

# Investor Resources Inc.

ADV Part 2A, Firm Brochure

Dated: April 30, 2020

Contact: Donald Creech, Chief Compliance Officer

1922 Pottery Ave., Suite 110

Port Orchard, Washington 98366

[www.investorresourcesinc.com](http://www.investorresourcesinc.com)

CRD#110766

**This Brochure provides information about the qualifications and business practices of Investor Resources Inc. If you have any questions about the contents of this Brochure, please contact us at (360) 895-9119 or [don@investorresourcesinc.com](mailto:don@investorresourcesinc.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.**

**Additional information about Investor Resources Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**References herein to Investor Resources Inc. as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.**

## Item 2 Material Changes

There have been no material changes made this Firm Brochure since the previous Annual Amendment filing on June 11, 2019. Although not material, this Firm Brochure has been amended as follows:

- At Item 4 to incorporate disclosure language regarding periods of portfolio inactivity
- At Item 5 to revise description of transaction fees that may be charged by the client’s qualified custodian and to remove references to asset-based transaction fee arrangements
- At Item 8 to revise disclosure language regarding use of margin

**ANY QUESTIONS: Investor Resources Inc.’s Chief Compliance Officer, Donald Creech, remains available to address any questions that a client or prospective client may have about the disclosures and arrangements described in this Firm Brochure.**

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## **Item 4            Advisory Business**

- A. Investor Resources Inc. (“Investor Resources”) is a corporation formed on June 25, 1990 in the state of Washington. Investor Resources became registered as an Investment Adviser Firm in December 1990. Investor Resources is owned by Donald Creech and Perry Sikes, Jr. Mr. Creech is Investor Resources’ President.
  
- B. As discussed below, Investor Resources offers to its clients (currently: individuals, high net worth individuals, related trusts, and pension and profit sharing plans) investment advisory services, and, to the extent specifically requested by a client, limited investment planning consulting services on a separate stand-alone fee basis. Investor Resources does not provide comprehensive financial planning services or insurance planning services.

### **Investment Advisory Services**

A client can engage Investor Resources to provide discretionary investment advisory services only on a fee basis. Investor Resources’ annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under Investor Resources’ management as discussed further at Item 5 below.

#### **IRI Select Portfolio**

The IRI Select Portfolio is limited to No Transaction Fee exchange traded funds (ETFs) sponsored by and custodied at Charles Schwab & Co., Inc. The Schwab ETFs are asset class index funds with broader diversification and, typically, less volatility than sector funds. The Schwab ETFs have minimal internal expenses and no fee for buying or selling. The portfolio will own no more than five positions. Portfolio positions are determined by strong relative recent performance. The portfolio may be 100% cash. Management fees will be assessed on cash balances. There is no predetermined asset class assignment. Asset class exposure will be determined by recent relative performance of Schwab ETFs. Holdings will be reviewed weekly.

#### **IRI Unconstrained Moderate and Aggressive Growth Portfolios**

The IRI Unconstrained Moderate and Aggressive Growth Portfolios can use any exchange-traded fund (ETF) available at the custodian. The strategies can concentrate positions by industry, sector or asset class. Industry and sector funds typically have greater volatility than asset class funds. The IRI Unconstrained Moderate Growth Portfolio will hold twenty or fewer positions and may be concentrated in various industries, sectors or asset classes. The IRI Unconstrained Aggressive Growth Portfolio may be concentrated in a single asset class and hold ten or fewer ETFs. Each portfolio may be 100% cash. IRI Unconstrained Portfolio expenses are generally higher than IRI’s other portfolio models. During periods of market decline, inverse exchange traded funds may provide returns greater than the cash benchmark and may be used in the portfolio. Inverse funds have higher internal expenses and increased volatility. By default, inverse funds have more risks than funds that invest solely for up trending markets. Clients seeking to avoid exposure to inverse ETFs, and the associated risks, are advised against utilizing the IRI Unconstrained Portfolios.

#### **Nationwide Life Variable Annuity Program**

Investor Resources applies on-going relative strength analysis to Variable Annuity subaccounts available at the Nationwide Life Variable Annuity Program. The portfolio will at various times hold minimal to 100% cash balances. **Please Note:** Investor Resources

continues to provide services under the Nationwide Life Variable Annuity Program to legacy clients, but this service is not offered to new clients.

**Focused Foundation Conservative, Moderate, and Aggressive Portfolios**

The Focused Foundation Conservative, Moderate, and Aggressive Portfolios use the entire universe of No Transaction Fee exchange traded funds (ETFs) at the custodian, Charles Schwab & Co., Inc. These strategies can concentrate positions by industry, sector or asset class. Industry and sector funds typically have greater volatility than asset class funds. Each portfolio will own positions that are determined to have strong recent performance based on the previous month’s returns. Each portfolio may be 100% cash at any given time. Asset allocation and holdings will be reviewed weekly. Each portfolio position will have a previous-month return that is greater than the return of a cash benchmark for the same period. If no option within an asset class has a previous-month return greater than the cash benchmark, cash will generally replace the position. **Please Note:** During periods of market decline, inverse ETFs may provide returns greater than the cash benchmark and may be used in the Focused Foundation Aggressive Portfolio. Inverse funds have higher internal expenses and increased volatility. By default, inverse funds have more risks than funds that invest solely for up trending markets. There can be no assurance that use of inverse funds will prove profitable or successful. Clients seeking to avoid exposure to inverse ETFs, and the associated risks, are advised against utilizing the Focused Foundation Aggressive Portfolio.

Asset class exposure for each strategy will generally be within the following allocation limits, although deviations from the below guidelines can occur due to market conditions, account deposits/withdrawals, and other factors:

**Focused Foundation Conservative Portfolio**

<u>ASSET CLASS</u>	<u>MINIMUM %</u>	<u>MAXIMUM %</u>
Domestic Equities	0	40
International Equities	0	20
Fixed Income	40	80
Commodities	0	10
Currency	0	10
Cash	2	100

**Focused Foundation Moderate Portfolio**

<u>ASSET CLASS</u>	<u>MINIMUM %</u>	<u>MAXIMUM %</u>
Domestic Equities	20	75
International Equities	5	25
Fixed Income	20	60
Commodities	0	10
Currency	0	10
Cash	2	100

### **Focused Foundation Aggressive Portfolio**

<b><u>ASSET CLASS</u></b>	<b><u>MINIMUM %</u></b>	<b><u>MAXIMUM %</u></b>
Domestic Equities	10	80
International Equities	10	30
Fixed Income	10	40
Commodities	0	20
Currency	0	20
Cash	2	100

### **Qualified Retirement Plan Trustee Support**

Investor Resources acknowledges its role as a fiduciary to trustees of qualified retirement plans. Investor Resources provides fund selection for 401k plans and quarterly screening and reporting to plan sponsors according to the terms and conditions of a *Qualified Retirement Plan Trustee Support Agreement*. Investor Resources conducts informational employee meetings on behalf of plan sponsors regarding issues relevant to the plan's approved investment menu. In some circumstances, the client can also engage Investor Resources with the discretionary authority to select investment alternatives that will be made available to plan participants, from which plan participants shall choose in self-directing the investments for their individual plan retirement accounts. In addition, Investor Resources may be engaged to create specific asset allocation models that Registrant manages on a discretionary basis, which plan participants may choose in managing their individual retirement account.

### **Investment Review Services (Stand-Alone)**

To the extent requested by a client, Investor Resources may determine to provide its Investment Review Service on a stand-alone separate fee basis. This service includes the review of a client's existing financial portfolio and the development of a "Relative Strength Matrix" (which is an analysis of assets to identify strengths and weaknesses, relative to Investor Resources' proposed allocations and current market conditions). Prior to engaging Investor Resources to provide its Investment Review Service, clients are required to enter into a *Limited Consulting Agreement* with Investor Resources setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client before Investor Resources will commence its services. With respect to this service, the client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Investor Resources.

### **Miscellaneous**

**Limitations of Financial and Investment Consulting Services.** Investor Resources does not serve as a law firm, accounting firm, or insurance agency, and no portion of Investor Resources' services should be construed as legal, accounting, or insurance implementation services. Accordingly, Investor Resources does not prepare estate planning documents, tax returns or sell insurance products. To the extent requested by a client, Investor Resources may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance agents, etc.). Clients are reminded that they are under no obligation to engage the services of any such

recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation made by Investor Resources or its representatives. **Please Note:** If the client engages any professional, recommended or otherwise, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

**Client Obligations.** In performing its services, Investor Resources shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains their responsibility to promptly notify Investor Resources if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Investor Resources' previous recommendations and/or services.

**Cash Positions.** Depending upon perceived or anticipated market conditions/events (there being **no guarantee** that such anticipated market conditions/events will occur), Investor Resources **may** maintain cash positions for defensive or liquidity purposes. All cash positions (money markets, etc.) shall be included as part of assets under management for purposes of calculating Investor Resources' advisory fee. **Investor Resources' Chief Compliance Officer, Donald Creech, remains available to address any questions that a client or prospective client may have regarding the above fee billing practice.**

**Portfolio Activity.** Investor Resources has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Investor Resources will review client portfolios on a regular basis to determine if any changes are necessary based upon various factors, including but not limited to investment performance, fund manager tenure, style drift, account additions/withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods of time when Investor Resources determines that changes to a client's portfolio are neither necessary nor prudent. There can be no assurance that investment decisions made by Investor Resources will be profitable or equal any specific performance level(s). Notwithstanding the above, clients will be subject to Investor Resources' fees as described in Item 5 below during periods of portfolio inactivity.

**Retirement Plan Rollovers – No Obligation / Potential for Conflict of Interest.** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Investor Resources recommends that a client roll over their retirement plan assets into an account to be managed by Investor Resources, such a recommendation creates a conflict of interest if Investor Resources will earn a new (or increase its current) advisory fee as a result of the rollover. **No client is under any obligation to roll over retirement plan assets to an account managed by Investor Resources. Investor Resources' Chief Compliance Officer, Donald Creech, remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such a rollover recommendation.**

**Use of Mutual Funds and ETFs.** While Investor Resources may recommend allocating

investment assets to mutual funds and ETFs that are not available directly to the public, Investor Resources may also recommend that clients allocate investment assets to publicly-available mutual funds and ETFs that they could obtain without engaging Investor Resources as an investment advisor. However, if a client or prospective client determines to allocate investment assets to publicly-available mutual funds and ETFs without engaging Investor Resources as an investment advisor, they would not receive the benefit of Investor Resources' initial and ongoing investment advisory services.

**Disclosure Statement.** A copy of Investor Resources' written Brochure as set forth on Part 2A and 2B of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the *Investment Advisory Agreement* or *Limited Consulting Agreement*.

- C. Investor Resources shall provide investment advisory services for each of client's accounts consistent with the investment policy designated in the client's *Investment Advisory Agreement*. Thereafter, Investor Resources shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on Investor Resources' services.
- D. Investor Resources does not sponsor or recommend wrap fee programs to new clients. However, in very limited instances, certain of Investor Resources clients maintain legacy accounts in unaffiliated wrap fee programs. With respect to the wrap fee program in which Investor Resources is a participating investment adviser, clients pay their fees directly to the wrap fee program sponsor who, in turn, remits a portion of those fees to Investor Resources. The advisory fees remitted to Investor Resources are based upon an annual percentage of assets under management as calculated by the wrap fee program sponsor, and are disclosed to clients as part of the wrap fee program sponsor's Wrap Fee Program Brochure. Under a wrap program, the wrap program sponsor arranges for the program participant to receive investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee. Participation in a wrap program may cost the participant more or less than purchasing such services separately.
- E. As of March 31, 2020, Investor Resources had \$46,845,800 in assets under management on a discretionary basis and \$836,166 in assets under management on a non-discretionary basis.

## **Item 5 Fees and Compensation**

A.

### **Investment Advisory Services**

A client can engage Investor Resources to provide discretionary investment advisory services only on a fee basis, Investor Resources' non-negotiable annual investment advisory fee shall be based upon a percentage (%) of the market value and type of assets placed under Investor Resources' management (between 0.50% and 1.75%) as follows:

#### **IRI Select Portfolio / Nationwide Life Variable Annuity Program**

IRI charges a non-negotiable annual advisory fee for participation in the IRI Select Portfolio and/or Nationwide Life Variable Annuity Program, in accordance with the

following fee schedule:

<b>Market Value of Portfolio</b>	<b>% of Assets</b>
All assets	1.00%/year = 0.25%/quarter

This fee is payable quarterly, in arrears, based upon the market value of the assets on the last business day of the previous quarter. Upon termination of the engagement, Investor Resources shall bill for the pro-rated portion of the advisory fee based upon the number of days that services were provided during the billing quarter and the value of assets on the effective date of termination.

The Nationwide Life Variable Annuity fees are deducted in arrears by Nationwide Life. No refund is due upon termination.

Investor Resources generally requires a minimum asset level of \$100,000 under the IRI Select Portfolio and/or Nationwide Life Variable Annuity Program.

#### **IRI Unconstrained Moderate and Aggressive Growth Portfolios**

IRI charges a non-negotiable annual advisory fee for participation in the IRI Unconstrained Moderate and Aggressive Growth Portfolios, in accordance with the following fee schedule:

<b>Market Value of Portfolio</b>	<b>% of Assets</b>
On the first \$250,000	1.75%/year = 0.4375%/quarter
On the next \$250,000	1.65%/year = 0.4125%/quarter
On the next \$500,000	1.50%/year = 0.375%/quarter
On the next \$1,000,000	1.00%/year = 0.250%/quarter
On the excess	0.75%/year = 0.1875%/quarter

This fee is payable quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter. Upon termination of the engagement, Investor Resources shall refund the pro-rated portion of the advanced advisory fee based upon the number of days that services were provided during the billing quarter.

Investor Resources generally requires a minimum asset level of \$250,000 for the IRI Unconstrained Moderate or Aggressive Growth Portfolios.

#### **Focused Foundation Conservative, Moderate, and Aggressive Portfolios**

For participation in the Focused Foundation Conservative, Moderate, or Aggressive Portfolios, Investor Resources' non-negotiable annual investment advisory fee shall be based upon a percentage (%) of the market value of the assets placed under Investor Resources' management (between 0.50% and 1.50%) as follows:

<b>Market Value of Portfolio</b>	<b>% of Assets</b>
On the first \$250,000	1.50%/year = 0.375%/quarter
On the next \$250,000	1.40%/year = 0.350%/quarter
On the next \$500,000	1.25%/year = 0.3125%/quarter
On the next \$1,000,000	0.75%/year = 0.1875%/quarter
On the excess	0.50%/year = 0.125%/quarter

This fee is payable quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter. Upon termination of the engagement, Investor Resources shall refund the pro-rated portion of the advanced advisory fee paid based upon

the number of days services were provided during the billing quarter.

Investor Resources generally requires a minimum asset level of \$100,000 under the Focused Foundation Conservative, Moderate, and Aggressive Portfolios.

### **Qualified Plan Trustee Support**

For Investor Resources' Qualified Retirement Plan Trustee Support, Investor Resources' negotiable annual investment advisory fee shall be based upon a percentage (%) of the market value of the assets placed under Investor Resources' advisement (between 0.25% and 0.90%) as follows for plans using Exchange Traded Funds custodied at Charles Schwab Trust Company:

<b>Market Value of Portfolio</b>	<b>% of Assets</b>
On the first \$500,000	0.90%/year = .225%/quarter
On the next \$500,000	0.80%/year = .200%/quarter
On the next \$2,000,000	0.65%/year = .1625%/quarter
On the next \$2,000,000	0.40%/year = .100%/quarter
On the excess	0.25%/year = .0625%/quarter
Maximum Quarterly Fee = \$6,000 subject to adjustment after three years.	

This fee is payable quarterly, in arrears, based upon the average market value of the assets on the last day of each month of the previous quarter. Upon termination of the engagement, Investor Resources shall bill for the pro-rated portion of the advisory fee based upon the number of days services were provided during the billing quarter and the value of assets on the effective date of termination.

### **Investment Review Services (Stand-Alone)**

To the extent requested by a client, Investor Resources may determine to provide its Investment Review Service on a stand-alone, negotiable separate fee basis that ranges between \$500 and \$1,000 depending on the portfolio composition. Investor Resources may, in its sole act of discretion, waive this fee for clients who have attended one of Investor Resource's free educational seminars and/or for clients who engage Investor Resources to provide investment advisory services as described above. Before engaging Investor Resources to provide its Investment Review Service, clients are required to enter into a *Limited Consulting Agreement* with Investor Resources setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client before Investor Resources will commence its services. The non-refundable fee for this service is due upon presentation of the "Relative Strength Matrix."

- B. Clients may elect to have Investor Resources' advisory fees deducted from their custodial account. Both Investor Resources' *Investment Advisory Agreement* and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of Investor Resources' investment advisory fee and to directly remit that management fee to Investor Resources in compliance with regulatory procedures. In the limited event that Investor Resources bills the client directly, payment is due upon receipt of Investor Resources' invoice.
- C. As discussed below, unless the client directs otherwise, an individual client's circumstances require, Investor Resources shall generally recommend that *Schwab* serve

as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *Schwab* charge brokerage commissions and/or transaction fees for effecting certain securities transactions. These brokerage commissions and/or transaction fees will be assessed in accordance with the respective broker-dealer's brokerage commission and transaction fee schedule. In addition to Investor Resources' investment management fee and applicable brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

- D. For Qualified Retirement Plan Trustee Support, Investor Resources' fee is payable quarterly, in arrears, based upon the average market value of the assets on the last day of each month of the previous quarter. Upon termination of the engagement, Investor Resources shall bill for the pro-rated portion of the advisory fee based upon the number of days services were provided and the value of assets on the effective date of termination.

The fee for the Investment Review Service is non-refundable, which is due upon presentment of the "Relative Strength Matrix."

For all other Investment Advisory services, Investor Resources' annual investment advisory fee shall be prorated and paid quarterly, in advance based upon the market value of the assets on the last business day of the previous quarter, unless otherwise set forth herein or in the client's *Investment Advisory Agreement*. Upon termination of the *Investment Advisory Agreement* in accordance with its terms, Investor Resources shall refund the pro-rated portion of any advanced advisory fee paid based upon the number of days remaining in the billing quarter based upon the number of days that services were provided.

- E. Neither Investor Resources, nor its representatives accept compensation from the sale of securities or other investment products.

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

Neither Investor Resources nor any supervised person of Investor Resources accepts performance-based fees.

## **Item 7 Types of Clients**

Investor Resources' clients currently include: individuals, high net worth individuals, related trusts, and pension and profit sharing plans. Investor Resources generally requires a minimum asset level of \$100,000 for investment advisory services, although certain of Investor Resources' portfolios carry higher minimum asset level requirements, as discussed further in Item 5 above. Investor Resources, in its sole discretion, may charge a lesser investment management fee and/or waive or reduce its minimum asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

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

- A. Investor Resources uses portfolio management models based on relative strength analysis and point and figure charts. Investor Resources subscribes to various databases and trade journals to obtain statistical and technical data on stocks, bonds, funds and markets.

Investor Resources may utilize the following methods of security analysis:

- Charting - (analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices)
- Cyclical – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

Investor Resources may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Margin Transactions (use of borrowed assets to facilitate client requests for funds when an account is fully invested with insufficient cash to meet a distribution request).

**Please Note: Investment Risk.** Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Investor Resources) will be profitable or equal any specific performance level(s).

- B. Investor Resources' methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis Investor Resources must have access to current/new market information. Investor Resources has no control over the dissemination rate of market information; therefore, unbeknownst to Investor Resources, certain analyses may be compiled with outdated market information, severely limiting the value of Investor Resources' analysis. Furthermore, an accurate market analysis can only identify the current trend of market values. There can be no assurances that the current trend will continue as anticipated or will materialize into actionable and/or profitable investment opportunities.

Investor Resources' primary investment strategies - Long Term Purchases and Short Term Purchases - are momentum investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer-term investment strategy.

Investor Resources' portfolio construction and monitoring does not rely on "Modern Portfolio Theory." As with any investment discipline, a relative strength process has periods that are out of favor with current market conditions. During those periods, returns will likely underperform major stock market indices. The tops and bottoms of market trends are only identifiable in hindsight. There is no certainty that the application of our processes will match your expectation for entering or exiting market positions or protecting your portfolio.

In addition to the investment strategies discussed above, Investor Resources may also

facilitate the use of margin for cash management purposes. For example, clients may have an immediate need for cash that exceeds the cash available in their investment account. In such instances, Investor Resources may engage in a margin transaction to allow the client to access cash, while Investor Resources looks to sell securities, if needed, to cover the margin loan balance.

The terms and conditions of each margin loan are contained in a separate agreement between the client and the lender, which terms and conditions may vary from client to client. Borrowing funds on margin is not suitable for all clients and is subject to certain risks, including but not limited to: increased market risk, increased risk of loss, especially in the event of a significant downturn; liquidity risk; the potential obligation to post collateral or repay the margin loan if the lender determines that the value of collateralized securities is no longer sufficient to support the value of the margin loan; the risk that the lender may liquidate the client's securities to satisfy its demand for additional collateral or repayment; and the risk that the lender may terminate the margin loan at any time. Before agreeing to participate in a margin loan, clients should carefully review the applicable loan agreement and all risk disclosures provided by the lender including the initial margin and maintenance requirements for the specific program in which the client enrolls, and the procedures for issuing "margin calls" and liquidating securities and other assets in the client's accounts.

**Please Note:** To the extent that a client authorizes the use of margin, and margin is thereafter employed by Investor Resources in the management of the client's investment portfolio, the market value of the client's account and corresponding fee payable by the client to Investor Resources may be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the **conflict of interest** in which the client's decision to employ margin *may* correspondingly increase the management fee payable to Investor Resources. Accordingly, the decision as to whether to employ margin is left totally to the discretion of client.

- C. Currently, Investor Resources primarily allocates (or recommends that clients allocate) client investment assets among various mutual funds, ETFs, individual equities, and bond funds.

All investment portfolios are subject to risks, and there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money. Below is a description of several of the principal risks that client investment portfolios face:

**Management Risks.** While Investor Resources manages client investment portfolios based on Investor Resources' experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying funds and other securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that Investor Resources allocates assets to asset classes and/or investment managers that are adversely affected by unanticipated market movements, and the risk that Investor Resources' specific investment choices could underperform their relevant indexes.

**Risks of Investments in Mutual Funds and ETFs.** As described above, Investor Resources will invest client portfolios in mutual funds and ETFs. Investments in mutual funds and ETFs may be less risky than investing directly in individual securities because

of their diversified portfolio holdings; however, these investments are still subject to risks associated with the markets in which they invest. In addition, the success of the mutual fund or ETF will be related to the skills of their particular managers and their performance in managing their funds. Mutual funds and ETFs are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

**Equity Market Risks.** Investor Resources may invest portions of client assets directly into equity investments, including individual equity securities. The risks associated with equity investments include, without limitation, the risks that equity values will decline due to daily fluctuations in the markets, and that equity values will decline over longer periods (e.g., bear markets) due to general market declines in the equity prices for all companies, regardless of any individual security's prospects.

**Fixed Income Risks.** Investor Resources may invest portions of client assets directly into fixed income instruments (i.e. bonds, notes, certificates of deposits) or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in equity markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

**Concentration Risks.** A fund or strategy that invests a substantial portion of its assets in securities within a single industry or sector of the economy will generally be subject to greater price volatility and/or adversely affected by the performance of securities in that particular security or industry.

**Please Note: Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Investor Resources) will be profitable or equal any specific performance level(s).

## **Item 9            Disciplinary Information**

Investor Resources has not been the subject of any disciplinary actions.

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

- A. Neither Investor Resources, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither Investor Resources, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. Investor Resources has no other relationship or arrangement with a related person that is material to its advisory business.

- D. Investor Resources does not recommend or select other investment advisers to its clients.

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

- A. Investor Resources maintains an investment policy relative to personal securities transactions. This investment policy is part of Investor Resources' overall Code of Ethics, which serves to establish a standard of business conduct for all of Investor Resources' representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

Investor Resources also maintains and enforces policies reasonably designed to prevent the misuse of material non-public information by Investor Resources or any person associated with Investor Resources.

- B. Neither Investor Resources nor any related person of Investor Resources recommends, buys, or sells for client accounts, securities in which Investor Resources or any related person of Investor Resources has a material financial interest.
- C. Investor Resources and/or representatives of Investor Resources *may* buy or sell securities that are also recommended to clients. This practice may create a situation where Investor Resources and/or representatives of Investor Resources are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation presents a conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Investor Resources did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of Investor Resources' clients) and other potentially abusive practices.

Investor Resources has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of Investor Resources' "Access Persons." Investor Resources' securities transaction policy requires that an Access Person of Investor Resources must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date Investor Resources selects; provided, however that at any time that Investor Resources has only one Access Person, he or she shall not be required to submit any securities report described above.

- D. Investor Resources and/or representatives of Investor Resources *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Investor Resources and/or representatives of Investor Resources are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation presents a conflict of interest. As indicated above in Item 11.C, Investor Resources has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Investor Resources'

Access Persons.

## Item 12 Brokerage Practices

- A. In the event that the client requests that Investor Resources recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct Investor Resources to use a specific broker-dealer/custodian), Investor Resources generally recommends that investment management accounts be maintained at *Schwab*. Prior to engaging Investor Resources to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with Investor Resources setting forth the terms and conditions under which Investor Resources shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that Investor Resources considers in recommending *Schwab* (or any other broker-dealer/custodian to clients) include historical relationship with Investor Resources, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Investor Resources' clients, to the extent applicable, shall comply with Investor Resources' duty to seek best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to affect the same transaction where Investor Resources determines, in conformity with its fiduciary duty to act primarily in the client's best interest that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Investor Resources will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Investor Resources' investment management fee. Investor Resources' best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

1. Non-Soft Dollar Research and Additional Benefits. Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Investor Resources can receive from *Schwab* (or another broker-dealer/custodian, investment platform, unaffiliated investment manager, vendor, unaffiliated product/fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist Investor Resources to better monitor and service client accounts maintained at such The support services that Investor Resources can obtain may include: investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or free consulting services, travel and attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Investor Resources in furtherance of its investment advisory business operations.

Some of the above support services and/or products assist Investor Resources in managing and administering client accounts. Others do not directly provide such assistance, but rather assist Investor Resources to manage and further develop its

business enterprise.

Investor Resources' clients do not pay more for investment transactions affected and/or assets maintained at *Schwab* as a result of this arrangement. There is no corresponding commitment made by Investor Resources to *Schwab* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

**Investor Resources' Chief Compliance Officer, Donald Creech, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding conflict of interest such arrangement may create.**

2. Investor Resources does not receive referrals from broker-dealers.
  3. Investor Resources does not accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer).
- B. Order Aggregation. To the extent that Investor Resources provides investment management services to its clients, the transactions for each client account generally will be executed independently, unless Investor Resources decides to purchase or sell the same securities for several clients at approximately the same time. Investor Resources may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Investor Resources' clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Investor Resources shall not receive any additional compensation or remuneration as a result of such aggregation.

### **Item 13      Review of Accounts**

- A. For those clients to whom Investor Resources provides investment supervisory services, account reviews are conducted on an ongoing basis by Investor Resources' Principals and representatives. All investment supervisory clients are advised that it remains their responsibility to advise Investor Resources of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review investment objectives and account performance with Investor Resources on an annual basis.
- B. Investor Resources may conduct account reviews on other than a periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Investor Resources may also provide a written periodic report summarizing account activity and performance.

## Item 14 Client Referrals and Other Compensation

- A. As referenced in Item 12.A.1 above, Investor Resources can receive economic benefits from *Schwab* including support services and products without cost (and/or at a discount). Investor Resources' clients do not pay more for investment transactions effected and/or assets maintained at *Schwab* as a result of this arrangement. There is no corresponding commitment made by Investor Resources to *Schwab* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of this arrangement. **Investor Resources' Chief Compliance Officer, Donald Creech, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding conflict of interest any such arrangement may create.**
- B. Investor Resources does not compensate any party other than its supervised persons for referrals to its advisory business.

## Item 15 Custody

Investor Resources shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Investor Resources may also provide a written periodic report summarizing account activity and performance.

**Please Note:** To the extent that Investor Resources provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by Investor Resources with the account statements received from the account custodian. **Please Also Note:** The account custodian does not verify the accuracy of Investor Resources' advisory fee calculation.

## Item 16 Investment Discretion

The client can determine to engage Investor Resources to provide investment advisory services on a discretionary basis. Prior to Investor Resources assuming discretionary authority over a client's account, the client shall be required to execute an *Investment Advisory Agreement*, naming Investor Resources as the client's attorney and agent in fact, granting Investor Resources full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Clients who engage Investor Resources on a discretionary basis may, at any time, impose restrictions, **in writing**, on Investor Resources' discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe Investor Resources' use of margin, etc.).

## Item 17 Voting Client Securities

- A. Investor Resources does not vote client proxies. Clients maintain exclusive responsibility

for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Investor Resources to discuss any questions they may have with a particular solicitation.

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

- A. Investor Resources does not solicit fees of more than \$500 per client, six months or more in advance.
- B. Investor Resources is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. Investor Resources has not been the subject of a bankruptcy petition.

#### **Item 19 Requirements for State-Registered Advisers**

- A. Donald Creech and Perry Sikes are Officers of Investor Resources Inc. For more information about the above individuals, please see the Brochure Supplements to Investor Resources' Brochure below.
- B. Investor Resources is not engaged in any other business than as set forth in this Brochure and Brochure Supplements.
- C. Neither Investor Resources, nor its representatives, accepts performance-based fees.
- D. Neither Investor Resources, nor its representatives, has been the subject of any disciplinary actions.
- E. Neither Investor Resources, nor its representatives, has any relationship or arrangement with any issuer of securities.

**ANY QUESTIONS: Investor Resources' Chief Compliance Officer, Donald Creech, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.**

## Item 1 Cover Page

A.

**Donald Creech**

CRD # 56876

Investor Resources, Inc.

ADV Part 2B, Brochure Supplement

Dated: April 30, 2020

Contact: Donald Creech, Chief Compliance Officer

1922 Pottery Ave., Suite 110

Port Orchard, Washington 98366

CRD#110766

B.

**This Brochure Supplement provides information about Donald Creech that supplements the Investor Resources, Inc. Brochure; you should have received a copy of that Brochure. Please contact Donald Creech, Chief Compliance Officer, if you did *not* receive Investor Resources, Inc.’s Brochure or if you have any questions about the contents of this supplement.**

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

## Item 2 Education Background and Business Experience

Donald Creech was born in 1945. Mr. Creech has attended Grossmont Community College, San Diego State College, Bellevue Community College and City University. Mr. Creech has been President and Co-Owner as well as an investment adviser representative of Investor Resources, Inc. since June of 1990.

Mr. Creech has been a CERTIFIED FINANCIAL PLANNER™ professional since 1984. Certified Financial Planner Board of Standards, Inc. (“CFP Board”) owns the CFP® certification mark, the CERTIFIED FINANCIAL PLANNER™ certification mark, and the CFP® certification mark (with flame design) logo in the United States (these marks are collectively referred to as the “CFP® marks”). The CFP Board authorizes use of the CFP® marks by individuals who successfully complete the CFP Board’s initial and ongoing certification requirements.

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 86,000 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 a 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 or an accepted equivalent, including completion of a financial plan development capstone course, and attain a Bachelor’s Degree from an accredited college or university. CFP Board’s financial planning subject areas include professional conduct and regulation, general principles of financial planning, education planning, risk management and insurance planning, investment planning, income tax planning, retirement savings and income planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 6 hours, 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 – CFP Board requires 6,000 hours of experience through the Standard Pathway, or 4,000 hours of experience through the Apprenticeship Pathway that meets additional requirements; and
- Ethics – Agree to be bound by CFP Board’s *Code of Ethics and Standards of Conduct*, which put clients’ interest first; acknowledge CFP Board’s right to enforce them through its *Disciplinary Rules and Procedures*; comply with the *Financial Planning Practice Standards* which determine what clients should reasonably expect from the financial planning engagement and complete a CFP® Certification Application which requires disclosure of an individual’s background, including involvement in any criminal, civil, governmental, or self-regulatory agency proceeding or inquiry, bankruptcy, customer complaint, filing, termination/internal reviews conducted by the individual’s employer or firm.

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 accepted by the CFP Board 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 – CFP® professionals agree to adhere to the high standards of ethics and practice outlined in CFP Board’s *Code of Ethics and Standards of Conduct* and to acknowledge CFP Board’s right to enforce them through its *Disciplinary Rules and Procedures*. The *Code of Ethics and Standards of Conduct* require that CFP Professionals provide financial planning services in the best interests of their clients.

- Certification Application – Properly complete a Certification Application to (i) acknowledge voluntary adherence to the terms and conditions of certification with CFP Board and (ii) disclose any involvement in criminal and civil proceedings, inquiries or investigations, bankruptcy filings, internal reviews and customer complaints.

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.

You may verify an individual's CFP® certification and background through the CFP Board. The verification function will allow you to verify an individual’s certification status, CFP Board’s disciplinary history and any bankruptcy disclosures in the past ten years. Additional regulatory information may also be found through FINRA’S BrokerCheck and the SEC’s Investment Adviser Public Disclosure databases, which are free tools that may be used to conduct research on the background and experience of CFP® professionals and those who held CFP® certification at one time, including with respect to employment history, regulatory actions, and investment-related licensing information, arbitrations, and complaints.

Mr. Creech has held the designation of Accredited Investment Fiduciary® (AIF®) since 2002. The AIF designation 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, individuals must complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the AIF Code of Ethics. In order to maintain the AIF designation, the individual must annually renew their affirmation of the AIF Code of Ethics and complete six hours of continuing education credits. The certification is administered by the Center for Fiduciary Studies, LLC (a Fiduciary360 (fi360) company).

### **Item 3 Disciplinary Information**

None.

### **Item 4 Other Business Activities**

- A. Mr. Creech, in his individual capacity, provides investment consulting services to other investment professionals under the brand name Donald Creech Consulting. Mr. Creech dedicates less than 10% of his time and receives less than 10% of his total income from this activity. Mr. Creech does not recommend the services of Investor Resources, Inc. to any consulting client and does not recommend that any Investor Resources, Inc. client engage Mr. Creech for separate consulting services outside the scope of the investment advisory relationship. It is therefore not expected that this activity will present any conflicts of interest to any client of Investor Resources, Inc.
- B. Mr. Creech is not actively engaged in any non-investment-related business or occupation for compensation.

### **Item 5 Additional Compensation**

As part owner of Investor Resources, Mr. Creech's compensation is based, in part, on the amount of assets under Investor Resources' management. Accordingly, Mr. Creech has an inherent conflict of interest when recommending that Investor Resources provide investment advisory services, because the recommendation could be made on the basis of compensation to be received, rather than on a client or prospective client's best interests.

### **Item 6 Supervision**

Investor Resources provides investment advisory and supervisory services in accordance with current state regulatory requirements. Investor Resources' Chief Compliance Officer, Donald Creech, is primarily responsible for overseeing the activities of Investor Resources' supervised persons. Mr. Creech also monitors accounts and conducts account reviews on at least an annual basis. Should a client have any questions regarding Investor Resources' supervision or compliance practices, please contact Mr. Creech at (360) 895-9119.

### **Item 7 State-Registered Investment Advisers**

- A. Mr. Creech has never been involved in an arbitration proceeding or a civil, self-regulatory, or administrative proceeding.
- B. Mr. Creech has never been the subject of a bankruptcy petition.

## Item 1 Cover Page

A.

**Perry T. Sikes, Jr.**  
CRD # 2605931

Investor Resources, Inc.  
500 108th Avenue Northeast #1900  
Bellevue, WA 98004

ADV Part 2B, Brochure Supplement  
Dated: April 30, 2020

Contact: Donald Creech, Chief Compliance Officer  
1922 Pottery Ave., Suite 110  
Port Orchard, Washington 98366  
CRD#110766

B.

**This Brochure Supplement provides information about Perry T. Sikes, Jr. that supplements the Investor Resources, Inc. Brochure; you should have received a copy of that Brochure. Please contact Donald Creech, Chief Compliance Officer, if you did *not* receive Investor Resources, Inc.'s Brochure or if you have any questions about the contents of this supplement.**

**Additional information about Perry T. Sikes, Jr. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## Item 2 Education Background and Business Experience

Perry T. Sikes, Jr. was born in 1957. Mr. Sikes has been Vice President and Co-Owner, as well as an investment adviser representative of Investor Resources, Inc. since March of 2007.

Mr. Sikes worked nine years for the Boeing Company receiving continuing education on management and supervisory operations including training in conflict resolution, team building, working with change, and communication in the workplace. Having interests in finance, he took additional classes in ethics, alternative minimum tax strategies, incentive stock option strategies, trust administration and Washington State probate issues.

He has passed NASD exams 6, 63 and 65 and Washington State life and disability insurance exams. He founded The Capital Group, a tax practice, in 1988. In 1994, he affiliated as a registered representative of Cadaret, Grant & Co. Inc., a broker-dealer. He completed qualifications for Certified Financial Planner™ in 1994 and has met all continuing education requirements since. He founded Premier Consulting, LLC in 2006, a state registered investment adviser providing fee-only financial planning and investment consulting. In 2007, he became a shareholder and officer of Investor Resources, Inc., a fee-only SEC registered investment advisory practice.

Mr. Sikes has been a CERTIFIED FINANCIAL PLANNER™ professional since 1994. Certified Financial Planner Board of Standards, Inc. (“CFP Board”) owns the CFP® certification mark, the CERTIFIED FINANCIAL PLANNER™ certification mark, and the CFP® certification mark (with flame design) logo in the United States (these marks are collectively referred to as the “CFP® marks”). The CFP Board authorizes use of the CFP® marks by individuals who successfully complete the CFP Board’s initial and ongoing certification requirements.

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 86,000 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 a 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 or an accepted equivalent, including completion of a financial plan development capstone course, and attain a Bachelor’s Degree from an accredited college or university. CFP Board’s financial planning subject areas include professional conduct and regulation, general principles of financial planning, education planning, risk management and insurance planning, investment planning, income tax planning, retirement savings and income planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 6 hours, 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 – CFP Board requires 6,000 hours of experience through the Standard Pathway, or 4,000 hours of experience through the Apprenticeship Pathway that meets additional requirements; and
- Ethics – Agree to be bound by CFP Board’s *Code of Ethics and Standards of Conduct*, which put clients’ interest first; acknowledge CFP Board’s right to enforce them through its *Disciplinary Rules and Procedures*; comply with the *Financial Planning Practice Standards* which determine what clients should reasonably expect from the financial planning engagement and complete a CFP® Certification Application which requires

disclosure of an individual's background, including involvement in any criminal, civil, governmental, or self-regulatory agency proceeding or inquiry, bankruptcy, customer complaint, filing, termination/internal reviews conducted by the individual's employer or firm.

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 accepted by the CFP Board 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 – CFP® professionals agree to adhere to the high standards of ethics and practice outlined in CFP Board's Code of Ethics and Standards of Conduct and to acknowledge CFP Board's right to enforce them through its Disciplinary Rules and Procedures. The Code of Ethics and Standards of Conduct require that CFP Professionals provide financial planning services in the best interests of their clients.
- Certification Application – Properly complete a Certification Application to (i) acknowledge voluntary adherence to the terms and conditions of certification with CFP Board and (ii) disclose any involvement in criminal and civil proceedings, inquiries or investigations, bankruptcy filings, internal reviews and customer complaints.

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.

You may verify an individual's CFP® certification and background through the CFP Board. The verification function will allow you to verify an individual's certification status, CFP Board's disciplinary history and any bankruptcy disclosures in the past ten years. Additional regulatory information may also be found through FINRA'S BrokerCheck and the SEC's Investment Adviser Public Disclosure databases, which are free tools that may be used to conduct research on the background and experience of CFP® professionals and those who held CFP® certification at one time, including with respect to employment history, regulatory actions, and investment-related licensing information, arbitrations, and complaints.

Mr. Sikes has held the designation of Accredited Investment Fiduciary® (AIF®) since 2016. The AIF designation 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, individuals must complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the AIF Code of Ethics. In order to maintain the AIF designation, the individual must annually renew their affirmation of the AIF Code of Ethics and complete six hours of continuing education credits. The certification is administered by the Center for Fiduciary Studies, LLC (a Fiduciary360 (fi360) company).

### **Item 3 Disciplinary Information**

None.

### **Item 4 Other Business Activities**

- A. Mr. Sikes is not actively engaged in any other investment-related businesses or occupations.
- B. Mr. Sikes is not actively engaged in any non-investment-related business or occupation for compensation.

### **Item 5 Additional Compensation**

As part owner of Investor Resources, Mr. Sikes' compensation is based, in part, on the amount of assets under Investor Resources' management. Accordingly, Mr. Sikes has an inherent conflict of interest when recommending that Investor Resources provide investment advisory services, because the recommendation could be made on the basis of compensation to be received, rather than on a client or prospective client's best interests.

### **Item 6 Supervision**

Investor Resources provides investment advisory and supervisory services in accordance with current state regulatory requirements. Investor Resources' Chief Compliance Officer, Donald Creech, is primarily responsible for overseeing the activities of Investor Resources' supervised persons. Mr. Creech also monitors accounts and conducts account reviews on at least an annual basis. Should a client have any questions regarding Investor Resources' supervision or compliance practices, please contact Mr. Creech at (360) 895-9119.

### **Item 7 State-Registered Investment Advisers**

- A. Mr. Sikes has never been involved in an arbitration proceeding or a civil, self-regulatory, or administrative proceeding.
- B. Mr. Sikes has never been the subject of a bankruptcy petition.