

# RPATA, LLC

An Investment Advisor

## Disclosure Brochure

March 17, 2020

This brochure provides information about the qualifications and business practices of RPATA, LLC (hereinafter "RPATA" or the "Firm"). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed below. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Firm's CRD # is 285598. RPATA is a state registered investment adviser. Registration does not imply any level of skill or training.

## Item 2. Material Changes

This item discusses only the material changes that have occurred since RPATA's last annual updating amendment filed on September 16, 2019.

The Firm has no material changes to disclose to this Item.

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## Item 4. Advisory Business

RPATA seeks to leverage current research and build systems to support goals-based wealth management. The Firm works closely with clients to determine appropriate allocations within client portfolios. Based on the principle of diversification, the Firm may utilize professional money managers to manage investments within the various allocations. Alternately, the Firm may utilize investments selected by the Investment Committee of RPATA in accordance with the Firm's policies and procedures. All investments selected follow the same allocation methodology whether or not outside money managers are utilized. RPATA then tracks the investments daily, provides periodic reviews to show progress towards specific goals and discusses adjustments as needed with the client. RPATA offers a variety of advisory services, which include financial planning, pension consulting and investment management services. Prior to the rendering of any of the foregoing advisory services, clients are required to enter into one or more written agreements with RPATA setting forth the relevant terms and conditions of the advisory relationship (the "Agreement").

RPATA has been an independent registered investment adviser since October 25, 2016, and is jointly owned by Revolution Partners, LLC of Memphis, Tennessee and Alexander Thompson Arnold, PLLC ("ATA") of Union City, Tennessee. RPATA had approximately \$20,061,000 of regulatory assets under management as of December 31, 2019. \$20,057,000 were discretionary assets and \$4,000 were non-discretionary assets. Additionally, the firm manages \$2,435,000 in ERISA accounts that include 401K and Simple IRA accounts. These funds are not included in either the discretionary or non-discretionary regulatory assets under management.

The Firm generally requests discretionary authority, including discretion to retain professional money managers. RPATA works with clients on comprehensively evaluating their investment portfolios using technology that enables the Firm to aggregate assets at other custodians and broker dealers upon request. RPATA is not a broker dealer and does not accept commissions. Therefore, aggregating outside investments additionally facilitates RPATA serving as agent of record on certain account types such as 529 plans and variable annuities held away. The Firm may advise on these account types held at Vanguard, American Funds, Hartford and Fidelity, among others. As of December 31, 2019, the Firm aggregated approximately \$15,754,000 from outside sources, bringing the Firm's total assets under advisement to approximately \$38,250,000.

While this brochure generally describes the business of RPATA, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm's officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on RPATA's behalf and is subject to the Firm's supervision or control. Currently, all RPATA officers and employees are also and primarily officers and employees of Revolution Partners, LLC.

Clients of RPATA also acknowledge as part of their Agreement that Revolution Partners, LLC and ATA share personal and financial data in the course of business. This data sharing is related to the tax planning, financial planning and investment selection services provided to the clients and is included in the fees charged for the advisory relationship.

RPATA is prohibited from serving organizations who are attest (audit) clients of ATA.

## Financial Planning Services

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RPATA offers clients a range of financial planning services, which may include any or all of the following functions:

- Business Planning
- Cash Flow Forecasting
- Asset Allocation
- Retirement Planning
- Tax and Estate Planning
- Financial Reporting
- Investment Consulting
- Insurance Needs Analysis
- Retirement Plan Analysis
- Charitable Giving

While each of these services may be available on a stand-alone basis, certain of them are also provided in conjunction with investment portfolio management as part of a foundational planning agreement included in the investment management services engagement (as described below). This foundational planning is designed to address the client's lifestyle expectations in retirement. In performing financial planning services, RPATA is not required to verify any information received from the client, from the client's other professionals (e.g., attorneys, accountants, etc.) or from third-party data providers (e.g., data aggregation services, market data services, etc.) and is expressly authorized to rely on such information.

RPATA may recommend the services of itself or other professionals to implement its recommendations. A conflict of interest exists if clients engage RPATA to provide additional fee-based services. Furthermore, a conflict of interest exists if additional tax planning and/or advice is suggested as part of the planning services when the client is a client of ATA, who is a joint owner in RPATA. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by RPATA under a financial planning engagement or to engage the services of any such recommended professionals, including RPATA itself. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising RPATA's previous recommendations and/or services.

## Investment Management Services

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RPATA manages client investment portfolios on a discretionary basis. In addition, RPATA may provide clients with other services; this may include a broad range of comprehensive financial planning services.

RPATA oversees investment management decision-making and subsequent portfolio execution. RPATA primarily allocates client assets among various independent investment managers ("Independent Managers"), mutual funds, exchange-traded funds ("ETFs"), individual debt and equity securities and options in accordance with the investment objectives of its individual clients. In addition, RPATA may also recommend that clients who qualify as accredited investors, as defined by Rule 501 of the Securities Act of 1933, invest in privately placed securities, which may include debt, equity and/or interests in pooled investment vehicles (e.g., hedge funds). Where appropriate, the Firm may also provide advice about any type of legacy position or other investment held in client portfolios.

Clients may also engage RPATA to advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts,

assets held in employer sponsored retirement plans, qualified tuition plans (i.e., 529 plans) and outside brokerage accounts (collectively "Aggregated Assets"). The Firm obtains access to the Aggregated Assets via a data aggregation service with the client's permission. Using this information, RPATA makes investment management recommendations for both discretionary assets and the outside accounts to complement one another. In these situations, RPATA directs or recommends the allocation of client assets among the various investment options available for the Aggregated Assets and adjusts the discretionary assets accordingly.

RPATA tailors its advisory services to meet the needs of its individual clients and continuously seeks to ensure that client portfolios are managed in a manner consistent with their specific investment profiles. RPATA consults with clients on an initial and ongoing basis to determine their specific risk tolerance, time horizon, liquidity constraints and other qualitative factors relevant to the management of their portfolios. Clients are advised to promptly notify RPATA if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if RPATA determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts. If such restrictions are found to materially impact or prove overly burdensome, RPATA reserves the right to terminate the client relationship.

### **Retirement Plan Consulting Services**

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RPATA provides various consulting services to qualified employee benefit plans and their fiduciaries. This suite of institutional services is designed to assist plan sponsors in structuring, managing and optimizing their corporate retirement plans. Each engagement is individually negotiated and customized, and may include any or all of the following services:

- Plan Review and Evaluation
  - Plan Management Services
  - Plan Fee and Cost Analysis
  - Provider Consultation
- Investment Management and Review
  - Preparation or Review of Investment Policy Statement
  - Creation of Non-Discretionary or Discretionary Model Portfolios
  - Menu Diversification
  - Performance Monitoring
  - Investment Reports
- Fiduciary and Non-Fiduciary Retirement Plan Committee Services
  - Attend Committee Meetings
  - Non-Discretionary or Discretionary Plan-Level Investment Advice
  - Education Services to Plan Committee
- Fiduciary and Non-Fiduciary Participant Services
  - Non-Discretionary or Discretionary Participant Level Investment Advice
  - Participant Education

All advisory services by RPATA are provided as a fiduciary. Furthermore, as disclosed in the Agreement, certain of the foregoing services are provided by RPATA as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). In accordance with ERISA Section 408(b)(2), each plan sponsor is provided with a written description of RPATA's fiduciary status, the specific services to be rendered and all direct and indirect compensation the Firm reasonably expects under the engagement.

### **Sponsor / Manager of Wrap Program**

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RPATA is the sponsor and manager of the RPATA Wrap Fee Program (the "Program"), a wrap fee program (i.e., an arrangement where brokerage commissions and transaction costs are

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absorbed by the Firm). Accounts managed through the Program are done so in substantially the same manner as those managed under a non-wrap arrangement. Participants in the Program may pay a higher aggregate fee than if investment management and brokerage services are purchased separately. Additional information about the Program is available in RPATA's Wrap Brochure, which appears as Part 2A Appendix 1 of the Firm's Form ADV.

### **Use of Independent Managers**

As mentioned above, RPATA may recommend certain Independent Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager are set forth in a separate written agreement between the designated Independent Manager and either RPATA or the client. In addition to this brochure, clients may also receive the written disclosure documents of the designated Independent Managers engaged to manage their assets. RPATA does not receive compensation from any such Independent Managers.

RPATA evaluates various information about the Independent Managers it chooses to manage client portfolios, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. RPATA is under no obligation to ensure information reported by Independent Managers is accurate. RPATA prefers to select managers who are GIPS compliant and relies on the manager attestation of compliance with the applicable presentation standards. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. RPATA also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

RPATA continues to provide services relative to the discretionary selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. RPATA seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

## **Item 5. Fees and Compensation**

RPATA offers its services on a fee basis, which may include hourly and/or fixed fees, as well as fees based upon assets under management or advisement. Revolution Partners, LLC does not charge an additional fee for the services provided to RPATA clients. Since ATA does not provide any services under the Agreement, any additional fees charged by ATA are beyond the scope of services provided under the Agreement. Each client's relationship with ATA, if any, is governed by a separate agreement between the client and ATA. Fees for services provided by RPATA and ATA are billed separately.

## Financial Planning Fees

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RPATA generally charges either a negotiable hourly and/or fixed fee to provide clients with stand-alone financial planning services. These fees are largely determined by the scope and complexity of the agreed upon services and range from \$100 to \$500 on an hourly basis; any fixed fee will be determined on an individual basis, based on the size of a client's portfolio and the type of services rendered.

The specific terms and fee structure are negotiated in advance and set forth in the Agreement with RPATA. Generally, RPATA requires one-half of the financial planning fee payable upon execution of the Agreement and the balance due at the time the financial plan is delivered or the underlying services are rendered to completion. If the client engages RPATA for additional investment advisory services, RPATA may offset all or a portion of its fees for those services based upon the amount paid for the financial planning services. These conditions are included in detail in the Financial Planning Agreement which is signed by both parties prior to the start of the engagement.

## Investment Management Fees

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RPATA provides investment management services for an annual fee based on the amount of assets under the Firm's management. Fees decrease at specific intervals as asset levels increase to provide value to the client. To offer clients full advantage of the lower fees available at higher asset tiers, all accounts in a household including Aggregated Assets are considered for billing. The Firm will only bill on selected Aggregated Assets which have been defined in a separate billing schedule. The entire value of all aggregated assets, whether billed on or not, may benefit the client if the total moves the portfolio value into the next tier of the fee schedule. The fee is based on the following fee schedule:

### Investment Management

Portfolio Value	Annual Fee
On the first \$1,000,000	1.50%
Between \$1,000,001 and \$2,000,000	1.25%
Between \$2,000,001 and \$5,000,000	1.00%
Above \$5,000,000	0.75%

RPATA may offer a lower fee schedule with a separate fee rate for an account in certain specific investment strategies and services. Currently, RPATA offers an Income Strategy and discounts the rate for assets in those accounts to 0.25% annually. Additionally, the Firm offers a reduced service for maintaining accounts as transferred, for example large, concentrated equity positions and exceptionally low cost basis securities. These accounts are charged 0.25% annually. The Firm reserves the right to create additional fee schedules consistent with other strategies.

The annual fee is prorated and charged quarterly. In most circumstances, charges are in advance, based upon the market value of the assets managed by RPATA on the last day of the previous billing period. However, certain custodians require billing to be done in arrears. In this

case, the fee is based upon the market value of the assets managed by RPATA on the last day of the billing period.

If assets in excess of \$20,000 are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is adjusted on a pro rata basis to reflect the change in portfolio value. The activity is analyzed at the end of each month. If the net activity over that calendar month reaches the threshold, the activity is marked and included in the adjustment calculation. Deposits are billed within 10 business days of the subsequent month. Withdrawals are netted out of the subsequent quarter's calculated fee. In situations when the account fee for the subsequent quarter is not large enough to cover the rebate fee, an adjustment for the difference is made and posted back to the account.

For the initial period of an engagement, the fee is calculated on a pro rata basis. If the fee is calculated in arrears, the charge will be on the last day of the quarter. If charged forward, the fee will be charged within 10 business days of the subsequent month the account was opened. In the event the Agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination. For forward billing, the unearned portion is refunded. Accounts with arrears billing will have a final bill assessed at the time of termination. In both methods, a report describing the rebate to the client is provided.

### **Retirement Plan Consulting Fees**

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RPATA may charge a fixed project-based fee to provide clients with retirement plan consulting services. Each engagement is individually negotiated and tailored to accommodate the needs of the individual plan sponsor, as memorialized in the Agreement. These fees vary and are based on the scope of the services to be rendered. In those situations where RPATA has agreed to manage a plan's assets, the Firm may also charge an annual asset-based fee, to be determined on an individual basis depending upon the amount of plan assets to be managed and the plan services to be provided. The asset-based fee is facilitated by the recordkeeper on the plan and will either be charged in arrears based on the aggregated value of the plan assets on the last day of the quarter or charged forwards based on the aggregated value of the plan assets on the last day of the previous quarter. Partial periods are pro-rated using the actual number of calendar days the assets were managed. Each Retirement Plan Consulting Agreement clearly details the fees to be charged and the methodology used, specific to the recordkeeper on the plan.

### **Fee Discretion**

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RPATA, in its sole discretion, may negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationship, account retention and pro bono activities. The advisory fee is agreed upon in advance and documented in the Agreement signed at the beginning of each relationship.

### **Additional Fees and Expenses**

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In addition to the advisory fees paid to RPATA, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges may include securities brokerage commissions, transaction fees, custodial fees, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials,

transfer taxes, wire transfer and electronic fund fees and other fees and taxes on brokerage accounts and securities transactions. RPATA does not receive any portion of these commissions, fees, and costs. Neither RPATA nor any of its employees receives compensation for the sale of securities or other investment products. Clients are not charged administrative costs for portfolio accounting. Clients participating in the Wrap Fee Program, as described in Item 4 above, will not be charged transaction related costs for either discretionary or non-discretionary trades placed by RPATA. The Firm's brokerage practices are described at length in Item 12, below.

## **Fee Debit**

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Clients generally provide RPATA with the authority to directly and proportionally debit their accounts for payment of the Firm's investment advisory fees. The Financial Institutions that act as qualified custodian for client accounts have agreed to send statements to clients no less than quarterly detailing all account transactions, including any amounts paid to RPATA. As required by applicable state securities laws, RPATA also sends clients an itemized summary detailing the advisory fees deducted from their accounts. After the first fee report is delivered, fees are reported in the quarterly portfolio report, including total fees paid since the inception of the account with the Firm. Within a quarter, additional billing will occur in case of large qualifying contributions or withdrawals, new or terminating accounts, or changes to the client's fee schedule. If necessary, prorated rebates for fees are credited to accounts at the end of the quarter, for example on assets withdrawn or previously billed assets subject to a new fee schedule.

## **Account Additions and Withdrawals**

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Clients may make additions to and withdrawals from their account at any time. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to RPATA, subject to the usual and customary securities settlement procedures. However, RPATA designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. RPATA may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (i.e., contingent deferred sales charge) and/or tax ramifications.

## **Item 6. Performance-Based Fees and Side-by-Side Management**

Neither RPATA, nor any of its Supervised Persons, provides any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

## Item 7. Types of Clients

RPATA provides its services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities.

### Minimum Portfolio Size

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As a condition for starting and maintaining an investment management relationship, RPATA generally imposes a minimum portfolio size of \$100,000.

The Firm, in its sole discretion, may accept clients with smaller portfolios based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationships, account retention and pro bono activities. RPATA only accepts clients with less than the minimum portfolio size if, in the sole opinion of the Firm, the smaller portfolio size will not result in a substantial increase of investment risk beyond the client's identified risk tolerance. RPATA may aggregate the portfolios of family members to meet the minimum portfolio size.

Additionally, certain Independent Managers may impose more restrictive account requirements and varying billing practices than RPATA. In such instances, RPATA may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

### Minimum Annual Fee

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As a condition for starting and maintaining an investment management relationship, RPATA can impose a minimum annual fee of \$1,500.

This minimum fee may have the effect of making RPATA's services cost prohibitive for certain clients, particularly those with less than \$50,000 in assets under RPATA's management. RPATA, in its sole discretion, may waive its minimum annual fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationships, account retention and pro bono activities.

Additionally, certain Independent Managers may impose more restrictive account requirements and varying billing practices than RPATA. In such instances, RPATA may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

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

### Methods of Analysis and Investment Strategies

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RPATA's goal is to alleviate the burden of clients' daily management of their own portfolios by creating a comprehensive plan that, when properly maintained and adhered to, helps clients achieve their financial goals. RPATA may utilize a combination of fundamental, cyclical and behavioral financial methods of analysis in furtherance of those goals.

Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or issuer. For RPATA, this process typically involves an analysis of the management team, investment strategies, style drift, past performance, reputation and financial strength in relation to the asset class concentrations and risk exposures of the Firm's model asset allocations. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, evolving market conditions may negatively impact the security.

Cyclical analysis is similar to technical analysis in that it involves the assessment of market conditions at a macro (entire market or economy) or micro (company specific) level, rather than focusing on the overall fundamental analysis of the health of the particular company that RPATA is recommending. The risks with cyclical analysis are similar to those of technical analysis. Both are concerned with the cycles of the economy and the risks associated with those cycles, including but not limited to, inflation, interest rates, and capital expenditures by companies.

Behavioral finance analysis involves an examination of conventional economics as well as behavior and cognitive psychological factors. Behavioral finance methodology seeks to combine a qualitative and quantitative approach to provide explanations for why individuals may, at times, make irrational financial decisions. Where conventional financial theories have failed to explain certain patterns, the behavioral finance methodology investigates the underlying reasons and biases that cause some people to behave against their best interests. The risks relating to behavioral finance analysis are that it relies on spotting trends in human behavior that may not predict future trends.

## **Risks of Loss**

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### **General Risk of Loss**

Investing in securities involves the risk of loss. Clients should be prepared to bear potential losses.

### **Market Risks**

The profitability of a significant portion of RPATA's recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that RPATA will be able to predict those price movements accurately.

### **Mutual Funds and ETFs**

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is normally calculated at least once daily for indexed based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Usually, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

## **Use of Independent Managers**

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RPATA may recommend the use of Independent Managers. In these situations, RPATA continues to do ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, RPATA generally does not have the ability to supervise the Independent Managers on a day-to-day basis.

### **Management through Similarly Managed "Model" Accounts**

RPATA may manage accounts using similarly managed "model" portfolios, whereby the Firm allocates all or a portion of its clients' assets among various mutual funds and/or securities on a discretionary basis using one or more of its proprietary investment strategies. In managing assets using models, the Firm remains in compliance with the safe harbor provisions of Rule 3a-4 of the Investment Company Act of 1940.

The strategy used to manage a model portfolio may involve an above average portfolio turnover that could negatively impact clients' net after tax gains. While the Firm seeks to ensure that clients' assets are managed in a manner consistent with their individual financial situations and investment objectives, securities transactions effected pursuant to a model investment strategy are usually done without regard to a client's individual tax ramifications. Clients should contact RPATA if they experience a change in their financial situation or if they want to impose reasonable restrictions on the management of their accounts.

## **Item 9. Disciplinary Information**

RPATA has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

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

### **Financial Industry Affiliations**

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RPATA, LLC is owned by Revolution Partners, LLC (an Investment Advisor) of Memphis, Tennessee and Alexander Thompson Arnold, PLLC, (ATA) a public accounting firm of Union City, Tennessee. Revolution Partners, LLC is the managing member of RPATA. RPATA is specifically organized to provide investment management services to clients of ATA. Revolution Partners, LLC provides investment management services to its existing clients and to future clients not related to ATA. Under an Administrative Services Agreement, Revolution Partners provides

administrative and financial services for RPATA, including, but not limited to, back office operations support, marketing support, administrative support, human resources support, compliance support, and tax support. Revolution Partners, LLC and ATA do not have common employees. ATA does not separately provide investment management services directly to clients, either as part of the services offered by RPATA or individually.

### **Financial Industry Activities – Broker/Dealer**

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RPATA is not registered as a broker-dealer, and none of its management persons is a registered representative of a broker-dealer.

### **Financial Industry Activities – Futures and Commodities**

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Neither RPATA nor any of its management persons is registered as (or associated with) a futures commissions merchant, commodity pool operator or a commodity trading advisor.

### **Other Investment Advisers**

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RPATA selects other investment advisers for its clients. RPATA does not receive any compensation other than the standard fees (described in Item 5) for the selection of other advisers.

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

RPATA has adopted a code of ethics in compliance with applicable securities laws ("Code of Ethics") that sets forth the high standards of business conduct expected of its personnel. RPATA's Code of Ethics contains written policies reasonably designed to protect the client by preventing certain unlawful practices. These include but are not limited to the use of material non-public information by the Firm or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain RPATA personnel (called "Access Persons") to report their personal securities holdings and transactions and obtain pre-approval of certain investments (e.g., initial public offerings, limited offerings). However, RPATA Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a manner consistent with the Firm's policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by Access Persons to be completed without any appreciable impact on the markets of such securities. Therefore, under certain limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Access Person may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household as the Access Person) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Access Person is completed as part of a batch trade (as defined below in Item 12) with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact RPATA to request a copy of its Code of Ethics.

## Item 12. Brokerage Practices

### Factors Used to Select Custodians and Broker/Dealers

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RPATA seeks to recommend a custodian/broker that will hold client assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. In determining which custodian/broker to recommend, RPATA considers a wide range of factors, including: (i) combination of transaction execution services and asset custody services, generally without a separate fee for custody; (ii) capability to execute, clear, and settle trades; (iii) capability to facilitate transfers and payments to and from accounts; (iv) quality of services; (v) competitiveness of prices for the services provided and willingness to negotiate the prices; (vi) reputation, financial strength, and stability; (vii) prior service to RPATA and its clients; and (viii) availability of other products and services that benefit RPATA, as discussed below.

RPATA generally recommends that clients utilize the brokerage and clearing services of Schwab Advisor Services™ ("Schwab") for investment management accounts. Schwab maintains custody of clients' assets, and RPATA, generally, at the direction of the client, effects trades for client accounts through Schwab. However, RPATA may also direct client accounts at Vanguard, American Funds, Hartford and Fidelity, among others, for example, especially in cases in which the client has asked RPATA to act as agent of record on an existing account. In these cases, RPATA does not receive any economic benefit from these custodians and brokerage firms.

RPATA is independently owned and operated and not affiliated with Schwab. While RPATA recommends that clients use Schwab as custodian/broker, clients decide whether to do so and open their accounts with Schwab by entering into an account agreement directly with Schwab.

Schwab provides RPATA with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them as long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab. These services are not otherwise contingent upon RPATA committing to Schwab any specific amount of business, assets in custody or trading.

Services that Schwab provides that RPATA believes benefit its clients include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Schwab also makes available to RPATA other products and services that benefit RPATA but may not directly benefit its clients' accounts. Some of these other products and services assist RPATA in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account

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statements), facilitate trade execution, provide research, pricing information and other market data, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of RPATA accounts, including those that do not maintain accounts at Schwab, and may not always benefit the accounts that generated the commission dollars used to receive such services.

RPATA receives from Schwab certain services that are intended to help RPATA manage and further develop its business and that therefore generally only benefit RPATA. These services include: (i) educational conferences and events; (ii) alerts on compliance issues; (iii) publications and conferences on practice management, compliance and business succession; (iv) assistance with advisor recruiting, typically through introductions and participation in Firm meetings and events; and (v) assistance with onboarding new RPATA's advisors which may include dedicated personnel from Schwab during the transition of that advisor, the payment of certain administrative charges including outgoing ACAT fees which would be incurred by the new clients of RPATA, and payments to cover postage and handling costs which would be incurred by RPATA.

RPATA benefits by receiving products and services from Schwab because it does not need to produce or pay for these services itself. While as a fiduciary RPATA endeavors to act in its clients' best interests, RPATA has an incentive to recommend that clients maintain their assets in accounts at Schwab based on its interest in receiving the products and services described above that benefit its business rather than solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which creates a conflict of interest.

Factors which RPATA considers in recommending Schwab or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Schwab enables RPATA to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Schwab may be higher or lower than those charged by other Financial Institutions.

While RPATA will never assess or receive commissions, the commissions paid by RPATA's clients to Financial Institutions comply with the Firm's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to affect the same transaction where RPATA determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, the value of research provided, execution capability, commission rates and responsiveness. RPATA seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

RPATA periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

### **Brokerage for Client Referrals**

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RPATA receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### **Directed Brokerage**

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The client may direct RPATA in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements

for the account with that Financial Institution and the Firm will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by RPATA (as described below). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, RPATA may decline a client's request to direct brokerage if, in the Firm's sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

### **Aggregating (Block) Trading for Multiple Client Accounts**

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Transactions for each client generally will be affected independently, unless RPATA decides to purchase or sell the same securities for several clients at approximately the same time. RPATA may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among RPATA's clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among RPATA's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that RPATA determines to aggregate client orders for the purchase or sale of securities, including securities in which RPATA's Supervised Persons may invest, the Firm generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. RPATA does not receive any additional compensation or remuneration as a result of the aggregation. In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, RPATA may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

### **Research and Other Soft Dollar Benefits**

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Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist RPATA in its investment decision-making process. Such research generally will be used to service all the Firm's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because RPATA does not have to produce or pay for the products or services.

While RPATA does not request any additional services, the Firm may receive certain standard benefits which custodians typically provide and which the Firm believes ultimately benefits the client. As such, RPATA may receive from our custodians, without cost to RPATA, computer software and related systems support, which allow RPATA to better monitor client accounts maintained at the custodian. RPATA may receive the software and related support without cost because RPATA renders investment management services to clients that maintain assets at the custodian. The software and support are not provided in connection with securities transactions of clients (i.e., not "soft dollars"). The software and related systems support may benefit RPATA, but not its clients directly. In fulfilling its duties to its clients, RPATA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that RPATA's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence RPATA's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support or services.

Additionally, RPATA may receive the following benefits from custodians: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services the custodian's advisory clients; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information. Additionally, RPATA receives discounts on some of the software it utilizes based on its relationship with custodians. Though similar discounts are available at other broker dealers, RPATA has only received discounts based on broker dealers via the Firm's existing custodial relationships.

## Item 13. Review of Accounts

### Account Reviews

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For those clients to whom RPATA provides investment management services, RPATA monitors those portfolios as part of an ongoing process, while regular account reviews are conducted on at least an annual basis. For those clients to whom RPATA provides financial planning services, reviews are conducted on an "as needed" basis as well as coinciding with an annual update of the financial plan. Such reviews are conducted by one of RPATA's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with RPATA and to keep RPATA informed of any changes thereto. The Firm contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

### Account Statements and Reports

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RPATA strives to provide all clients with a comprehensive view of their financial investments. Each client is provided an aggregated view of all accounts under advisement with the Firm as well as individual account details. Information on the quarterly report issued by the Firm includes various time periods, including since the first day of the relationship with RPATA ("since inception"). The data includes the amount originally invested/beginning value for the period, ending value for the period, subsequent additions, withdrawals, fees charged by RPATA and market value increases and decreases.

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from RPATA and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with those they receive from RPATA or an outside service provider.

Clients may also elect to access information via a website or smart phone app. Information available to the client through these online platforms is specific to the accounts held at RPATA and the accounts the client has aggregated. Access is generally available daily and data updates at least every business day.

Those clients to whom RPATA provides financial planning services will receive reports from RPATA summarizing its analysis and conclusions as requested by the client or as otherwise agreed to in writing by RPATA.

## Item 14. Client Referrals and Other Compensation

### Client Referrals

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RPATA does not pay financial compensation to a non-employee in exchange for client referrals or introductions.

However, RPATA is organized to provide investment management services specifically to clients of ATA. ATA is a joint owner of RPATA and as such, receives a monetary benefit from the entity, including a share of the revenues and profits/losses from its interest in RPATA. Employees of ATA, however, do not receive direct payment for any referral. Clients of RPATA have also been made aware of this structure. Clients of ATA are under no obligation to select RPATA for any services.

### Other Economic Benefits

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RPATA is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. Refer to Item 12, Brokerage Practices, above for disclosures on research and other benefits RPATA may receive from brokers or custodians in connection with utilizing their brokerage services.

## Item 15. Custody

RPATA's Agreement and/or the separate agreement with any Financial Institution may authorize RPATA through such Financial Institution to debit the client's account for the amount of RPATA's fee and to directly remit that management fee to RPATA in accordance with applicable custody rules.

The Financial Institutions recommended by RPATA have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to RPATA. In addition, as discussed in Item 13, RPATA also sends periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from RPATA.

## Item 16. Investment Discretion

RPATA is given the authority to exercise discretion on behalf of clients. RPATA is considered to exercise investment discretion over a client's account if it can affect transactions for the client without first having to seek the client's consent. RPATA is given this authority through a power-of-attorney included in the Agreement between RPATA and the client. Clients may request a limitation on this authority, for example an agreement that certain securities may not be bought or sold.

RPATA takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

## Item 17. Voting Client Securities

RPATA is required to disclose if it accepts authority to vote client securities. RPATA does not vote client securities on behalf of its clients. Clients receive proxies directly from the Financial Institutions. Notifications include the ballot and instructions for voting. Clients may call RPATA at 901.421.6300 to discuss questions about their voting options.

## Item 18. Financial Information

RPATA is not required to disclose any financial information pursuant to this Item due to the following:

The Firm does not require or solicit the prepayment of more than \$500 in fees six months or more in advance of services rendered;

The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and

The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.

## Item 19. Requirements for State Registered Advisers

### Principal Executive Officers and Management Persons

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**P. Brian Fowler**

Born 1971

#### Post-Secondary Education

Murray State University | B.S., Organizational Communications | 1994

#### Recent Business Background

RPATA, LLC | Chief Executive Officer | September 2016 – Present

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RPATA, LLC | Chief Compliance Officer | August 2018 - Present

Revolution Partners, LLC | Founder & Chief Executive Officer | October 2013 - Present

Revolution Partners, LLC | Chief Compliance Officer | August 2018 - Present

Raymond James Financial | Director, Education & Practice Management | February 2013 - May 2013

Morgan Keegan & Co., Inc. | Director, Wealth Management Services | February 1995 - February 2013

## Robert F. Lloyd

Born 1969

### Post-Secondary Education

University of New Orleans | MBA | 1995

University of Wisconsin-Madison | B.S., Economics and Sociology | 1992

### Recent Business Background

RPATA, LLC | Chief Operating Officer | September 2016 - Present

Revolution Partners, LLC | Chief Operating Officer | October 2013 - Present

Revolution Partners, LLC | Chief Compliance Officer | October 2013 - December 2015

Raymond James Financial | Technology Manager | April 2012 - September 2013

Morgan Keegan & Co., Inc. | Director, Reporting | January 2004 - March 2012

## Alison S. Fowler

Born 1973

### Post-Secondary Education

Vanderbilt University School of Law | JD | 1999

University of Tennessee, Knoxville | B.A., Psychology | 1995

### Recent Business Background

RPATA, LLC | General Counsel | September 2016 - Present

Revolution Partners, LLC | General Counsel | January 2016 - Present

Bass, Berry and Sims, PLC | Associate Attorney | 1999 - 2004

## Amanda Pounders

Born 1987

### Post-Secondary Education

The University of Memphis | B.S., Accounting | 2009

The University of Memphis | M.S., Accounting | 2013

### Recent Business Background

RPATA, LLC | Client Experience Professional | June 2017 - Present

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Revolution Partners, LLC | Client Experience Professional | June 2017 – Present

Raymond James | Staff Accountant | February 2012 – June 2017

Morgan Keegan & Co., Inc. | Commissions Accountant | July 2010 – February 2012

### **Additional Information**

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Neither the Firm nor its Supervised Persons are compensated for advisory services with performance-based fees. Neither the Firm nor its Supervised Persons have been the subject of the type of disciplinary event that warrants disclosure pursuant to this Item. Neither the Firm nor its Supervised Persons have a material relationship or arrangement with any issuers of securities.