



**Marathon Retirement Planning, Inc.**  
18 Crow Canyon Court, Suite 240  
San Ramon, CA 94583  
Phone: 925-726-4015

[www.MarathonRetirementPlanning.com](http://www.MarathonRetirementPlanning.com)  
Registered Investment Advisor #281900

## **Form ADV, Part 2A Brochure**

**March 25, 2017**

This brochure provides information about the qualifications and business practices of Anthony J. Pontes and Daniel W. Leonard and Marathon Retirement Planning, Inc. If you have any questions about the contents of this brochure, please contact us at 925-362-9523 and/or [Info@MarathonRP.com](mailto:Info@MarathonRP.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.

Marathon Retirement Planning, Inc. is registered as an Investment Adviser with the State of California. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Marathon Retirement Planning also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the firm's identification number 281900.

## **Item 2 – Material Changes**

The following material changes have occurred since the last update of this Brochure on September 15, 2016:

1. The Firm has \$38.0 million in assets under management.
2. There have been no other material changes.

## Item 3 – Table of Contents

<i>Item #</i>	<i>Section Title</i>
1.	Cover Page
2.	Material Changes
3.	Table of Contents
4.	Advisory Business
5.	Fees and Compensation
6.	Performance-Based Fees and Side-By-Side Management
7.	Types of Clients
8.	Methods of Analysis, Investment Strategies and Risk of Loss
9.	Disciplinary Information
10.	Other Financial Industry Activities and Affiliations
11.	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading
12.	Brokerage Practices
13.	Review of Accounts
14.	Client Referrals and Other Compensation
15.	Custody
16.	Investment Discretion
17.	Voting Client Securities
18.	Financial Information
19.	Requirements for State-Registered Advisors

## **Item 4 – Advisory Business**

Marathon Retirement Planning, Inc. (“Marathon” or “MRP”) was formed in October 2015 and became registered with California as an investment advisor in February, 2016. Anthony J. Pontes and Daniel W. Leonard are Principals of the firm. Marathon manages investments in brokerage accounts of clients who are primarily individuals, qualified plans (such as pension, 401(k), defined contribution, etc.), trusts, estates and charitable organizations, corporations and other business entities. The firm also provides comprehensive financial planning services and advice on specific investment and insurance-related projects. A description of each service follows.

Marathon Advisors (“Advisors”) evaluate each client's investments to determine whether they are consistent with the client's financial objectives. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation target. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. Account supervision is guided by the stated objectives of the client (e.g., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. The Advisor then designs and proposes a portfolio to help the client attain his or her financial goals.

The firm's Advisors utilize many sources of public information including financial news and research materials and corporate rating services. Mr. Pontes may also contact his affiliated broker/dealer Investment Architects, Inc. to consult with specialists in financial planning, mutual funds, limited partnerships, variable life and annuities, and speak with that firm's due diligence staff to review the products of other issuers.

By its nature, financial planning is designed to establish a long-term investment plan. After a client's Advisor evaluates the client's short-term cash needs and emergency fund, investment and insurance strategies are designed and presented to help the client achieve his or her financial goals. Casualty insurance (e.g. homeowners, auto, liability, etc.) is reviewed for comprehensive financial planning, but may be provided by an outside casualty firm.

### ***Education and Business Standards of Marathon***

Marathon requires its Advisors managing accounts or providing other advice to demonstrate technical competency through accredited studies and by achieving industry recognized licensing requirements and experience. The firm's Advisors have several designations and have passed the licensing exams for general securities and insurance sales. Additionally, Mr. Leonard has attained the CFP® designation.

The Certified Financial Planner™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

**The CFP® Certification** is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- **Education** – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- **Examination** – Pass the comprehensive CFP® Certification Examination. The examination, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- **Experience** – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- **Ethics** – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- **Continuing Education** – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- **Ethics** – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**An Enrolled Agent** is a person who has earned the privilege of representing taxpayers before the Internal Revenue Service by either passing a three-part comprehensive IRS test covering

individual and business tax returns, or through experience as a former IRS employee. Enrolled Agent status is the highest credential the IRS awards. Individuals who obtain this elite status must adhere to ethical standards and complete 72 hours of continuing education courses every three years.

Enrolled Agents, like attorneys and certified public accountants (CPAs), have unlimited practice rights. This means they are unrestricted as to which taxpayers they can represent, what types of tax matters they can handle, and which IRS offices they can represent clients before.

**Accredited Investment Fiduciary® (AIF®)** certifies that the recipient has specialized knowledge of fiduciary standards of care and their application to the investment management process. To receive the AIF Designation, the individual must meet prerequisite criteria based on a combination of education, relevant industry experience, and/or ongoing professional development, complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the Code of Ethics and Conduct Standards. In order to maintain the AIF Designation, the individual must annually attest to the Code of Ethics and Conduct Standards, and accrue and report a minimum of six hours of continuing education. The Designation is administered by the Center for Fiduciary Studies, the standards-setting body of fi360.

### ***Education and Business Background of Senior Management***

Daniel W. Leonard is President and 50% owner of Marathon Retirement Planning, Inc. He was born in 1968 and attended Moravian College in Bethlehem, PA where he obtained a B.A. in Management in 1990. He obtained his CFP® designation from the College for Financial Planning in July 2005. He received the EA in March 2016. Mr. Leonard received the Accredited Investment Fiduciary® (AIF®) designation from the Center for Fiduciary Studies, LLC in April 2016.

Mr. Leonard has extensive experience in the insurance and securities industries. From Sept. 1991 to Sept. 1993 he was a Marketing Representative with NSR Distributors, Inc. From November 1993 to August 1998 he was with Northstar Distributors, Inc. in Stamford, CT where he was Regional Vice President. From August 1998 to February 2001 he was with Aetna Investment Services in Hartford CT as Regional Director. From February 2001 to July 2003 he was with Pacific Life Insurance in Newport Beach as a Regional Vice President. From July 2003 until January 2004 he was unemployed. From January 2004 until May 2005 he was a Registered Representative of Capital Brokerage Corporation in San Ramon, CA. From May, 2005 until May, 2007 Mr. Leonard was a Wholesale Representative of Ohio National Financial Services in Cincinnati, OH. From June 2007 until July 2008 he was unemployed. From July 2008 until April 2010 he was a Registered Representative with Canaccord Capital Corp. in Vancouver, Canada. From April 2010 until July 2012 he was an advisor with Dominion Securities in Victoria, Canada. From July 2012 until January 2016 he was a registered Rep with Rice Pontes Capital in San Ramon, CA. From December 2012 until January 2016 he was an Advisor with Insight Capital Management in San Ramon. Since January 2016 he has been President of Marathon Retirement Planning, Inc. in San Ramon, CA. Since March 2016 Mr. Leonard has been an Enrolled Agent doing tax planning and preparation as Marathon Tax

Planning (“MTP”) in San Ramon, CA. MTP is not affiliated with Marathon Retirement Planning.

Anthony J. Pontes, Jr. is Chief Financial Officer and 50% owner of Marathon Retirement Planning, Inc. He was born in 1962 and attended California State University - East Bay in Hayward, CA, where he obtained a B.S. degree. Mr. Pontes holds Series 7, 24 and 63 securities licenses and is a Registered Principal with Investment Architects in Petaluma, CA.

Mr. Pontes has over 30 years’ experience in the securities and insurance industries. From February 1988 to August 1989 he was an advisor with Pontes Financial Group in Oakland, CA. From August 1989 until April 1990 he was a Registered Representative with First Affiliate Securities in San Diego, CA. From April 1990 until June 1993 he was self-employed as a financial advisor and was a registered representative of Guardian Investor Services Corp. From June 1993 until July 1996 he was a registered representative of Linsco/Private Ledger Corp. in San Leandro, CA. From December 1995 until December 2016 he was founder and President of Rice Pontes Capital, Inc. in San Ramon, CA, a registered broker-dealer and investment advisor. Since December 2011 Mr. Pontes has been President of Pontes Financial Group in San Ramon. Since September 2016 he is Chief Financial Officer of Marathon Retirement Planning, Inc. in San Ramon, CA.

### ***Asset Management Services***

Each client usually works with one portfolio manager at the firm (“Advisor”) who provides the firm’s asset management services to the client. Asset management services begin with an interview with the client’s Advisor and preparation of a data gathering questionnaire to determine the client’s individual needs, current financial situation and risk tolerance. The Advisor then manages the client’s assets in a manner consistent with those objectives. Services include regular review of investments and other assets such as, and not necessarily limited to, stocks, bonds, ETFs, warrants, mutual funds, municipal securities, government bonds, annuities, certificates of deposit, limited partnerships, real estate investment trusts, cash, and cash equivalents. Advice given by the firm about partnerships can include advice about investments in equipment leasing, raw land, alternative energy and research/development. Clients have the ability to instruct their Advisor to refrain from investing in particular industries, or to limit investments to certain kinds of securities. Periodically Marathon’s Advisors will request current financial status information from the client to determine if there have been any changes to the client’s financial situation. Clients may call their Advisor at any time to discuss the account, financial situation, or investment needs. Clients will receive transaction statements from the brokerage firm processing trades including a quarterly statement of the account. Other reports may be provided as mutually agreed between Marathon and the Client.

Asset management services continue until either the client or Marathon terminates the services agreement upon 10 business days advance notice.

## **Types of Advisory Services**

### **Investment Management Services**

We are in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation target. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background.

Account supervision is guided by the stated objectives of the client (e.g., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Fees pertaining to this service are outlined in Item 5 of this brochure.

### **Financial Planning**

We provide financial planning services on topics such as retirement planning, risk management, college savings, cash flow, debt management, work benefits, and estate and incapacity planning. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service will receive a written or electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

The client is under no obligation to act upon our recommendations. If the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through our firm.

In general, the financial plan will address any or all of the following areas of concern. The client and advisor will work together to select the specific areas to cover. These areas may include, but are not limited to, the following:

### **Business Planning:**

We provide consulting services for clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.



**Cash Flow and Debt Management:**

We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

**College Savings:**

Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).

**Employee Benefits Optimization:**

We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.

**Estate Planning:**

This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

**Financial Goals:**

We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.

**Insurance:**

Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.

**Investment Analysis:**

This may involve developing an asset allocation strategy to meet clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee

stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

### **Retirement Planning:**

Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments). If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

### **Risk Management:**

A risk management review includes an analysis of your exposure to major risks that could have a significantly adverse effect on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance (“self-insuring”).

### **Tax Planning Strategies:**

Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their “tax efficiency,” with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may affect your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

### **Comprehensive Financial Planning**

This service involves working one-on-one with a planner over an extended period of time. By paying a monthly retainer, clients get continuous access to a planner who will work with them to design their plan. The planner will monitor the plan, recommend any changes and ensure the plan is up to date. However, this plan is designed for clients who are comfortable making their own trades and implement the designed plan on their own.

Upon desiring a comprehensive plan, a client will be taken through establishing their goals and values around money. They will be required to provide information to help complete the following areas of analysis: net worth, cash flow, insurance, credit scores/reports, employee benefit, retirement planning, insurance, investments, college planning and estate planning. Once the client’s information is reviewed, their plan will be built and analyzed, and then the findings,

analysis and potential changes to their current situation will be reviewed with the client. Clients subscribing to this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives. If a follow up meeting is required, we will meet at the client's convenience. The plan and the client's financial situation and goals will be monitored throughout the year and follow-up phone calls and emails will be made to the client to confirm that any agreed upon action steps have been carried out. On an annual basis there will be a full review of this plan to ensure its accuracy and ongoing appropriateness. Any needed updates will be implemented at that time.

### **Savings Plan Management:**

Marathon acts as a solicitor for an investment advisory program that provides continuous advice to individuals on the investment options available to them within their company-sponsored qualified savings plan (e.g., 401(k), 403(b), 457). This program provides various administrative, technology and advisory support services. Clients grant the provider discretion over Client accounts in order to fulfill the Savings Plan Management program obligations. Please review the their ADV Part 2A and Privacy Policy for more information regarding their handling of Client accounts for the Savings Plan Management program.

Investment decisions for individual accounts are based upon the Investor Profile information collected and qualified by Marathon. Client portfolios are comprised of mutual fund shares and, in certain circumstances, individual securities may be held (generally company stock in the form of a unitized fund). Based on changes in a client's Investor Profile information, the markets and/or the economy, the Savings Plan Management program provider (Retirement Management Systems LLC) may make allocation changes to the client's savings plan account on the client's behalf.

### ***Client Tailored Services and Client Imposed Restrictions***

We offer the same suite of services to all of our clients. However, specific client financial plans and their implementation are dependent upon a client Investment Policy Statement, which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

### ***Financial Planning and Project Services***

Marathon also provides financial plans consistent with a client's financial and tax status and investment objectives. The service begins with a Marathon Advisor gathering financial data, identifying problems, assessing risk tolerance and defining financial objectives. Clients may request a comprehensive financial plan to include many focus areas, or may request advice on a limited project addressing a specific financial circumstance. For example, planning may focus on cash flow management, investments, insurance/risk management, taxes, employee benefits, children's educational goals, retirement, and/or estate plans.

Please refer to Item 5 for discussion of fees and compensation.

Planning services continue until either the client or Marathon terminates the agreement on ten business (10) days written notice.

### ***Seminars***

On occasion Marathon Advisors may hold seminars. These seminars may include presentations on various securities and insurance products. However, the seminars generally focus on financial planning strategies. The seminars may be sponsored by colleges, churches, and businesses, or be conducted directly by Marathon. Fees may vary, but are usually nominal. At times the organization sponsoring the seminar sets the fee.

### ***Third Party Manager Referrals***

Marathon has entered into agreements with other investment advisors and service providers specializing in account management and recommends these other advisors to clients when appropriate. In such instances, Marathon receives a portion of the advisory fee earned by the advisor. The client is under no obligation to use the services of the other advisor(s) recommended.

Marathon Advisors will not conduct an individual search for an investment management firm before recommending a manager to a client. Instead, the Advisor will recommend a manager they are familiar with. Thus, the past performance of other managers not recommended by the Advisor, but available to the client, may be better or worse than that of the manager recommended.

Prospective clients should also be aware that Marathon may use the services of third party manager search program sponsors. These sponsors provide a manager selection pool, manager performance information and account performance reporting. Clients should be aware that managers within these pools are those that have agreed to participate in the sponsor's program, thus may have performance histories which are better or worse than other managers available to the client.

While a client's account is being managed by a manager, the client's Marathon Advisor counsels the client about the managed account's performance. Meetings occur as frequently as mutually agreed between the client and the Advisor.

Clients who choose to utilize the investment services of a third party manager will receive a separate advisory agreement for these services, including disclosure materials.

### ***Assets under Management***

As of March 25, 2017 Marathon had \$38.0 million in discretionary assets under management. The majority of our clients have given MRP limited discretionary authority to charge quarterly fees and to purchase, sell, exchange and effect other transactions in securities at such times as Advisor deems appropriate provided, however, that Advisor shall not have authority to take

custody or possession of any Account assets except for advisory fees withdrawn in accordance with their contract with Advisor. No funds are managed on a non-discretionary basis.

For clients who receive our Financial Planning services, we must state when a conflict exists between the interests of our firm and the interests of our client. The client is under no obligation to act upon our recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through our firm.

## **Item 5 – Fees and Compensation**

Fees for portfolios managed by Marathon are billed as a percentage of assets under management and range between 0.25% and 1.50% per annum. The minimum annual compensation is \$240, \$60 quarterly or \$20 monthly.

Fees charged by Marathon may be negotiated, thus vary from client to client for similar services. The firm's fees are based upon a number of factors, including but not limited to the type of account, the size of the account, the projected nature of trading for the account and the number and range of supplemental advisory and client-related services to be provided by the client's Advisor.

Fees for third party money management services are set by the manager or manager search program sponsor and usually range from .25% to 1.00% of assets under management, depending on assets and investment products chosen. Third party management fees may be in addition to Marathon standard asset management fees or the third party manager may compensate Marathon directly with no additional costs to the investor, depending on the program and manager. Please refer to your contracts for current information.

Fees are billed every three months after services are provided at a rate of one-quarter of the annual fee based on assets under management at the time. A monthly payment schedule is also available. Management fees are either debited from the account, charged to a credit/debit card or clients may pay by check; clients are given the choice of which method of payment they prefer and have the right to change it at any time. Fees are based upon the market value of the Account as of the last business day of the prior billing period. The fee for any period which is less than a full quarter is prorated. For purposes of valuing assets, the following and other related accounts may, at the discretion of Marathon, be combined and the net fee due from each account apportioned on a pro-rata basis among the accounts so combined: separate accounts of an individual, his or her spouse and close relatives of each, their minor children, trusts established on behalf of any of them, any corporation, partnership, association or similar organized group in which any of the foregoing hold a controlling interest, all profit sharing, pension and other retirement trusts and all funds and foundations maintained by a corporation, partnership or other entity, and their direct affiliates. Marathon may change its fees upon 30 days advance written notice to a client.

The firm's fees do not include transaction execution costs or any other expense associated with maintaining the account or implementing advice.

To the extent mutual funds are included as managed assets, clients should be aware that such funds also deduct their own advisory fees and expenses which affect the fund's reported performance. Depending on the fund, a client may be able to invest directly in the shares of a fund without incurring any sales or advisory management fees. In addition, there are tax effects pertaining to fund share redemptions made by Marathon on behalf of clients. Redemptions may be taxable events which could accelerate the recognition of capital gains. Frequent redemptions may result in short term, rather than long term capital gains.

The firm's advisory fees for management or consultation services may be higher or lower than available from other service providers.

Flat fees for comprehensive and modular plans are negotiable and usually range from \$750-\$3,500 per engagement based upon complexity of the plan and the level of services required to be provided by Marathon's Advisor. A fee is quoted upon execution of the Consulting Agreement. Hourly consulting services are billed at \$300 per hour.

Fees for advisory services may be waived, at the sole discretion of Marathon.

For additional information regarding fees and expenses please see Item #12- Brokerage Practices in this Brochure.

Anthony Pontes is also a registered representative of IA and may invest client assets in money market, registered insurance products and other mutual funds. A few of these mutual funds may charge "12b-1" fees to client accounts, which will be deducted from total asset management fees charged by Marathon. Additionally, other issuers of securities, insurance and certificates of deposit may also pay fees to IA for sales of these products. Thus, Mr. Pontes' role as provider of advice and as advisor receiving fees from investment products he sells may conflict as advice is provided.

## **Item 6 – Performance-Based Fees**

Marathon does not participate in any performance-based fees.

## **Item 7 – Types of Clients**

Marathon manages investments in brokerage accounts of clients who are primarily individuals, qualified plans (such as pension, 401(k), defined contribution, etc.), trusts, estates and business entities. The firm also provides comprehensive financial planning services and advice on specific investment and insurance-related projects. We do not have a minimum account size requirement.

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

### ***Methods of Analysis***

Marathon Advisors evaluate each client's investments to determine whether they are consistent with the client's financial objectives based upon their current financial position as well as future goals. The Advisor then designs and proposes a portfolio to help the client attain his or her financial goals.

The firm's Advisors utilize many sources of public information including financial news and research materials and corporate rating services. Advisors may also contact Investment Architects to consult specialists in financial planning, mutual funds, limited partnerships, variable life and annuities, and speak with that firm's due diligence staff to review the products of other issuers.

By its nature, financial planning is designed to establish a long-term investment plan. After a client's Advisor evaluates the client's short-term cash needs and emergency fund, investment and insurance strategies are designed and presented to help the client achieve his or her financial goals. Casualty insurance (e.g. homeowners, auto, liability, etc.) is reviewed for comprehensive financial planning, but may be provided by an outside casualty firm.

### ***Investment Strategies***

Through personal consultations with you we will develop a profile of your individual investment needs and objectives. If mutually determined, we may develop a full financial plan for you, including retirement analysis, tax and estate planning and investment risk tolerance. Based upon our analysis, we will then develop an asset allocation plan. Marathon Advisors will invest assets based upon that plan and will monitor and rebalance your portfolio on an ongoing basis to ensure it remains consistent with your goals.

### ***Risk of Loss***

The firm does not guarantee the results of the advice it gives. Thus, losses can occur by using the firm's services. The value of assets held in your account may increase or decrease in response to events taking place around the world as well as within companies whose stocks you may hold in your portfolio. Investing in securities involves risks of loss that clients should be prepared to bear.

## **Item 9 – Disciplinary Information**

Neither Marathon nor its management personnel has been involved in any criminal or civil action or in any proceeding before the SEC, federal or state regulatory body or other self-regulatory organization.

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

Marathon Advisors are also insurance agents and conduct insurance business using their individual name. As a licensed insurance agent, they sell insurance through their personal license. Anthony Pontes devotes approximately 20% of his time to insurance and securities sales. Another 80% is devoted to investment advisory and financial planning services. Dan Leonard devotes approximately 85% of his time to investment advisory and financial planning services. Another 15% of his time is devoted to tax preparation.

Mr. Pontes is a registered principal of Investment Architects, Inc. ("IA"), a general securities broker/dealer and a member of the Financial Industry Regulatory Authority, Inc. ("FINRA") and Securities Investor Protection Corporation ("SIPC"). Should clients implement recommendations through Marathon, Advisors may receive commissions in addition to the advisory fees. Commissions paid through IA may be higher or lower than at other broker/dealers. Additionally, account maintenance costs and transaction costs may be higher or lower at IA than at other broker/dealers. The Advisors may recommend securities or insurance products offered by IA or its affiliates. IA performs "due diligence" on mutual funds, limited partnerships, and registered insurance products. Only those investments that meet minimum internal requirements on IA's "approved products list" can be offered for sale to clients. If clients purchase these products through the Advisors, the Advisors will receive the customary sales commissions or fees. Thus, a conflict exists between the Advisor's role as advisor to a client and role as securities salesperson.

Mr. Pontes is also licensed as an independent insurance agent and has the same conflict of interest when recommending insurance products they offer because they will receive a commission on the insurance they recommend.

A client is under no obligation to purchase products recommended, or to purchase products either through Marathon or Investment Architects.

Mr. Pontes is registered with Investment Architects as a registered representative and with Marathon Retirement Planning, Inc. as a registered investment advisor.

Marathon has entered into agreements with other investment advisors specializing in account management and recommends these other advisors to clients. In such instances, Marathon receives a portion of the advisory fee earned by the advisor. The client is under no obligation to use the services of the other advisor(s) recommended.

Mr. Leonard does not maintain a securities registration. He is a licensed life and health insurance agent; however he is not currently appointed with any insurance agency or company and does not collect any commissions on the sale of insurance products. Mr. Leonard offers tax preparation services for a fee through Marathon Tax Planning, which is an unaffiliated business. We occasionally will offer our Marathon Tax Planning services to MRP clients. Thus, a conflict exists between Mr. Leonard's role as advisor to a client and role as a tax preparation professional. You are under no obligation to use MTP's services. Each company operates on its own and it is up to the client if they would like our tax preparation or want to use another service.



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

### ***Code of Ethics***

Marathon's Code of Ethics is provided to new clients at the time of account opening and to all other existing or prospective clients upon request. The Code of Ethics states: "We shall offer and provide professional services with integrity. We shall be objective in providing professional services to clients. We shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which the firm is engaged. We shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers and shall disclose conflict(s) of interest(s) in providing such services. We shall not disclose any confidential client information without the specific consent of the client. Our conduct in all matters shall reflect credit upon the profession. We shall act diligently in providing professional services."

At times the interest of Marathon or its Advisors may correspond with their client's interests. The Advisors may, for example, invest in the same securities that are recommended to clients. Clients have the opportunity to act on investment recommendations prior to and in preference to accounts of Marathon Advisors and Personnel. We have procedures to ensure Marathon and its Advisors will be "last in" and "last out" for the trading day.

Marathon Advisors obtain information from a wide variety of publicly available sources. They do not have, and do not claim to have, sources of inside or private information.

Any controversy or claim, including, but not limited to, errors and omissions arising out of, or relating to, the advisory agreement is settled by arbitration in accordance with the code of Commercial Arbitration of the American Arbitration Association.

### ***Notice Regarding Treatment of Confidential Information***

**Privacy Notice to Our Clients.** Marathon strongly believes in protecting the confidentiality and security of information we collect about you. This notice describes our privacy policy and how we protect your personal information.

**Why We Collect And How We Use Information.** When we evaluate your request for our services, provide investment advice to you, and process transactions for your account, you typically provide us with certain personal information necessary for proper planning and transactions. We may also use that information to offer you other planning services to meet your investment and planning objectives.

**What Information We Collect.** The personal information we collect may include:

- Name, address, and phone number(s), e-mail address(s);
- Social Security or taxpayer identification number(s);
- Financial assets and net worth;

- Income;
- Account balance;
- Investment activity;
- Accounts at other institutions; and
- Personal and/or family situation and objectives.

**How We Protect Information.** We do not sell or provide your personal information to anyone, other than what is required to establish accounts with custodians or other financial service providers (i.e., insurance co., etc.). Information collected in connection with, or in anticipation of, any claim or legal proceedings will be shared with appropriate legal and professional outside advisors.

We treat information about current and former clients and their accounts in a confidential manner. Our employees may access information and provide it to third parties only when completing transactions or providing our other services to you.

At your request, we may disclose information to or from attorneys, accountants, securities firms, and others to assist us, or them, in providing services to you. We may also share information with companies that perform services on our behalf, such as the companies that we retain for administrative services. Companies we may retain to provide support services are not allowed to use your personal information for their own purposes. We may make additional disclosures as permitted by law.

We also maintain physical, electronic, and procedural safeguards to protect information. Employees and our professional service advisors are required to comply with our established information confidentiality provisions.

**Access to and Correction of Information.** Generally, upon your written request, we will make available information for your review. Information collected in connection with, or in anticipation of, any claim or legal proceeding will not be made available.

If your personal information with us becomes inaccurate, or if you need to make a change to that information, please contact us at the number shown below so we can update our records.

For additional information regarding our privacy policy, please contact us at our Home Office by writing to us at 18 Crow Canyon Court, Suite 240, San Ramon, CA 94583 or by calling us at 925/362-9523.

## **Item 12 – Brokerage Practices**

While providing asset management services, a Marathon Advisor may exercise discretion in selecting specific securities if given authority to do so by the client. Marathon does not exercise discretion to select brokerage firms or custodians. It also does not exercise discretion to negotiate commission rates paid. Marathon will however recommend, and clients receiving asset management services will designate, a custodian to be the account custodian and to execute all securities transactions. This custodian will be one of the following firms: 1) TD Ameritrade Institutional, a division of TD Ameritrade, Inc., member FINRA, SIPC and NFA or 2) Pershing,

LLC, a wholly owned subsidiary of The Bank of New York Mellon Corporation. Pershing LLC is a member of FINRA, NYSE and SIPC. Mr. Pontes is a registered representative of Investment Architects, which necessitates IA keep and maintain certain records and perform other compliance functions in relation to the advisory activities of Marathon. These obligations require IA to coordinate with and have the cooperation of certain custodians and/or broker/dealers. Accordingly, IA has established a list of custodian or brokerage firms in which Marathon client assets may be placed, and Marathon client custodial choices will be limited to that list. Selection of one broker-dealer for executing orders may not allow Marathon to receive research from other broker-dealers in return for directing transactions to those firms, or allow Marathon to evaluate the quality of execution services and commission costs of other broker-dealers. Thus, selecting a single broker-dealer may not result in the lowest commissions possible or best price or execution of transactions.

Mr. Leonard is not a registered representative of a broker/dealer and thus is able to determine custodian or brokerage firms independently of another affiliation.

Marathon may receive proprietary software products from TD Ameritrade or from Pershing at minimal or no cost. The software enables Marathon to have computer access to client accounts, to have real time quotes and to gather data for Marathon reports. Receipt of such services creates an inducement and conflict of interest for the firm since referring clients to any other brokerage firm not providing these support services may result in higher reporting and overhead costs to Marathon.

### **Item 13 – Review of Accounts**

Clients are invited to meet with their Marathon Advisor at least annually. It is a client's responsibility to establish the meeting schedule.

**Reviews.** Financial planning looks to the long term, so accounts are reviewed and clients are provided reports only at a client's request if such services are included in the client's contract. At times of economic uncertainty, or as special needs arise, additional consultations may be needed. Fees are billed at the hourly rate for such reviews.

**Reports.** Clients receive standard account statements from investment sponsors and their brokerage firm.

Marathon Retirement Planning, Inc. reports are individualized. Thus, the nature and frequency of reports are determined by client needs. We recommend that clients review financial goals and objectives on an annual basis.

Managed Portfolio clients receive a quarterly Investment Management Report which includes current holdings and asset allocation.

Marathon Retirement Planning, Inc. may also send free periodic newsletters to clients discussing general financial planning subjects.

## **Item 14 – Client Referrals and Other Compensation**

From time to time our clients may refer a potential client to us for our services. We greatly appreciate the vote of confidence the referral implies but we do not compensate the referrer.

## **Item 15 – Custody**

Marathon does not maintain custody of any client accounts, funds or securities. Marathon advisors do not serve in any trustee capacity, with the exception that they may be trustees for personal family members. Clients receive standard account statements from investment sponsors, their bank or other qualified custodian and from their brokerage firm. Periodically, clients also receive statements from Marathon Retirement Planning, Inc. Clients are urged to compare the account statements they receive to the reports from Marathon Retirement Planning, Inc.

## **Item 16 – Investment Discretion**

The majority of our clients have given MRP limited discretionary authority to charge quarterly fees and to purchase, sell, exchange and effect other transactions in securities at such times as Advisor deems appropriate provided, however, that Advisor shall not have authority to take custody or possession of any Account assets except for advisory fees withdrawn in accordance with their contract with Advisor. No funds are managed on a full discretion basis.

Marathon will not act as power of attorney for any client account. Marathon will, however, honor a properly executed client's power of attorney request appointing a third party. Occasionally we may act as a power of attorney for a personal family-related account.

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

Marathon Retirement Planning, Inc. does not vote client securities. All clients will receive their proxies or other solicitations directly from their custodian or a transfer agent. Clients may contact their advisor with any questions regarding proxy voting.

## **Item 18 – Financial Information**

Marathon Retirement Planning, Inc. does not require or solicit prepayment of \$500 or more in fees per client, six months or more in advance, and therefore is not required to furnish financial information.

## **Item 19 – Requirements for State-Registered Advisors**

The following information is provided as required for state-registered Advisors:

1. ***Principal Executive Officers and Management Persons*** -- All principal executive officers and management personnel have been previously identified in this brochure under Item 4 – Advisory Business.
2. ***Other Business Activities*** -- All outside business activities and the percentage of time spent in each have been previously identified in the brochure under Item 10 – Other Financial Industry Activities and Affiliations.
3. ***Performance-Based Fees*** -- Neither Marathon nor its principal executive officers are compensated for advisory services with performance-based fees.
4. ***Legal and Disciplinary Issues*** -- Neither Marathon nor its principal executive officers have any legal or regulatory disciplinary items to disclose.
5. ***Arrangements with Securities Issuers*** -- Neither Marathon nor its principal executive officers have any relationship with an issuer of securities.