

## Item 1 – Cover Page

# Vita Planning Group LLC

This Brochure provides information about the qualifications and business practices of Vita Planning Group LLC (“VPG”). If you have any questions about the contents of this Brochure, please contact us at (650) 567-9300. 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.

Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about VPG also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

This is the initial publication of Vita Planning Group LLC. This Brochure, dated January 22, 2021, is a new document that describes the adviser's business. In the future, this section of the Brochure will discuss only the specific material changes that were made to the Brochure and will provide you with a summary of all material changes that have occurred since the last filing of this Brochure. This section will also identify the date of our last annual Brochure update. We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year end which is December 31. We will provide other ongoing disclosure information about material changes as they occur.

We will also provide you with information on how to obtain the complete brochure. Our Brochure may be requested by contacting Karl E. Hansen, Managing Member, at (650) 567-9300. Our Brochure is also available on our website at [www.vita401k.com](http://www.vita401k.com). Information about VPG is also available via the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's website also provides information about any persons affiliated with VPG who are registered, or are required to be registered, as investment adviser representatives of VPG.

## Item 3 – Table of Contents

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

Brochure Supplement(s)

## Item 4 – Advisory Business

Vita Planning Group LLC (“VPG”) is a Limited Liability Company located in and organized under the laws of the State of Washington. The firm is principally owned by Karl E. Hansen and Erik H. Hansen. Vita Planning Group LLC primarily offers its advisory services under the name Vita Planning Group LLC (“VPG”). Karl E. Hansen and Erik H. Hansen are also principal owners of Vita Insurance Associates, Inc. which operates in the Employee Benefits industry and shares some of its employees with VPG.

### I. Vita Planning Group LLC - Retirement Plan Advisory and Consulting Services

The following is a description of the advisory services offered by VPG:

VPG provides advisory services to retirement plans subject to the Employee Retirement Income Security Act of 1974 (“ERISA”), that are participant-directed defined contribution plans, such as 401(k) plans and 403(b) plans covered under ERISA (“ERISA Plan Clients”). VPG may also provide services to Section 457 plans and 403(b) plans not covered under ERISA (“non-ERISA Plan Clients”). Each ERISA Plan Client is required to enter into an investment advisory or management agreement with VPG describing the services that VPG will perform for the ERISA plan and its participants. VPG provides both ERISA fiduciary services and non-fiduciary services to ERISA Plan Clients. VPG enters into similar investment advisory or management agreements with non-ERISA Plan Clients, except that the references to ERISA rules described below do not apply in the case of services provided by VPG to non-ERISA Plan Clients.

#### ***ERISA Fiduciary Services:***

VPG provides ERISA fiduciary services either as a discretionary investment manager or a non-discretionary investment adviser. VPG provides similar fiduciary investment services to non-ERISA Plan Clients.

#### **Investment Management Services:**

VPG provides investment management services to Non-ERISA Plan Clients and to ERISA Plan Clients on a discretionary basis as an investment manager under ERISA Section 3(38) and in that capacity, VPG’s investment decisions are made in its sole discretion without the plan client’s prior approval. Each plan client who engages VPG to perform investment management services is required to enter into an investment management agreement.

VPG’s investment management services include developing and implementing an investment policy statement; selecting from a broad range of investment options consistent with ERISA Section 404(c); making decisions about the selection, retention, removal and addition of investment options; providing periodic reporting of investment performance and results; and if the ERISA Client has determined that the Plan should have a qualified default investment alternative (a “QDIA”) for participants who fail to make an investment election, selecting the investment(s) that will serve as a QDIA.

**Investment Advisory Services:**

VPG also provides 3(21) qualified retirement plan consulting investment advisory services on a nondiscretionary basis and in that capacity, the plan client retains, and exercises, final decision-making authority and responsibility for the implementation (or rejection) of VPG's recommendations or advice. Each plan client who engages VPG to perform nondiscretionary investment advisory services is required to enter into an investment advisory agreement. VPG's nondiscretionary investment advisory services include assisting the plan client in developing and implementing an investment policy statement; assisting the ERISA Plan Client in selecting from a broad range of investment options consistent with ERISA Section 404(c); assisting the plan client in making decisions about the selection, retention, removal and addition of investment options, meeting periodically to discuss VPG's investment recommendations; and if the ERISA Client has determined that the Plan should have a QDIA for participants who fail to make an investment election, assisting in the selection of the investment(s) that will serve as a QDIA.

The investment options recommended by VPG may include managed portfolios developed by VPG that use the plan's investment options. If the plan client decides to use a VPG managed portfolio, then VPG has full discretionary authority over investment management of the assets invested in the VPG managed portfolios including, but not limited to, determination of the asset class allocations and selection of the underlying investments for each portfolio, adjustment of the asset class allocations, and the addition, removal or modification of the underlying investments. If VPG managed portfolios are offered as plan investment options, it will not result in additional compensation to VPG.

**Non-Fiduciary Services:**

VPG may also provide non-fiduciary services to ERISA Plan Clients and Non-ERISA Plan Clients or alternatively, may arrange for the plan's other providers to offer these services, as agreed upon between VPG and the plan client. VPG's non-fiduciary services to plan clients include assisting in group enrollment meetings, educating plan participants about general investment principles and the investment alternatives under the plan and educating the plan client as to its fiduciary responsibilities. VPG's nonfiduciary services may also include assisting the plan client in monitoring, selecting and supervising service vendors, performing benchmarking studies and fee analysis, and assisting the ERISA Plan Client in obtaining information needed to prepare the participant disclosures required under ERISA Regulations Section 2550.404a-5, provided that VPG is not responsible for verifying the accuracy and completeness of the information provided.

For a more detailed description of VPG's fiduciary and non-fiduciary services, the ERISA Plan Client and the non-ERISA Plan Client should refer to the investment advisory agreement or investment management agreement, as the case may be.

**General Information About Advisory Services**

For each of the above disclosed advisory and management services, VPG does not limit its investment recommendations to any specific type of product or security. VPG considers the universe of investment options open to retirement plans. A client's individual needs and objectives are analyzed to determine appropriate investments and products for the client. Since different types of investments typically involve different types of risk, the firm conducts a risk analysis of the participant population, before recommending a certain investment

array. VPG manages assets on either a discretionary or non-discretionary basis, and the client is always free to place reasonable restrictions on the types of investments the firm recommends for the client's portfolio.

VPG generally recommends an investment allocation consisting of mutual funds, stable value funds, and collective trusts, but other options, including but not limited to exchange traded funds, may be considered if appropriate for a client.

VPG endeavors at all times to only recommend investments that it feels are suitable for a given client, and the firm makes reasonable efforts to describe in detail, any conflicts of interest that may exist. Clients should be aware that all securities investments involve risk, including the possible loss of all or part of an investment. Clients who elect to invest in securities must be willing to bear this risk.

Adviser does not participate in any wrap fee programs.

## **II. Financial Planning**

We may provide individualized services to you such as comprehensive financial planning, estate planning, business planning and educational planning. Fee based financial planning is a comprehensive relationship which incorporates many different aspects of your financial status into an overall plan that meets your goals and objectives. The financial planning relationship consists of virtual or face-to-face meetings and ad hoc meetings with you and/or your other advisors (attorneys, accountants, etc.) as necessary.

In performing financial planning services, we typically examine and analyze your overall financial situation, which may include issues such as taxes, insurance needs, overall debt, credit, business planning, retirement savings and reviewing your current investment program. Our services may focus on all or only one of these areas depending upon the scope of our engagement with you.

It is essential that you provide the information and documentation we request regarding your income, investments, taxes, insurance, estate plan, etc. We will discuss your investment objectives, needs and goals, but you are obligated to inform us of any changes. We do not verify any information obtained from you, your attorney, accountant or other professionals.

If you engage us to perform these services, you will receive a written agreement detailing the services, fees, terms and conditions of the relationship. You will also receive this Brochure. You may implement your financial plan through any financial organization of your choice.

We obtain information from a wide variety of publicly available sources. We do not have any inside private information about any investments that are recommended. All recommendations developed by us are based upon our professional judgment. We cannot guarantee the results of any of our recommendations. Choosing which advice to follow is your decision.

As of the date of this ADV Part 2 Brochure we do not have any assets under management, as we are a new adviser in 2021.

## Item 5 – Fees and Compensation

VPG has established the below fee schedule for the advisory services described in Item 4 above.

VPG is a fiduciary under ERISA with respect to the investment management and advisory services described in the investment management or advisory agreement, as the case may be, between VPG and the ERISA Plan Client. As such, VPG is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include, among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, VPG may only charge fees for investment advice about products for which VPG and/or its affiliates do not receive any commission, 12b-1 fees or other compensation or conversely, if such compensation is received by VPG and/or its affiliates, VPG will offset such amounts against VPG's stated fee. Where VPG offsets such compensation amounts against its stated fee, VPG will disclose to the ERISA Plan Client the amount of such compensation, the services rendered for such compensation, the payer of such compensation and a description of the arrangement with the payer in accordance with the requirements of ERISA Regulation Section 2550.408b-2(c).

### **Vita Planning Group LLC - Retirement Plan Advisory and Consulting Service Fees**

The annual investment management fee or investment advisory fee for VPG's ERISA Plan services and non-ERISA Plan Services is described in the investment advisory agreement or investment management agreement, as the case may be, with the client. Vita Planning Group's annual cost of services is described in the agreements with each client. The annual cost shall be based upon a percentage (%) of included plan assets as reported by the plan custodian or recordkeeper (generally ranging from 0.05% to 0.50% annually, and typically subject to an \$8,000 annual minimum), or on a flat fee basis not to exceed \$100,000 per year, dependent on the size of the plan. In some cases, Vita Planning Group will allow a client to contract services at an hourly rate, which shall not be less than \$350 per hour. Vita Planning Group reserves the right to negotiate these rates as deemed appropriate. Included plan assets are the plan assets for which VPG provides services as described in the investment advisory or management agreement.

Except for the fee for the initial quarter under advisement or management, asset-based fees are assessed in arrears based on either the market value of the assets on the last business day of the fee period, or as an average daily balance during the fee period, as specified in the investment advisory or management agreement, as the case may be. The initial fee is the amount pro-rated for the number of days remaining in the initial fee period from the effective date of the Agreement.

As agreed to under the investment management or advisory agreement between VPG and the client, the client may authorize the plan custodian to automatically deduct the fee from the plan or the plan sponsor of the plan client may choose to pay the fee, in which case fees are due and payable within 30 days of the invoice date.

Either VPG or the plan client can terminate the investment management or advisory agreement at any time, without penalty, by sending the other party 30 days prior written notice. Both parties remain responsible for obligations arising under any transactions initiated before the agreement was terminated. VPG is entitled to a fee, prorated for the number of days in the fee period prior to the effective date of termination, based on the market value of the included assets on the effective date of termination or on the average daily balance of the fee period, as specified in the investment advisory agreement or investment management agreement, as the case may be.

### **Financial Planning and Fees**

An estimate for total hours will be determined at the start of the advisory relationship. VPG may also provide you with a personalized comprehensive financial planning, estate planning, business planning and educational planning for an hourly rate of \$175-375, which may be negotiable depending upon the nature and complexity of the client's circumstances. All costs are billed after services are rendered. Investment plans will be presented to you within 90 days of the contract date, provided that all information needed to prepare the investment plan has been promptly provided to us. We do not accept prepayment of more than \$500 in fees per client, six months or more in advance. The financial planning agreement will terminate once you receive the final plan.

The Financial Planning Agreement will show the fee you will pay.

In addition to the fees charged by VPG, clients will incur brokerage and other transaction costs. Please refer to Item 12: Brokerage Practices, for further information on such brokerage and other transaction costs. Clients will also typically incur additional charges related to the safekeeping and custody of client assets, mutual fund and other product-specific expenses, and wire or cash transfer fees. These additional charges are separate and apart from the fees charged by VPG.

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

VPG does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

### **Item 7 – Types of Clients**

VPG provides investment advisory and investment management services to retirement plans subject to ERISA that are participant-directed defined contribution plans, such as 401(k) plans and 403(b) plans covered by ERISA, as well as 403(b) plans that are not covered by ERISA and 457 plans (each, a "Plan") and individuals.

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

In most instances, the method of security analysis, sources of information and investment strategy chosen for a client will be dictated by the client's individual needs and objectives. VPG takes a comprehensive approach to evaluate an overall Plan strategy that meets a client's needs and objectives, using multiple sources of information. Note that VPG typically does not recommend frequent and short-term trading strategies for its clients.

Upon the determination of Plan strategy, VPG will then proceed with the recommendation and/or selection of specific investments to fulfill the Plan offerings. Research & analysis on the investments it recommends will be conducted using publicly available information. For mutual funds/ETF's, VPG will evaluate the experience and track record of investment managers to determine whether a manager has demonstrated the ability to manage assets under varying economic situations. VPG also evaluates the underlying investments in a mutual fund or exchange traded fund, to determine whether the manager invests in a manner that is consistent with the fund's investment objective. A risk associated with this type of analysis is that past performance is not a guarantee of future results. While a manager may have demonstrated a certain level of success in past economic times, he or she may not be able to replicate that success in future markets. In addition, just because a manager may have invested in a certain manner in past years, such manager may deviate from his/her strategy in future years. To mitigate this risk, VPG attempts to select investments from companies with proven track records that have demonstrated a consistent level of performance and success. VPG also relies on an assumption that the rating agencies it uses to evaluate investments is providing accurate and unbiased analysis.

VPG uses investment management strategies that it feels best meet its clients' needs and objectives. Such strategies typically include asset allocation and diversification. While this strategy typically meets the needs and objectives of our clients, long-term investment strategies may include the risk of not taking advantage of short-term gains that could be profitable to a client. In addition, all securities investments involve risk and clients may lose all or part of their investment. Clients who elect to invest in securities must be willing to bear this risk. For this reason, VPG takes care to determine an appropriate risk tolerance of its clients. Investment recommendations are made with this risk tolerance in mind. VPG recommends use of both long-term (investments held for more than one year) and short-term (investments held for less than one year) strategies.

Investing in mutual funds does not guarantee a return on investment, and shareholders of a mutual fund may lose the principal that they've invested into a particular mutual fund. Mutual funds invest into underlying securities that comprise the mutual fund, and as such clients are exposed to the risks arising from such underlying securities. Mutual funds charge internal expenses to their shareholders (which can include management fees, administration fees, shareholder servicing fees, sales loads, redemption fees, and other fund fees and expenses, e.g.), and such internal expenses subtract from its potential for market appreciation. Shares of mutual funds may only be traded at their stated net asset value ("NAV"), calculated at the end of each day upon the market's close.

Investing in ETFs bears similar risks and incurs similar costs to investing mutual funds as described above. However, shares of an ETF may be traded like stocks on the open market and are not redeemable at an NAV. As such, the value of an ETF may fluctuate throughout the day and investors will be subject to the cost associated with the bid-ask spread [the difference between the price a buyer is willing to pay (bid) for an ETF and the seller's

offering (asking) price. Clients are encouraged to carefully read the prospectus of any mutual fund or ETF to be purchased for investment to obtain a full understanding of its respective risks and costs.

## Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of VPG or the integrity of VPG's management. VPG has no reportable information applicable to this Item.

## Item 10 – Other Financial Industry Activities and Affiliations

Vita Planning Group LLC is principally owned by Karl E. Hansen and Erik H. Hansen. VPG is also affiliated through common ownership with Vita Insurance Associates, Inc. an employee benefits brokerage firm that offers services to many mutual clients, and who also employs the staff of Vita Planning Group LLC. All members of both entities are salaried professionals and none are paid a commission or bonus for any individual sale of any product. Both organizations strive to offer unbiased services and recommendations that are devoid of any level of conflict of interest.

Certain VPG IARs are also licensed to sell various insurance products, which is part of their job description and compensated for by their ongoing salaries. There is no potential for additional insurance compensation, thus we eliminate any possible conflict of interest. VPG IARs retain the ability to make insurance product recommendations when they feel it is in the client's best interest, based on the specific needs and objectives of the client. In their salaried position, the potential for additional compensation is not a criterion on which these recommendations are based.

Karl E. Hansen, a Managing Member and Chief Compliance Officer for VPG, is a licensed insurance agent/broker with various companies. The sale of these products accounts for approximately 40 hours per month of his time.

VPG is not registered as a broker-dealer, however IARs of the firm do maintain a relationship with AE Financial Services, LLC, who acts as their Broker-Dealer for certain other individual securities sales. IARs may recommend securities products that will pay them a commission through their broker-dealer relationship. When such recommendations or sales are made, a conflict of interest exists as the registered representatives may receive more commissions from the sale of these products than from providing you with advisory services. Karl E. Hansen spends approximately 40 hours per month in this role. We require that all IARs disclose this conflict of interest when such recommendations are made. We also require IARs to disclose to clients that they may purchase recommended products from other representatives not affiliated with us. Our Code of Ethics requires our IARs do what is in the client's best interests at all times. Our CCO monitors all transactions to ensure that representatives put their clients first, not the commission they may receive. The broker-dealer also monitors all transactions to make certain they are suitable for the client. VPG is also not registered as a futures commission merchant, commodity pool operator or commodity trading advisor, nor have any pending applications to register as such.

## Item 11 – Code of Ethics

VPG has adopted a Code of Ethics to promote the principles of honesty and integrity in its business practices, and to maintain VPG's reputation as a firm that operates with the highest level of professionalism. VPG recognizes its fiduciary responsibilities to its clients, and its duty and pledge to place clients' interests first and foremost. In connection with this duty, all employees of VPG are subject to the firm's Code of Ethics and are required to acknowledge their understanding of its terms.

VPG and its employees are required at all times, to comply with applicable federal laws and regulations, including ERISA, and federal and state securities laws and regulations. All employees have a duty to comply and cooperate with any investigation or inquiry conducted or authorized by VPG. All employees of VPG are required to avoid any circumstances that might adversely affect or appear to affect the firm's duty of loyalty to its clients. Conflicts of interests must be avoided at all times, or in cases where such conflicts cannot be avoided, full disclosure must be given to clients. Employees are prohibited from favoring one client over another client. Employees are also prohibited from using any knowledge about client transactions to personally benefit or profit.

Employees of VPG are required to report to the Compliance Officer personal trading activity on a quarterly basis. All access persons of VPG, including officers, directors, and partners must report personal holdings to the Chief Compliance Officer on an annual basis. Newly employed access persons are required to report personal holdings upon employment and on an annual basis thereafter. Employees and their immediate family members are prohibited from participating in any initial public offering without prior approval from VPG. Additionally, employees and their immediate family members must receive prior approval from VPG before participating in any private placement offering. For all other personal securities transactions, except for transactions in direct obligations of the US Government, shares of investment company or variable insurance products, bank certificates of deposit, shares of unit investment trusts or money market funds, employees may not knowingly execute a personal transaction for which a client has a pending transaction and must report all transactions as part of the quarterly reporting process.

A conflict of interest would exist when the personal interests of employees interfere with their responsibilities to the firm and its clients. Therefore, employees are prohibited from accepting inappropriate gifts, favors, or other things of material value that could influence their decision-making. Similarly, employees are prohibited from offering gifts, favors or other things of value that could be viewed as overly generous or aimed at influencing the decision making of a client or potential client.

VPG will review its Code of Ethics on an annual basis and will update it when the need exists. Any employee that violates the firm's Code of Ethics will be subject to reprimand and the situation will be reviewed by the Chief Compliance Officer of VPG. Any subsequent violation of the firm's Code of Ethics could result in the employee's termination. Clients who wish to receive a copy of the firm's Code of Ethics may request it by submitting a written request to the firm.

Neither VPG nor any of its related persons recommends to clients, or buys or sells for client accounts, securities in which VPG or any of its related persons has a material financial interest.

From time to time, VPG or its related persons will invest in the same securities (or related securities such as warrants, options or futures) that VPG or a related person recommends to clients. This has the potential to create a conflict of interest because it affords VPG or its related persons the opportunity to profit from the investment recommendations made to clients. VPG's policies and procedures and code of ethics address this potential conflict of interest by prohibiting such trading by VPG or its related persons if it would be to the detriment of any client and by monitoring for compliance through the reporting and review of personal securities transactions. In all instances VPG will act in the best interests of its clients.

From time to time, VPG or its related persons will buy or sell securities for client accounts at or about the same time that VPG or a related person buys or sells the same securities for its own (or the related person's own) account. This has the potential to create a conflict of interest because it affords VPG or its related persons the opportunity to trade either before or after the trade is made in client accounts, and profit as a result. VPG's policies and procedures and code of ethics address this potential conflict of interest by prohibiting such trading by VPG or its related persons if it would be to the detriment of any client and by monitoring for compliance through the reporting and review of personal securities transactions. In all instances VPG will act in the best interests of its clients.

## Item 12 – Brokerage Practices

We do not direct a custodian to utilize a specific executing broker for plan account trades. The plan sponsor may request their custodian engage a particular broker to execute some or all transactions. If you elect to select your own broker-dealer or custodian and direct us to use them, you may pay higher or lower fees than what is available through our relationships. Generally, we will not negotiate lower rates below the rates established by the executing broker-dealer or custodian for this type of directed brokerage account, unless we believe that such rate is unfair or unreasonable for the size and type of transaction. In all instances, we will seek best execution for you.

The IARs of VPG do maintain a separate Broker-Dealer relationship with AE Financial Services, LLC for limited individual transactions not normally placed within VPG.

The firm does not have any formal or informal soft-dollar arrangements or receive any soft-dollar benefits.

## Item 13 – Review of Accounts

On a daily basis, VPG's IARs monitor market conditions as well as significant developments related to the general economy. On a quarterly basis, VPG will receive plan scoring to monitor investment selections. Clients will also receive normal and customary brokerage or custodial statements from the custodians at which their assets are held. These brokerage or

custodial statements are typically generated monthly whenever there is activity in the account or at least quarterly.

## Item 14 – Client Referrals and Other Compensation

In some cases, VPG will recommend that clients use certain companies for retirement plan services. VPG makes these recommendations simply as a convenience to clients and clients are free to choose whether or not to use recommended firms for retirement plan administration. While VPG is not compensated for such referrals, VPG may receive economic benefit by also receiving referrals from recommended plan administrators or recordkeepers. No compensation is given to VPG for such referrals.

In addition, VPG does not compensate a plan administrator or recordkeepers for client referrals. VPG retains the discretion to compensate other persons or entities for client referrals, pursuant to a solicitor's agreement and in accordance with the solicitor's rule.

Additionally, we may receive referrals from Vita Insurance Associates, Inc, our affiliated insurance agency. All members of both entities are salaried professionals and none are paid additional compensation for any referral.

## Item 15 – Custody

For Plan clients, VPG does not deduct fees or otherwise have custody of any Plan funds or assets. Rather, the Plan sponsor may authorize the Plan custodian to automatically deduct VPG's fees from the Plan. Clients receive normal and customary custodial account statements at least quarterly, which detail the amount of advisory fees debited from an account. Clients are strongly encouraged to review all statements carefully. Clients, not account custodians, are responsible for verifying the accuracy of all fees.

## Item 16 – Investment Discretion

Our recommendations regarding our 3(21)-qualified retirement plan consulting services are made on a non-discretionary basis. The plan sponsor retains the decision-making authority over the plan. When recommending securities, we observe the investment policies, limitations, and restriction set by the plan and plan sponsor.

VPG provides discretionary investment management services under ERISA Section 3(38), as described in Item 4. This authority includes the responsibility to select the investment fund options available under the ERISA Plan. In addition, in providing non-discretionary investment advisory services to Plan clients, the investment options recommended by VPG may include managed portfolios developed by VPG that use the Plan's investment options. If the Plan client selects those managed portfolios, VPG has full discretionary authority over investment management of the Plan assets invested in the VPG managed portfolios including, but not limited to, determination of the asset class allocations and selection of the underlying investments for each portfolio, adjustment of the asset class allocations, and the addition, removal or modification of the underlying investments. If VPG managed portfolios

are selected by the Plan client as Plan investment options, it will not result in additional compensation to VPG.

### **Item 17 – Voting Client Securities**

VPG does not have any authority to and does not vote proxies on behalf of clients. Clients retain the responsibility for receiving proxy materials and voting proxies for any and all securities maintained in client portfolios.

### **Item 18 – Financial Information**

VPG does not require or solicit prepayment of more than \$1,200 in advisory fees more than six months in advance of services rendered. VPG is therefore not required to include a financial statement or balance sheet with this brochure. VPG does not have any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. VPG has not been the subject of any bankruptcy petition.