

Form ADV, Part 3 (Form CRS) - Voluntary Posting (May 2020)

Item 1. Introduction

- A. My name is Robert E. Arnold, Jr. and am the sole participant and owner of Resources, Estates, Assets, Planning. I am a registered investment advisor with the state of Michigan (FINRA CRD# 132583) and am a CFP® licensee (#22869).
- B. Free and simple tools are available to research me and other professionals at investor.gov/CRS which also provides educational materials for investors.

Item 2. Relationships and Services

A. **"What investment services and advice can you provide me?"**

I offer investment advisory services along with financial and tax planning services which cover the broad range of topics from cash flow and risk management to estate planning. My specialty is retirement planning.

- B. **Description of Services:** My advisory services, available to retail investors, are usually part of a financial plan which concentrates on meeting specific client goals that involve portfolio development and supervision. The particular investments recommended include the full array of securities available from mutual funds, ETFs and organized exchanges as well as insurance products. These advisory services are administered on a non-discretionary basis with client approval required for all trades.

Investment portfolios are monitored either annually or semi-annually as per the annual contract terms. All types of clients including individuals, businesses and trusts are welcome with the only limitation on acceptance of the client being the requirement that a benefit to the client is present.

I do offer, on a very limited basis, discretionary authority accounts which are primarily limited to liquid balance holdings that the client wishes invested in higher yield income securities such as preferred stocks. These accounts, which are monitored closely, have annually renewed contracts.

- C. **Additional Information:** Relative to retirement planning, a proprietary model has been developed which concentrates on flooring the client's basic consumption desires in investments which will be highly protected from the capital market volatility inherent in some capital market instruments.

D. **Conversation Starters:**

"Given my financial situation, why or why not should I choose an advisory service?"

People choose advisory services for reasons similar to why they choose plumbers or lawn servicers, for convenience and expertise. In my case, clients choose my services to obtain a plan, usually long-range, that gives structure to their goals and confidence in their ability to achieve them.

"How do you choose investments to recommend to me?"

My investment development process begins by determining whether the portfolio's objective is asset accumulation or income production. Both will be comprised of various sectors such as domestic and foreign stocks and bonds, real estate and commodities, but the weight assigned to each sector and the securities selected to fill those sectors will differ for each portfolio type and the particular

situation of each client. Portfolio construction is designed to optimize the return-risk tradeoff by combining securities in such a fashion that a given return will be achieved in a more stable manner. For a more complete discussion of this process please see my brochure Item 8. Particular securities are screened by personal judgments and publications to which I subscribe.

“What is your relevant experience including your licenses, education and other qualifications?”

I taught economics and finance at the graduate and undergraduate college levels and have previous private sector employment in the automotive and banking fields. In addition to those mentioned in Item 1 above, I hold a Chartered Advisor for Senior Living designation from The American College and complete the Annual Filing Season Program with the IRS. The CFP®, CASL® and IRS program all mandate the completion of annual continuing education hours.

Item 3. Fees, Costs, Conflicts and Standard of Conduct

A. “What fees will I pay?”

I charge a fixed fee of \$2,000 for each financial plan developed, e.g. retirement, investment, etc. Retainer fees, which include tax preparation and plan updates, are based on an hourly rate of \$150 with the average fee equal to \$2,500 per annum. All fees are paid directly by the client from funds of his or her choice either at the quarterly or semiannual period for retainer clients or upon completion of the contract for particular services. No fees are ever deducted from client accounts.

Investment transactions, mutual fund/ETF and custodian fees, which are imposed by the financial intermediaries involved, are scrutinized by me to assure their relative reasonableness. An example of this is a mutual fund management fee of .6% which is deducted from the gross return of the fund.

B. Standard of Conduct.

Potential clients should take comfort in the knowledge that as a certified financial planner licensee and a state of Michigan registered investment advisor, I am obligated to act as a fiduciary and put the best interests of the client first.

“How might your conflicts of interest affect me and how will you address them?”

The only potential conflict of interest possible in our relationship would involve discretionary account trading where a certain security is traded in both my and the client’s account. This conflict disappears, however, as all orders for clients are always processed first.

Item 4. Disciplinary History

None.

Item 5. Additional Information

A more detailed presentation of the above material is available in the firm’s brochure available at the website cited on page one. For all other general inquiries, please contact Robert E. Arnold, Jr. by phone (248-626-4964) or email (reapjr@comcast.net). You can also visit my website (reapjr.com).