



Regulation BI policies and Procedures

Overview

Regulation Best Interest (Reg BI) is a package of rulemakings and interpretations intended to enhance the quality and transparency of investor relationships with financial professionals and brokerages. This package included the new Reg BI Standard of Conduct and new Customer Relationship Summary, both of which take effect on June 30, 2020.

Reg BI comes with 4 main obligations, each will be discussed below with the scope of the obligation, and the procedures that each entail.

Disclosure Obligation

You Must, prior to or at the time of recommendation, provide the client or prospect, in writing, full and fair disclosure of all material facts and conflicts of interest. This obligation is satisfied by having the client read and sign our Customer Relationship Summary form (CRS). The signed form must be turned in with the client account form (CAF) and applications for any new account. A copy of the signed CAF and CRS will be stored in the client's files and the originals will be mailed back to the client.

Care Obligation

Regulation Best Interest (Reg BI) requires registered reps, when making a recommendation to a retail customer regarding any account, securities transaction or investment strategy involving securities, to act in the best interest of the retail customer at the time the recommendation is made, without placing the financial or other interest of the broker ahead of the retail customer's interests

Under the Care Obligation, you must understand potential risks, rewards, and costs associated with recommendation, and have a reasonable basis to believe that the recommendation could be in the best interest of the client.

[Type here]

Conflict of Interest Obligation

The Mutual Funds Associates must establish, maintain, and enforce written policies and procedures reasonably designed to identify and—at a minimum—disclose or eliminate conflicts of interest. The main conflict of interest is the compensation that is received for the sale of an investment products. We do not offer proprietary products or limited menus. We do not have any sales contests, sales quotas, bonuses, or non-cash compensation.

Compliance Obligation

Mutual Funds Associates must establish, maintain, and enforce policies and procedures reasonably designed to achieve compliance with Regulation Best Interest as a whole.

Core Alpha, Inc. / Mutual Funds Associates, Inc. / Accu-Vest Planning, Inc.

Form CRS Relationship Summary

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April 30, 2021



Mutual Funds Associates, Inc. is a broker-dealer and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). It also has an insurance licenses with New York State Department of Financial Services. (NYSDFS)

Core Alpha, Inc. is an investment adviser registered with the Securities and Exchange Commission. (SEC)

Accu-Vest Planning, Inc. is an insurance broker with an insurance license with New York State Department of Financial Services. (NYSDFS)

****Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing. ****

What investment services and advice can you provide me? We offer both brokerage and investment advisory services.

- ✓ Our **brokerage services** (*Mutual Funds Associates*) include buying and selling invest products at your direction and providing you with investment recommendations, research, financial tools and planning services, investor education from time to time or at your request. We offer mutual funds, variable annuities and 529 college saving plans. We do not monitor your account and you make the ultimate decision regarding the purchase or sale of investment products. Our firm does not have stated account minimums.
- ✓ Our **advisory services** (*Core Alpha*) include our asset allocation services using mutual funds and exchange traded funds (ETFs) and managed portfolios from third-party investment managers. Our asset allocation services are “discretionary”—meaning that we will make the ultimate investment decisions without your signoff (discretionary). The third-party managers we make available to you will invest your account on a discretionary basis using mutual funds, ETFs, and other securities. We also accept assets on a non-discretionary basis, meaning that you make the ultimate decision regarding the purchase or sale of investments. Either we or the third-party manager will monitor your advisory account and investments on a weekly basis as part of your standard services, with the goal of maximizing return for a given level of risk. You must meet certain investment minimums to open an advisory account. Current account minimums for each program are described on our website at <https://www.corealpha.com>. *For additional information, please see Form ADV, Part 2A brochure (Items 4 and 7 of Part 2A or Items 4.A. and 5 of Part 2A Appendix 1) on website.*
- ✓ Our **Insurance brokerage** (*Accu-Vest Planning*) offers a variety of insurance products, including fixed and immediate annuities and life insurance.

What fees will I pay? The fees you pay depend on whether you choose brokerage services, advisory services, Insurance brokerage or a combination.

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- ✓ For **brokerage services**, the principal fees and costs are transaction-based fees for recommendations and execution of securities trades. Depending on the investment product you select, these fees can include up-front commissions, as well as fees that are charged on an on-going basis for as long as you hold the investment (“trails”). Because we are compensated for transactions, ***we have an incentive to encourage you to trade more frequently*** and in greater amounts, and to trade with us as principal because we receive more revenue when you do so.

You will also pay fees for custodial or administrative services, as well as fees and expenses that are included in the expense ratios of certain of your investments, including in mutual funds, 529 College Savings plans, and variable annuities.

For additional information about the fees and costs for our brokerage services, please see investment product prospectus or go directly to Investment product’s website.

For **advisory services**, the principal fees and costs are the advisory fee for the program you select. These fees are “asset-based” meaning that the fee is calculated as a percentage of the assets invested in your advisory account according to the fee schedule in your advisory agreement with us. This means that the more assets you invest in your account, the more you will pay in fees, and therefore ***we have an incentive to encourage you to increase your advisory account assets***.

Our clients typically pay the advisory fee each quarter, but please see your advisory agreement for the payment frequency that applies to your account

You will also pay any miscellaneous fees that your account’s custodian charges, including wire fees, transfer fees, bank charges and other fees, as well as fees and expenses that are included in the expense ratios of certain of your investments, including in mutual funds and ETFs.

For additional information, please see *Form ADV, Part 2A brochure (Items 5.A., B., C., and D), advisory agreements*, on www.corealpha.com.

- ✓ For **Insurance brokerage services**, the principal fees and costs are transaction-based fees for recommendations and purchasing insurance products. Depending on the insurance product you select, these fees can include up-front commissions, as well as fees that are charged on an on-going basis for as long as you hold the product. Because we are compensated for transactions, ***we have an incentive to encourage you to trade more frequently*** and in greater. You will also pay fees for administrative services. ***For additional information about the fees and costs for our brokerage services***, please see insurance product literature or directly on the insurance product website.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have? How might your conflicts of interest affect me, and how will you address them? How do your financial professionals make money?

When we provide you with a recommendation as your broker dealer or act as your investment adviser, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we

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make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice, we provide you. Here are some examples to help you understand what this means:

- Our firm and our registered representatives may receive compensation as a result of the specific investment recommendation made to you. This compensation will vary and be dependent upon the type of investment and could create a conflict when the recommendation is made. For example, if you are choosing between different securities within the same product class (i.e., a mutual fund), there may be a fee differential that would incentivize representatives to recommend the investment that will result in more commission or a longer trailing fee after the initial purchase. When you invest, you should be sure to review the specific information related to fees and compensation paid that is required to be provided separately from this Form CRS.
- We are affiliated with Accu-Vest Planning, Inc., which offers insurance products such as life insurance, and there is a conflict of interest in that our related persons receive compensation when you purchase insurance through Accu-Vest Planning.
- There are other ways that financial professionals make money, but our firm (either our broker/dealer or our investment adviser) does participate in sales of proprietary products, third party payments, revenue sharing or principal trading.

As a financial professional, do you have any disciplinary history? For what type of conduct?

No. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starters: Questions for investors to ask a financial Professional to start a conversation about Relationships and services:

1. Given my financial situation, should I choose a brokerage or investment advisory service? Why or why not?
2. How will you choose investments to recommend to me?
3. Who is my primary contact person? Is he or she a representative of an investment adviser or broker-dealer? Who can I talk to if I have concerns about how this person is treating me?
4. Help me understand how fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?
5. What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

I understand the difference between the three corporations and how they may interact differently with me. I fully understand all the costs and potential conflicts with the products and services I intend to purchase.

Client Signature: _____ DATE: _____

Client 2 Signature: _____ DATE: _____