reserves do you have outside of your investment plan?
  - 3 months (2.5)
  - 6 months (5)
  - 9 months (7.5)
  - Over 12 months (10)
  
- 3) Indicate approximately how many years from today until you need to reach your primary investment goal?
  - Within 1 to 4 years (2.5)
  - Within 5 to 10 years (5)
  - Within 11 to 20 years (7.5)
  - More than 20 years (10)

- 4) Which of the following statements best describes your reaction if the value of your portfolio suddenly declined by 15%?
- I would be very concerned because I cannot accept fluctuations in the value of my portfolio (2)
  - I invest for long-term growth, and some income, but would be concerned about even a temporary decline (4)
  - I invest for long-term growth but would be very concerned if the downturn were more than 15% (6)
  - I invest for long-term growth and can accept some market fluctuation (8)
  - I invest for long-term growth and accept market fluctuations as normal market risk for an aggressive portfolio (10)
- 5) Which of the following statements most accurately reflects your feelings about the stock market?
- I am uncomfortable investing in the stock market and would prefer money markets for investments (2.5)
  - While I would like the ability to participate in the stock market, I prefer more conservative positions and want a sizable portion of my holdings to be in fixed incomes (5)
  - I want to participate in the stock market but prefer a mix of fixed incomes and growth-oriented equities (7.5)
  - I am committed to the stock market and am comfortable that, overtime, I should be rewarded for the extra risks involved in growth-oriented investing (10)
- 6) When do you plan to begin withdrawing money from your investments?
- Less than 3 years (2.5)
  - 3 to 5 years (5)
  - 6 to 10 years (7.5)
  - 11 years or more (10)
- 7) How optimistic are you about the long-term prospects for the economy?
- Pessimistic (2.5)
  - Unsure (5)
  - Somewhat optimistic (7.5)
  - Very optimistic (10)
- 8) How long are you prepared to wait for your account to return to its original value after a down market?
- Less than 18 months (2.5)
  - Between 18 months and two years (5)
  - Between two and three years (7.5)
  - More than three years (10)
- 9) Which of the following best describes your investment objectives?
- Preserving principal and earning a moderate amount of current income (0)
  - Generating a high amount of current income (2.5)
  - Generating some current income and growing my assets (5)
  - Moderately growing my assets (7.5)
  - Growing my assets substantially (10)
- 10) What is your current annual income requirement from this portfolio?
- More than 4% (2.5)
  - 2% to 4% (5)
  - 0% to 2% (7.5)
  - I don't need current income (10)

**Total Risk Score** \_\_\_\_\_

**MODEL PORTFOLIO SELECTION**

Risk Score	RiskPro® Tolerance Range*	Portfolio Risk Profile	Select only one Model Portfolio:
22 to 43.2	+/- 0.00% to +/- 12.00%	Conservative	Fidelity Institutional AM® Conservative ESG PLUS Conservative Target PLUS Conservative American Funds Conservative Focus Conservative Multi PLUS Conservative
43.3 to 53.2	+/-12.01% to +/-17.67%	Moderate Conservative	Fidelity Institutional AM® Moderate Conservative ESG PLUS Moderate Conservative Target PLUS Moderate Conservative American Funds Moderate Conservative Focus Moderate Conservative Meeder Moderate Conservative Multi PLUS Moderate Conservative
53.3 to 68.7	+/- 17.68% to +/- 26.51%	Moderate	Fidelity Institutional AM® Moderate ESG PLUS Moderate Target PLUS Moderate Index PLUS Moderate American Funds Moderate Focus Moderate Meeder Moderate Multi PLUS Moderate
68.8 to 84.3	+/- 26.52% to +/- 35.35%	Moderate Growth	Fidelity Institutional AM® Moderate Growth ESG PLUS Moderate Growth Target PLUS Moderate Growth Index PLUS Moderate Growth American Funds Moderate Growth Focus Moderate Growth Meeder Moderate Growth Multi PLUS Moderate Growth
84.4 to 100	+/- 35.36 to +/-44.20%	Aggressive	Fidelity Institutional AM® Aggressive ESG PLUS Aggressive Target PLUS Aggressive Index PLUS Aggressive American Funds Aggressive Focus Aggressive Multi PLUS Aggressive

**The Risk Profile for the model portfolio selected is different than the Risk Profile noted in the Risk Profile Questionnaire but is appropriate for the objectives for this account.**

**SPECIAL INSTRUCTIONS**

Please note below any special instructions or other limitations the Client wishes to place on this account. The Pacific Financial Group, Inc. ("TPFG") will use its best efforts to accommodate the Special Instructions. In the event TPFG is not able to accommodate the Special Instruction, TPFG in its sole discretion may resign from managing the account.

**Describe any special instructions that apply to TPFG's management of the Model Portfolio held in this account:**

## SEPARATE FEE DISCLOSURE

TPFG has entered into a written agreement with the Adviser's supervising firm ("Introducing Firm") whereby TPFG has agreed to pay the Adviser, via the Introducing Firm, the Adviser Fee for providing to the Client the Adviser Services identified in the Investment Management Agreement ("IMA"). Clients do not pay more on account of TPFG paying the Financial Adviser the Adviser Fee. TPFG and the Introducing Firm are not affiliated nor is the introducing firm a client of TPFG.

**Program Fees and Costs:** Model Portfolios for this Program are constructed using the Pacific Financial Mutual Funds ("Funds"), a family of mutual funds managed by Pacific Financial Group, LLC ("PFG"), an affiliate of TPFG. For advising and providing other services to the Funds, the Funds will pay PFG an advisory fee of up to 1.25% and an administrative service fee to TPFG of up to 0.70%. PFG may receive payments from one or more fund strategists when using the strategist's funds. Strategists payments will be used to offset the administrative service fee paid to TPFG. In addition, the Funds pay 0.10% to various custodial and brokerage platforms for Fund distribution and marketing ("Rule 12b-1 fees"). Neither TPFG, PFG nor the Adviser receives any portion of the 12b-1 fees. Fund expenses, excluding AFPE, will not exceed 1.99%. All fees are charged monthly against each of the Fund's average monthly net asset value ("NAV") and are indirectly paid by the Client who is also a shareholder of the Funds. Because these fees are assessed and paid by the Funds, the total fees and expenses paid by the Funds do not vary based on the amount or types of services rendered. Clients as shareholders of the Funds will pay these fees regardless. Accordingly, Client does not pay more for participating in the Program nor for compensating the Adviser. Client should review the Funds' prospectus for additional information relevant to the fees paid by the Funds. Please also review TPFG's Disclosure Brochure (Form ADV2). The prospectus and Disclosure Brochures are available at [www.tpfg.com](http://www.tpfg.com).

**Adviser Fee:** TPFG will pay to the Client's Financial Adviser as compensation for the Adviser Services an ongoing fee equal to 75 basis points (0.75%) of the Client's average account balance. The Adviser Fee is paid monthly from TPFG's own resources.

**Conflicts of Interest:** TPFG's receipt of fees from the PFG Funds creates a conflict of interest as TPFG has an incentive to select the PFG Funds for the fees paid to its affiliate. To mitigate this conflict, Clients that participate in the Program are not charged any additional advisory fees by TPFG and any fees received from the PFG funds are used to off-set any other fees the Client would otherwise pay to TPFG for servicing the Client's account. "The introducing firm's receipt of the Adviser Fee paid by TPFG directly to the adviser creates a conflict of interest as the introducing firm has an incentive to use TPFG over other firms that do not pay directly. This conflict is mitigated in that the fees received from TPFG are for services rendered by the adviser to the client and such fees would otherwise be paid by the client either directly to the adviser or by debiting the adviser's fee from the client's account."

**\*Tolerance Range Disclosure:** Tolerance Range represents the forward looking statistical probable range of the Model Portfolio's absolute returns based on the historical performance of the Model's underlying securities. The range illustrates the upper and lower limits of the Model Portfolio's risk tolerance as a percent of probable gain or loss. The range is hypothetical and inherently limited given it does not reflect fees, trading in actual accounts, economic or market conditions among other factors impacting TPFG's decision making. TPFG generally manages the models within the range of risk however there is no guarantee the range will not be exceeded. For the Aggressive Risk Profile the range is frequently less than 35.36%. All investments contain risk to include the total loss of invested principle.

### **CLIENT ACKNOWLEDGEMENT AND INSTRUCTIONS TO TPFG:**

By signing below, the undersigned Client(s) confirms that after reviewing the Program and the available Model Portfolios with the undersigned Financial Adviser, the model selected is consistent with the client's investment objectives, time horizon and risk level, and in the client's best interest. Client has been provided and has reviewed all appropriate disclosures to include Model fact sheets, TPFG's Form CRS, TPFG's disclosure brochure which further describes the programs and services offered by TPFG, as well as the prospectuses for the PFG funds which are used in constructing the Models. Client also acknowledges having received Introducing Firm's Form CRS, Form ADV Part 2A and Adviser's Form ADV Part 2B. Client has reviewed and received the Separate Fee Disclosure describing the Program Fees and expenses, and acknowledges the fees and expenses associated with the Program in most circumstances will exceed the fees and expenses associated with the investment options available in Client's retirement plan. Client has the option of ceasing participation in the Program and resuming participation in the investment menu offered by Client's retirement plan without penalty from TPFG. Client authorizes TPFG to allocate the selected Model to the account and to manage the Account in accordance with the terms and conditions as set forth in the IMA as may be amended from time to time.

Client Signature

Date

### **FINANCIAL ADVISER ACKNOWLEDGEMENT**

By signing below, I confirm that I am Client's Financial Adviser for this Account and that I provided Client with sufficient information for Client to understand the Program, fees and available Models. After reviewing the Program information with the Client and evaluating the Client's investment needs, time horizon, and risk appetite, the Model selected is appropriate for the Client. I have also provided the Client with all necessary disclosures to include without limitation, applicable prospectuses, TPFG's ADV 2A and B, and the Separate Fee Disclosure as incorporated in this document.

Financial Adviser Signature

Financial Adviser Name

Date

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