

ST. JOHN & ASSOCIATES, INC.

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CRD# 124778

Part 2A of Form ADV

Client Brochure

This brochure provides information about the qualifications and business practices of St. John & Associates, Inc. If you have any questions about the contents of this brochure, please contact us at (770) 642-7631 or advisor@stjohnfinancial.com. 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.

St. John & Associates, Inc. is a registered Investment Advisor. Registration of an Investment Advisor does not imply any level of skill or training. The oral and written communications of an Advisor provide you with information that might be helpful in determining whether to hire or retain the Advisor.

Additional information about St. John & Associates, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Updated: March 15, 2018

Item 2: Material Changes

On May 20, 2015, the United States Securities and Exchange Commission adopted “Amendments to Form ADV” which are designed to provide additional information regarding advisors, including information about their separately managed account business, incorporate a method for private fund advisor entities operating a single advisory business to register using a single Form ADV, and make clarifying, technical, and other amendments to certain Form ADV items and instructions.

Our most recent update to Part 2A of Form ADV was made in March 2018 and is a document prepared according to the SEC’s and the State of Georgia Securities Division’s requirements and rules.

Under such regulations, we are required to report any material changes annually or as they occur. As such we are reporting any material changes in this Brochure for 2018.

Only one substantive change was made during the 2017 calendar year. An additional level of service and fee schedule has been added under certain conditions and is detailed in Item 5. However, advisor is also including certain additional information in this Brochure for clients and prospective clients. Some of this information applies only to clients whose accounts are held through Fidelity, or by other 3rd parties, while other information as noted applies to clients’ accounts held by TD Ameritrade through FTJ FundChoice, LLC whether managed by St. John & Associates, Inc. or Litman Gregory as portfolio managers.

- 1) The company has fee schedules applicable to both financial services with portfolio management, and portfolio management only, as well as the new fee schedule for limited financial service. For more information refer to Item 5 on pages 8-11 of the brochure. These fee schedules do not apply to clients registered with FTJ FundChoice/TD Ameritrade. Their fees are set by and debited directly by and through FTJ FundChoice.

Beginning in 2018 an additional change is being made. The advisor has become concerned by both the stock and bond market conditions. While the equity market’s advance has been modest during the past 8 years, stocks have reached a price/earnings (PE) ratio that is probably not sustainable without a serious correction or continuing corporate earnings growth. Fixed income investment (bond) returns have benefited from decreasing interest

rates for most of the past 15 years. During this period, interest rates fell to nearly 0% and have recently begun to climb. Total bond returns are based on interest income and price changes. As yields increase, values of currently held bonds typically move in the opposite direction and lose market value.

From our review of history, we expect these market conditions to continue for the foreseeable future. In addition, there is a massive movement by the market away from actively managed mutual funds in favor of owning ETFs (exchange traded funds), index funds, and individual securities. This is due to both the high operating expenses of mutual funds and the unfavorable net returns delivered by many mutual funds.

As such, we have been researching and studying other investment strategies and successful investment programs and have selected a new investment strategy and program. This investment strategy includes a change in both the portfolio's designs and asset allocation but will continue to be made up of a range of model portfolios from conservative to aggressive. The selection for each model will be based on each client's personal financial plan requirements and/or risk assessment.

The make-up of the new portfolios will include an actively managed, broadly diversified equity strategy of dividend paying domestic and international individual stocks. A second part of the portfolio will include a total return strategy in the form of ETFs of equities, fixed income, special assets, and cash equivalence. A 3rd portfolio component is known as a tactical allocation, an actively managed broadly diversified strategy of other investment that have a low correlation to both stocks and bonds using ETFs for daily liquidity and efficiency. The new portfolio strategy will be focused to provide higher returns with lower volatility (risk) than our current allocation models.

To design, implement, and oversee the performance of this managed investment program we have engaged Greenrock Research, Inc., an economic and investment research company to work with us. They have been working with investment advisors on similar programs for the past 15 years. Through Greenrock Research, Advisor will engage separate sub-account managers to manage specific parts of clients' portfolios under our direction and supervision. This portfolio management structure provides both more portfolio diversification with expertise in specific market areas, and more depth of focus in those areas than would be available in-house.

Each existing and new client will approve this change in portfolio design and asset allocation before making these changes to their portfolio. All new clients will begin with this new portfolio design and management structure.

Advisor Brochure is available free of charge on our website www.stjohnfinancial.com, or may be requested by contacting Debbie Blackwell, Director of Client Services at (770) 642-7631 or Advisor@stjohnfinancial.com.

Additional information about St. John & Associates, Inc. is also available via the SEC's website www.adviserinfo.sec.gov. The SEC's website also provides information about any persons employed by Advisor who are registered, or are required to be registered as investment advisor representatives of St. John & Associates, Inc.

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Item 4: Advisory Business

St. John & Associates, Inc. was founded in 1989 by Richard J. St. John. There are currently five employees. These include three Financial Advisors (registered representatives); one who is a Certified Financial Planner (CFP) responsible for financial plans and services, one who manages client investment portfolios, and one responsible for marketing and business management; a Manager of Client Services; and one administrative assistant. In addition, there are others who are engaged as Independent Contractors in accounting, financial services, and portfolio management, some of which are CFPs.

St. John & Associates, Inc. is a Financial Advisory firm and a Registered Investment Advisor, domiciled in the state of Georgia. The firm provides personal financial planning, portfolio management, and a wide range of financial services. These consulting services may include consulting on cash management, debt financing, personal lines of insurance, property and casualty insurance, college funding, tax planning, and estate planning, as well as other specific services.

Subject to client's consent, Fidelity Investments serves as the primary broker/dealer and custodian for clients' accounts. For some clients with smaller account and portfolio balances and subject to their consent, TD Ameritrade through FTJ FundChoice has been engaged as custodian for client's accounts. Going forward, all new clients, regardless of the amount of assets under management, will be held at Fidelity Investment subject to the client's approval.

Clients engage Advisor for either financial services including personal financial planning, financial services and portfolio management, or portfolio management only, and have the right to change from one type of engagement to another.

Financial Service clients tend to be clients who have a variety of financial service needs, may be close to retirement, and/or in need of developing a personal financial plan. Since accounts and portfolios are managed on a discretionary basis, all clients are required to delegate this authority to St. John & Associates or its sub-advisors.

Financial planning can include identification of and modeling of their financial goals, cash flow and budgeting, tax planning, risk exposure review, mortgage financing, educational financing, retirement planning, estate planning,

charitable gifting, small business planning issues, insurance needs and more specialized financial services. As part of the personal financial planning process, a written personal financial plan and report of the client's current financial condition and probable statistical likelihood of meeting their goals is periodically provided to the financial service clients. The plans include goals, assumptions, recommendations for implementation, ongoing communication of changes, and updating of the personal financial plans.

All client accounts except some employer based 401(k), 403(b) and/or 457 type plans, annuities, variable life insurance policies, 529 accounts or minor children's accounts are managed on a household basis as one portfolio. The others are managed separately, based on the same or different Risk Profile, Portfolio Design and Target Asset Allocation as approved by the Clients. Investment are limited to mutual funds, exchange traded funds (ETFs) and some individual bonds. Under the client's investment policy, clients do have the right to place restrictions on the purchase of specific securities or class of securities. Advisor also consults with client before selling securities with capital gains transferred into taxable accounts.

Portfolios are developed for each client based on the client's personal financial plan requirement and/or risk assessment and only after the completion of a written set of investment documents. These documents include a statement of investment objectives, time frame, policy constraints, and risk tolerance. The documents also include an investment strategy and a portfolio design and target asset allocation. Portfolios may include other investment accounts held elsewhere, such as variable life insurance and annuities, 401(k) plan accounts, etc.

Portfolios are tailored to clients' needs by determining the rate of return needed to support clients' personal financial plan and/or based on their risk profile. Based on this information, clients' portfolios are selected in terms of their design, model and target asset allocation to meet this planned rate of return over each market cycle.

Each client's portfolio is assigned to 1 of 5 model portfolio classes ranging from conservative to aggressive, each with a different planned rate of return and risk factor as deemed appropriate to the client and advisor based on their financial plan and/or risk profile. All such portfolio models tend to be widely diversified and established for long-term investing only.

All client assets are managed on a discretionary basis, with the exception that a few clients hold separate cash accounts, and a few clients choose to hold small amounts of funds in their self-managed accounts. Further, all portfolios are managed in-house except for a few client portfolios that are managed under our direction by Litman Gregory within the FTJ FundChoice/TD Ameritrade structure as one of our sub-advisors. The selection and review process is provided by Litman Gregory and reported in their Part 2A of Form ADV Brochures. As the client's investment advisor, we determine the advisability of using this sub-advisor as a portfolio strategist. Models are selected individually by them for each client.

St. John & Associates, Inc. did not for 2017 engage any sub-advisor as a portfolio manager for our client's accounts other than Litman Gregory.

The amount of discretionary assets held as of 12/31/17 was \$73,402,000 and the amount of client assets managed on a non-discretionary basis was \$1,496,000.

Item 5: Fees and Compensation

The specific manner in which fees are charged by St. John & Associates, Inc. is established in the client's written Engagement and Fee Agreement.

Such clients may elect to be billed directly for asset-based fees or authorize Advisor to debit fees from client's accounts. Fees for all accounts are either debited from their taxable account, debited from all accounts held at Fidelity on a pro rata basis, paid directly by check or credit card or in some combination as authorized by the client and permitted by IRS regulations. Fees for assets held away including 401(k) plan accounts are debited from client's taxable account, by debit or credit card or billed directly for payment. Engagements initiated or terminated during a calendar quarter are charged on a prorated fee basis. Upon termination of any account, unearned fees, if any will be promptly refunded, and any earned unpaid fees will be due and payable. For assets held at TD Ameritrade through FTJ FundChoice, clients' accounts are debited directly from accounts held by TD Ameritrade by FTJ FundChoice.

The firm has three primary fee schedules; one for financial services with portfolio management, one for limited financial services with portfolio management and the other for portfolio management only. Fees are not negotiable, but client may select any one of these three types of engagements.

The Advisor does not offer financial planning or financial services without portfolio management. All clients are engaged in one of the programs.

New clients are encouraged to engage Advisor as a Financial Services Client for the development of an initial Personal Financial Plan. Such initial engagement is on a \$2,500 initial retainer fee and an additional quarterly retainer fee of from \$1,000 to \$2,500 per quarter, depending on the complexity of such planning, until their initial financial plan is completed. This retainer fee for a financial service engagement is to cover the time and cost of preparing the initial personal financial plan.

When the client signs an approval of the initially completed plan, the retainer fee is terminated, and the fee becomes asset based as shown on the schedule below.

Generally, clients' financial service engagements will continue for a minimum of one year from the completion of the initial plan. During such time Advisor will review and evaluate all elements of the Personal Financial Plan, make its recommendations for change, and update the Personal Financial Plan accordingly. Upon completion of the plan update and Clients' sign-off, Client and Advisor will jointly decide on the financial service and/or portfolio management engagement to be provided going forward.

Clients may at any time choose to change from a financial service client to a portfolio management only client engagement or from portfolio management only to some level of financial service and portfolio management engagement. Portfolio management only clients have financial services available to them on an hourly basis.

Advisory firm works with clients on a retainer and/or asset-based fee only as a fiduciary. Under any fee schedule, the Advisor neither receives nor accepts any commissions or third-party fees and is paid only by the client. Some clients have been grandfathered with lower fees or lower minimum requirements. A Financial Service Engagement may cost the client more or less than purchasing such services separately elsewhere.

For financial services and portfolio management, clients' annual fees after completion of the initial personal financial plan are based on assets under management on a sliding scale as follows:

Values of:	Combined Services
Assets up to \$500,000	2.00%
From \$500,001 up to \$1,000,000	1.60%
From \$1,000,001 up to \$2,000,000	1.20%
From \$2,000,001 up to \$4,000,000	0.80%

Fees for assets in excess of \$5,000,000 are negotiable on an individual basis.

In addition to the above schedule and services, an alternative limited financial service and fee schedule is available for clients having completed their initial personal financial planning and wanting or needing a reduced and measured amount of financial services. This fee schedule enables them to stay on a financial service engagement with portfolio management on the lower tiered annual fee schedule below:

Values of:	Limited Services
Assets up to \$500,000	1.50%
From \$500,001 up to \$1,000,000	1.20%
From \$1,000,001 up to \$2,000,000	0.90%
From \$2,000,001 up to \$5,000,000	0.60%

Fees for assets in excess of \$5,000,000 are negotiable on an individual basis.

For portfolio management only clients, annual fees are based on total assets under management on a sliding scale as follows:

Values of:	Rate of:
Assets up to \$500,000	1.00%
From \$ 500,001 up to \$1,000,000	0.80%
From \$1,000,001 up to \$2,000,000	0.60%
From \$2,000,001 up to \$5,000,000	0.40%

Fees for assets in excess of \$5,000,000 are negotiable on an individual basis.

For portfolios held at Fidelity Investments, held with 3rd party custodians such as annuities, employer based 401(K) plan accounts, other employer-based plans, and 529 college savings plans, Advisor aggregates the fee for each of these investment accounts within one invoice.

These fees are invoiced at 25% of the above amounts at the end of each quarter. For portfolio management only, the minimum asset under management held at Fidelity is targeted at \$250,000 and the minimum annual fee is targeted at \$2,500. Exceptions are made on a case by case basis.

Assets of some clients are held at TD Ameritrade and do not have a minimum asset size. This service tends to be more appropriate for younger clients and those with smaller account sizes.

These clients' assets are managed through a sub advisor, Litman Gregory, while the others are managed directly by St. John & Associates, Inc. Fees for these accounts are billed directly by FTJ FundChoice. Such annual fees of 1.0% of assets under management are invoiced monthly by FTJ FundChoice to each client's accounts. This fee amount covers all costs except an annual account fee of \$25 to \$50 as an account maintenance cost. The 1% fee covers the fee charged by the custodian, an administrative fee charged by FTJ FundChoice of from 0.45% down to 0.10% per year depending on the amount of assets under management, and the fee charged by the Advisor.

Clients with assets held at Fidelity may incur direct charges such as short-term trading fees, or special service charges imposed by custodians and brokers such as foreign taxes, wire transfer, and electronic fund fees. Mutual funds, exchange traded funds, and stocks transferring in may also charge a transaction fee on buying and selling and/or internal operating costs, which are disclosed in the fund Prospectus. Such internal and special charges are exclusive of and in addition to the Advisor's fee.

Advisor during 2017 invested in no load or load waived institutional class mutual funds so trading or transactional fees are infrequent. Occasionally advisor may select transaction fee funds through Fidelity where such mutual fund performance is clearly superior and where there is no annual 12(b)1 fee charged by the mutual fund.

During 2018 Advisor will be changing over its client portfolio through engagements with sub-advisors. As a result of such change-over, clients' portfolios will be invested in dividend paying individual stocks, ETFs, index mutual funds, and other not-equity correlated investment alternatives. Transaction fees and management fees will be charged directly from the sub-advisors to client accounts, but such fees typically will be less than the fees charged to the client by their current and actively managed mutual fund holdings.

Item 6: Performance-Based Fees and Side-by-Side Management

St. John & Associates, Inc. does not contract any performance-based fees (fees based on sharing capital gains or capital appreciation of the assets of a client's portfolio). Further, we have no side-by-side management fee arrangements.

All employees are paid on a salary basis plus participate in the company's profit sharing plan. No employee or agent is paid any incentive compensation based on a client's fees or program selected.

Item 7: Types of Clients

Advisor provides investment advice to individuals, families, their trusts, estates and privately-owned businesses. In addition, St. John & Associates, Inc. serves as an investment consultant to plan sponsors for the establishment, portfolio design, and education of their employees as to their specific company 401(k) plans.

As a result of minimum purchase requirements by individual mutual funds imposed by Fidelity Investments to be applied by sub-advisors, Advisor has determined a minimum portfolio size (including all accounts making up the portfolio) of \$250,000 custodied at Fidelity for fully diversified portfolios with the exception of smaller accounts managed through the use of indexed fund ETF's exclusively. There is no minimum account size for clients for such smaller accounts.

The minimum assets under management requirement for financial services and portfolio management is targeted at \$500,000 and, with the exception of the client's first year, the minimum annual fee for financial services is targeted at \$10,000. This service is more appropriate for clients with a need for on-going financial services. Exceptions to minimum requirements are made on a case by case basis.

While St. John & Associates does not engage any one type of client on an exclusive basis, our current client population tends to be professionals including physicians, small business owners, and business executives of private or public corporations.

Item 8: Method of Analysis, Investment Strategy and Risk of Loss

While St. John & Associates, Inc. believes its strategies and investment selection is designed to potentially produce the planned rate of return over

each market cycle for a given level of risk, it cannot guarantee that an investment objective or planning goal will be achieved. Some investment decisions made by the firm and the client could potentially result in losses, which may include the original principle invested. The client must be willing and able to bear the various risks involved in the investment accounts, which may include market risk, currency risk, interest rate risk, liquidity risk and operational risk, among others.

Client portfolios are based on an allocation of a predetermined portfolio design model. These models range from conservative to aggressive in risk character. Each model contains a wide range of asset classes and subclasses with differing weightings. More conservative models include a higher allocation in bonds and cash investments, while more aggressive portfolios have a larger allocation in equities.

On a discretionary basis, the firm manages clients' portfolio on an aggregate basis (multiple accounts) for the same individual or family into a single household portfolio, providing they have substantially the same investment risk profiles and/or personal financial plan requirements. Still, investments will vary from account to account in light of tax, cash, and other requirements.

Asset Allocation and design decisions are discussed with the client and made based on client's Personal Financial Plan requirements and/or Risk Profile that in the firm's best judgment meet the client's objectives while minimizing risk exposure. St. John & Associates, Inc. typically employs conservative fundamental analysis to develop long term investment strategies.

Prior to beginning the investment process for any client, a set of written investment documents is prepared and executed by the client(s) and Advisor. The client's portfolio is then designed and managed within the framework of these documents.

Generally, portfolios are constructed with actively managed mutual funds, index funds and exchange traded funds (ETFs) based on advisor's analysis, research of Morningstar data, various other research material, and interviews with mutual fund personnel. Advisor selects funds with differing strategies in each asset class, and available on the custodian's trading platforms to maximize overall portfolio performance, stability and diversification.

As actively managed portfolios, advisor rebalances each "household" portfolio frequently to its design and target asset allocation. Fidelity portfolios are

rebalanced at least annually. Portfolios at FTJ FundChoice, employer based 401(K) and 403(B) accounts, annuities and some other type of accounts are also re-balanced at least annually. Asset classes and/or securities in asset classes that become over-weighted are rebalanced back to the target allocation, or sold for cash as needed.

Periodically, but at least on an annual basis, all mutual funds and other securities are researched, ranked, and evaluated to determine if they will continue to be held or be replaced in Advisor's model portfolios based on their performance and other considerations.

Unless otherwise directed by the client, only liquid securities are purchased for client portfolios and they must have the ability to be sold to cash with settlement within one to three days; however, clients may transfer to Fidelity, private or non-traded securities to be managed or held as non-managed securities.

Portfolio risk character and portfolio returns are evaluated and measured against client's personal financial plan assumptions and in meeting the goals of the financial plan.

Item 9: Disciplinary Information

Registered investment advisors are required to disclose to clients and regulators all material facts regarding any legal or disciplinary events related to past or present investment activities as required by statute or administrative procedures.

Neither St. John & Associates, Inc. nor any of its personnel have been the subject of any such legal or disciplinary act or event pursuant to the Investment Advisors Act or similar state statutes.

Item 10: Other Financial Industry Activities & Affiliations

Debbie Blackwell, an employee of the firm, holds a Life, Health, Accident and Sickness License with the State of Georgia through an independent third-party insurance broker. In such capacity, she has access to information that enables us to provide insurance consulting services and placement of insurance for our clients. She is not the only source for such insurance placement and the company is not paid any form of income resulting from such placement. This arrangement was approved by regulation by the State of Georgia Insurance

Commissioner's Office. In that the firm itself places no insurance nor receives any commissions, it is deemed that there is no conflict of interest.

The Advisory firm does have arrangements in which it refers its clients to 3rd party professional for services, but receives no compensation directly or indirectly, so such action is not deemed to be a conflict of interest.

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

St John & Associates has adopted the National Association of Personal Financial Advisors (NAPFA) Code of Ethics for all persons of the firm describing its standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, and restrictions on the acceptance of significant gifts, business entertainment items' and restrictions on personal securities trading procedures among other things. All supervised persons at the firm must acknowledge the terms of the Code of Ethics annually, or as amended.

Employee accounts may be traded in the same securities and at the same time as client accounts. In such circumstances, the employee and client accounts will receive securities at the same net average cost basis and sell at the same market prices. The firm will retain records of the trade order specifying each participating account.

St. John & Associates' clients or prospective clients at the time of engagement are provided with a copy of the firm's Code of Ethics and the ADV Part II (Client Brochure).

Neither St. John & Associates, Inc. nor any related person is authorized to recommend to a client, or effect a transaction for a client, involving any security in which the firm or a related person has a material financial interest, such as the capacity as an underwriter, advisor to the issuer, etc. Additionally, employees are prohibited from borrowing from or lending funds to a client.

In accordance with the firm's ethics policy, St. John & Associates and its related persons may buy or sell securities similar to those purchased for clients' accounts, and it may also make recommendations or take action with respect to investments for its clients that may differ in nature or timing from recommendations made to or actions taken for other clients or its employees.

At no time, however, will the firm, its employees, or any related party receive preferential treatment over the firm's clients.

All non-public, personal information exchanged between the client or prospective client and the firm will be treated as confidential and will not be disclosed to third parties, except as expressly authorized by the client in writing or as required by law. The firm's current privacy policy will be provided to clients and acknowledged in writing at the inception of the engagement. Thereafter, clients will execute the privacy policy annually, or at the time of a policy change.

Item 12: Brokerage Practices

Advisor has engagement agreements with Fidelity Investments and through FTJ FundChoice/TD Ameritrade. These broker-dealers were selected by the advisory based on meeting advisor qualifications, by the services they provide to institutional advisors including the ability to custody our client accounts, and on their fee structure.

Client portfolios are made up of actively traded and passively managed index mutual funds and ETFs. With respect to Fidelity Investments, mutual funds are bought and sold on no-fee or fee waived basis, with the exception of a few fund families for which a transaction fee is paid by the client, but for which there are no annual 12(b)1 fees. Most ETFs for purchase and sale are among those available on a no-fee basis. There are no account or maintenance fees charged by Fidelity for institutional level client accounts. Investment securities transferred in and sold may be subject to trading or transaction fees.

FTJ FundChoice and TD Ameritrade were selected as broker-dealer to service those accounts there were too small to provide a diversified portfolio at Fidelity. Under that program there are no minimum-dollar security purchase requirements, minimum holding periods, or trading or transaction fees.

The advisory firm has no financial interest in the broker-dealers they use. The soft dollar benefits of an engagement with Fidelity are basically the same as those provided by any other major broker-dealers that work with independent financial advisory firms. This includes executing and tracking individual trades, providing to clients and advisor monthly account statements, quarterly transaction reports, and year-end account 1099 tax reports. Broker-dealer also provides for electronic or manual client deposits and withdrawals or transfers between accounts or to third parties. Broker-dealer also provides a wide variety

of back office support to the advisory firm staff, involving day to day transaction support, information on changes in legal and company specific requirements, and on-going educational information through their telephone support, written information, website, webcasts, seminars, and visits.

We are not aware nor do we see any conflict of interest resulting from the engagements with either broker-dealer.

Investment research is not provided by Fidelity or TD Ameritrade, but purchased by the advisory firm from Morningstar or otherwise provided by mutual funds companies with which they invest. Advisor handles all trades on-line through Tamarac trading platform and the broker-dealer trading desk. Each trade is made individually and there is no aggregated trading. In that there is no trading cost and that mutual funds settle at 4pm, there is no advantage to aggregate trading or disadvantage of individual account trading. While clients are not precluded from direct trading, advisor engagement provides for discretionary management of client's portfolio.

As a matter of firm policy and practice, Advisor does have authority and does vote proxies on behalf of Advisory clients. Advisor retains the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios.

Clients may obtain a copy of St. John & Associates' complete proxy voting policies and procedures upon request. Clients may also obtain information from Advisor about how St. John & Associates voted any proxies on behalf of their account(s).

Item 13: Review of Accounts

We manage all client portfolios with in-house management except for smaller accounts managed by Litman Gregory through FTJ FundChoice/TD Ameritrade as a sub-advisor. In-house and supervised portfolio management personnel have full access to all client trades and performance information. In addition, for accounts held at Fidelity, our company portfolio management personnel attend client meetings involving portfolio management and are responsible for the review, preparation, and reporting of client's quarterly and yearly portfolio reports.

All clients go through a process with the Advisory firm in determining the appropriate initial and on-going investment strategy and model portfolio target

asset allocation. This process includes the client completing an initial personal financial plan, completing a risk profile questionnaire, executing a set of written investment documents including an investment policy, an investment strategy, and a portfolio model asset allocation. One of five model portfolio asset allocations are selected by each client based on the targeted annual rate of return required to support their personal financial plan and/or the client's risk tolerance, age, timeline, objectives, and need for liquidity.

Each of the five model portfolios ranging from conservative to aggressive have increasing risk characteristics, expected targeted rates of return, differing equities, fixed income securities, and cash weightings. Where the client has had a personal financial plan developed, the allocations made within the model portfolios are built in the optimization of Money Guide Pro financial planning software used by St John & Associates, Inc.

Once completed and approved by the client, the client's portfolio design cannot be changed without the client's written approval, which becomes part of the client's investment documents. Changes could occur and be approved by the client as a result of changes in their personal or financial condition, as a result of the personal financial plan annual update, or a change in their risk assessment.

Clients' portfolios are managed on a household basis except custodial, Coverdale, annuities, variable life insurance policies, 529s, accounts held at FTJ FundChoice/TD Ameritrade, and employer-based plan accounts held elsewhere.

On a daily basis, except for assets held at TD Ameritrade, all account changes are uploaded, reconciled, and posted by Morningstar for access by St. John & Associates. Such information is also available to clients directly at Fidelity.com through their User ID and Password.

New clients' cash positions in their portfolios are generally invested on a dollar cost averaging basis in line with clients' understanding of their model portfolio asset allocation, except for accounts that were liquidated to be transferable, such as 401(k) to IRA account transfers, and reinvested. Since such investing is done gradually, each new client's portfolio is reviewed at least quarterly. Once substantially invested, it is added to the firm's master portfolio review schedule and rebalanced regularly. The frequency of review and rebalance can be affected by additions and withdrawals from client portfolios and market volatility. Changes in holdings could also occur resulting from changes in

mutual fund management, investment style, and/or unacceptable relative performance.

Greg St. John, Vice-President & Portfolio Manager, and Hayat Ames, CFP, under his direction, manage all client portfolios except those at FTJ FundChoice managed by Litman Gregory, sub-advisor. Richard St. John, President, collaborates on portfolio management issues and handles this responsibility directly in Greg's absence. Debbie Blackwell and Lisa Duncan work with clients concerning their deposits or withdrawals of cash and other non-investment types of transactions.

Some smaller accounts are held by FTJ FundChoice/TD Ameritrade. These client engagements follow the same portfolio design as those for other clients, but accounts are managed individually and rebalanced through a custodian and broker/dealer as directed by advisor. These accounts are managed on the basis of the investment strategy and portfolio asset allocation of St John & Associates, Inc., while others are invested under the Litman Gregory models.

Item 14: Client Referrals and Other Compensation

Prospective clients are referred to us from other clients, professionals with whom we network, and from various websites including the National Association of Personal Financial Advisors (NAPFA), GuideVine Technologies, Financial Planning Association (FPA), LinkedIn, and others, as well as the firm's own website, www.stjohnfinancial.com. While there is a membership fee paid to NAPFA and FPA and an annual fee paid to GuideVine, no compensation is paid to any sources for referrals. In turn, advisor does not receive any form of compensation for referring clients to any outside professional services.

Investment Advisor may retain solicitors (agents) under agreements in compliance with the Investment Advisors Act of 1940. All clients procured from a solicitor are advised in writing through full disclosure of the compensation and terms of such arrangements and sign the required acknowledgement forms. In no event is the client charged an Advisory fee in excess of its fee schedule for any other client or more than it would have been charged had no solicitor's fee been paid. No solicitors are engaged at this time.

Item 15: Custody

Advisor does not have custody over client's accounts. Such accounts are held by Fidelity or TD Ameritrade. Clients whose accounts are held at Fidelity

receive copies of all trade confirmations electronically or by hardcopy quarterly and monthly statements for every account held by them. Clients at FTJ FundChoice/TD Ameritrade receive Trade Confirmations and statements on a quarterly basis either by mail or electronically directly from them. The monthly or quarterly statements report all activities having taken place in each account, in addition to the holdings and market value of each account.

On a calendar quarterly basis, each client having accounts at Fidelity receives a set of portfolio reports from Advisor that include a Portfolio Review Report (summary), and detailed reports of holdings, cash flow and asset allocation, along with a General Commentary.

On a year-end basis, St John & Associates provides all clients except those having portfolio managed by Litman Gregory, an individual commentary covering financial services and/or portfolio management matters as appropriate, including 4th quarter results and a General Commentary.

This reporting information is sent to clients through a secure portal or by U.S. mail.

The Advisor reports are reconciled to the broker/dealer statements at the end of each quarter. The Reports are also reviewed by the portfolio manager and firm principal to verify that the portfolios were invested in line with the portfolio target asset allocation. The reports are prepared and reported in accordance with Global Investment Performance Standards (GIPS). The reports include a listing of investments by asset class and the summary changes for the quarter. The Portfolio Review Reports provide the portfolio's time weighted rate of return for the quarter, year to date, 3, 5, 7, 10 years, and from inception.

We encourage clients to compare the values in the advisor's quarterly statements with those received from Fidelity.

For portfolios held at FTJ FundChoice/TD Ameritrade, the broker/dealer trade confirmations and account statements are provided to the client on a quarterly basis by web-site access through the internet at www.ftjfundchoice.com by registering for a password. St. John & Associates, Inc. and Litman Gregory as strategists for clients registered through FTJ FundChoice/TD Ameritrade provide their quarterly general commentaries. At year end the Advisor provides an individual commentary for each client except those managed by Litman Gregory.

Item 16: Investment Discretion

All client accounts and portfolios are managed on a discretionary basis without conditions, except for client's account held as special cash and securities accounts under their direction. These accounts are not subject to advisor fees. Client enters into an Engagement Agreement which includes Investment Policy documents which stipulated that advisor will have power of attorney to manage client's accounts on a discretionary basis. In addition, the client's account applications with the broker-dealer also so stipulated this discretionary authority. There are no restrictions on clients' access to in-house portfolio management staff.

For those clients having accounts managed by Litman Gregory through FTJ FundChoice/TDAmeritrade, contact and communication needs to be directed to FTJ FundChoice/TDAmeritrade or Litman Gregory. Requested information will be provided through these sources. If for some reason this information is not forthcoming, client should contact St. John & Associates, Inc. St. John & Associates, Inc. provides year end reports and commentary to all clients.

Item 17: Voting Client Securities

As a matter of firm policy and practice, Advisor does have authority and does vote proxies on behalf of Advisory clients. Advisor retains the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios.

Clients may obtain a copy of St. John & Associates' complete proxy voting policies and procedures upon request. Clients may also obtain information from Advisor about how St. John & Associates voted any proxies on behalf of their account(s).

Item 18: Financial Information

Registered Investment Advisors are required to provide clients with certain information or disclosures about St John & Associates, Inc. Advisor does not have any financial impairment that will preclude the firm from meeting contractual or fiduciary commitments to clients. A balance sheet is not required to be provided because St John & Associates, Inc. does not serve as a custodian for client funds or for any securities and does not require prepayment of investment fees.

Advisor has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office access, communications, services, or key people.

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornadoes, fire, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, communications line outage, internet outage, railway accident, and aircraft accident. Electronic files are backed up daily and archived on and offsite. Software and data are password protected and are available from any computer.

Alternate work locations are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within 5 days of a disaster that dictates our moving our office to an alternate location.

Item 19: Requirements for State Registered Advisors: ERISA bond & E&O Liability Insurance

Beginning in 2012 as a result of a change in Federal legislation, St. John & Associates, Inc. as a registered investment advisory firm was no longer required to register with the Securities and Exchange Commission and began required registration through the State of Georgia Securities Division. While such registration for 2018 is with the State of Georgia, information on the firm is still filed and available through IARD online at www.adviserinfo.sec.gov.

St. John & Associates, Inc. carries an ERISA bond for its liability as a 3(28) and 3(31) fiduciary applicable to qualified defined contribution plans subject to ERISA regulations. The firm also carries professional E & O (Errors and Omissions) liability insurance coverage.

Item 20: Education and Business Standards

There are standards of education and business or financial experience that are required of those involved in determining and giving financial or investment advice to clients. Such employees are required to have:

1. A college degree or equivalent experience focused in business, finance, economics, investments, decision science and related specialties.

2. Five years or more of related experience in business, consulting or finance.
3. Portfolio Manager must have a minimum of 10 years of hands on experience in managing portfolios.
4. Financial Planner is required to be a Certified Financial Planner (CFP) holding both the designation and having 10 years of hands on experience.

Item 21: Supervised Persons – Education and Business Background

Richard St. John – Born 1936

CRD#1913537

Education

- University of Wisconsin, Madison, Wisconsin - 1955-1956
- North Central College, Naperville, Illinois, B.A., Business Administration & Psychology, June 1959
- Farleigh Dickinson University, Rutherford, NJ, Master of Business Administration (MBA) - September 1977
- National Association of Securities Dealers, securities license for Registered Representatives, December 1988
- National Association of Securities Dealers, securities license for Registered Principal, March 1989
- Uniformed Investment Advisor Law Exam Series 65, April 1995
- Certified as a Chartered Mutual Fund Counselor (CMFC) by National Endowment for Financial Education, October 1996

Business Background

Prior to St. John & Associates, Inc., Richard St John was:

- Vice President of two Fortune 500 companies: Royal Crown Companies and Baker Industries
- President of The Management Group, a venture capital management firm

- Co-Founder and Principal of Pension Securities, a registered broker/dealer firm.
- Filed with NASD for inactive status
- St. John & Associates, Inc., Registered Investment Advisory Firm 1992 to present, Founder, President and CEO.

Disciplinary Information/None

Gregory St. John – Born 1967

CRD#4644685

Education

- Georgia Institute of Technology 1986 – 1987
- DeKalb College 1988 – 1990
- Georgia State University 1991 – 1996
Bachelor of Business Administration
Major Field of Study, Decision Science

Business Background Preceding Five Years

- Watson Wyatt Company, International Consulting Firm
1989 – 1993 Intern, Actuarial Assistant
- Watson Wyatt Investment Consultant, National Financial Consulting
1993–1999 Research Analyst, Manager of Performance Processing Center
- St. John & Associates, Inc. Registered Investment Advisory Firm
1999-2001 Investment Analyst
2001 Promoted to Portfolio Manager
2004 Promoted to Vice President and Portfolio Manager
2011 Promoted to Executive Vice President. In this capacity, he is responsible for assisting in the overall management of the staff in the delivery of financial and client services. He is directly responsible for portfolio management.

Professional Activities (prior or present)

- CADEF (The Childhood Autism Foundation) – Board of Directors and Treasurer
- Boy Scouts of America – Assistant Troop Leader
- Boy Scouts of America – Venture Advisor
- Northview High School – Assistant Wrestling Coach

Supervision

Greg is broadly supervised by Richard St. John, President, through bi-weekly staff meetings and frequent office interaction

Bryan M. Totri – Born 1955

CRD#2166602

Education

- Greater Hartford Community College 1975 – 1977
Computer Science, Business Administration
- City College of San Francisco 1980 – 1982
Degree in Business Administration
- University of San Francisco 1984 – 1985
Economics
- Denver College of Financial Planning 1991 – 1993
Certified Financial Planner (CFP)
- National Association of Securities Dealers, securities license for Registered Representatives – December 1989
- Filed NASD for inactive status in 1995

Business Background Preceding Five Years

- WellSpring Planning, LLC. Registered Investment Advisory Firm
2000 – 2007, Founder and President
- St. John & Associates, Inc., Registered Investment Advisory Firm
2007 – 2010, Director, Personal Financial Planning
2010 – Promoted to Vice President of Financial Planning and Services. In

this capacity, he is responsible for managing client personal financial planning and the delivery of financial services.

Disciplinary Information

- None

Professional Activities

- The National Association of Personal Financial Advisors (NAPFA)
- The Financial Planning Association (FPA)
- Estate Planning Council of North Georgia (EPCNGA)

Supervision

Bryan is broadly supervised by Richard St. John, President, through bi-weekly staff meetings and frequent office interaction.

Deborah G. Blackwell – born 1959

Education

- Concord College, Athens, WV
1977 – 1980

Certifications

- Securities License 6 & 63 until 2005, Life Accident & Sickness Insurance License

Business Background Preceding Five Years

- Cherokee Presbyterian Church - Bookkeeper
1994 to 2015
- Integrity Financial Management – Office Manager
1998 – 2003
- St. John & Associates – Manager of Operations & Client Services
2003 – 2010
2010 Promoted to Director of Client Services

Disciplinary Information

- None

Supervision

Deborah is broadly supervised by Richard St. John, President through bi-weekly staff meetings and frequent office interaction.

Lisa S. Duncan – born 1968

Education

- Oglethorpe University, Atlanta, GA 1990

Business Background Preceding Five Years

- Art by Archen – Owner/Fine Art Portrait Artist
1982 to present
- Turner Custom Furniture – Administrative Assistant/Finisher
2014
- Solterra Landscaping - Administrative Assistant
2013-2014
- Little Bucket Productions – Project Manager/Set Designer
2011-2013
- St. John & Associates – Administrative Assistant
2014 to present

Disciplinary Information

- None

Professional Activities

- Mensa in Georgia – previous President, Vice President, & Editor
- Boy Scouts of America – Merit Badge counsellor

Supervision

- Lisa is supervised by Deborah, Manager of Operations and broadly supervised by Richard St. John, President, through day to day communications, bi-weekly staff meetings and frequent office interactions.