

Item 1 – Cover Page



**Vannoy Advisory Group, Inc.**

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March 15, 2023

This Brochure provides information about the qualifications and business practices of Vannoy Advisory Group. If you have any questions about the contents of this Brochure, please contact us at (512) 759-7759 or at [Info@VannoyAdvisoryGroup.com](mailto:Info@VannoyAdvisoryGroup.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.

Vannoy Advisory Group is a Registered Investment Advisor (RIA) firm. Registration of an Investment Advisor does not imply any level of skill or training. The oral and written communications of an Advisor provide you with information about which you determine to hire or retain an Advisor.

Additional information about Vannoy Advisory Group is available on the SEC's website ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)) or from the Texas State Securities Board ([www.ssb.texas.gov](http://www.ssb.texas.gov)).

## **Item 2 – Material Changes**

Our previous Brochure dated March 28, 2022 was updated to reflect that at times we offer financial planning services on an as-needed basis.

We will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. You may request a copy of our most recent Brochure by contacting Simone Vannoy at (512) 759-7759 or by email at [Simone@VannoyAdvisoryGroup.com](mailto:Simone@VannoyAdvisoryGroup.com).

Additional information about Vannoy Advisory Group and any persons who are registered, or required to be registered, as Investment Advisory Representatives of Vannoy Advisory Group is available on the SEC's website ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)) or from the Texas State Securities Board ([www.ssb.texas.gov](http://www.ssb.texas.gov)).

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## Item 4 – Advisory Business

Vannoy Advisory Group is a fee-only financial planning and investment management firm. We are a Texas-based S corporation that is jointly owned by Neil Vannoy and his wife, Simone Vannoy.

Our services are designed for Clients that want access to recurring, personalized financial planning and investment management services. We provide customized financial advice as well as ongoing portfolio management through our investment advisory services. We work with Clients throughout the year to assist with implementing recommendations and to update their financial plans as their personal needs and goals change. Clients receive periodic reviews that we initiate and are encouraged to contact us throughout the year as needed.

The financial planning services we provide may be broad in scope or focused on particular areas of interest or need, depending on each Client's unique situation. Examples of some of our financial planning services include cash flow planning, cash reserve planning, debt management, insurance planning, investment analysis, investment selection, asset allocation, Social Security planning, Roth conversion planning, college planning, and retirement planning.

Below is a summary of the services we provide to Clients:

### **Financial Planning Process (First Year)**

- Assist in gathering and organizing important financial information
- Provide online vault for secure digital storage of important financial documents
- Analyze current financial position
- Help determine, clarify, and prioritize financial goals
- Identify personal financial challenges and opportunities
- Develop a financial plan based on the Client's personal financial goals
- Construct an investment portfolio based on the financial plan
- Explain and discuss all recommendations in detail
- Implement portfolios for accounts covered by investment advisory services
- Assist with implementing other recommendations
- Provide online Client Dashboard to aggregate accounts and to track financial plan, spending, net worth, etc.
- Provide secure web portal for important updates, quarterly reports, etc.

### **Financial Planning Process (Future Years)**

- Meet regularly to discuss progress toward financial goals
- Review and update financial goals and financial plan as needed
- Review investment portfolio recommendations when the financial goals and financial plan change
- Provide advice on miscellaneous financial issues and questions throughout year
- Coordinate planning with other professionals (e.g., CPAs, attorneys, etc.)

### **Investment Advisory Services Process**

- Assist with the account opening and transfer process
- Provide ongoing investment advice and selection
- Monitor and rebalance accounts as needed
- Conduct portfolio tax management and tax loss harvesting when appropriate
- Meet regularly to review portfolio and investment strategy

At times we offer financial planning services on an as-needed basis to Clients that do not engage us for ongoing investment management. Services provided to these clients are limited in scope and do not provide any follow-up services unless requested by the Client and agreed to by the Advisor.

Vannoy Advisory Group managed \$112,731,098 in Client assets on a discretionary basis on December 31, 2022. We do not manage any assets on a non-discretionary basis.

## Item 5 – Fees and Compensation

The specific manner in which Vannoy Advisory Group charges fees is established in a written Agreement. All fees are subject to negotiation at the discretion of Vannoy Advisory Group.

### Fees for Financial Planning Services

Financial planning services are generally provided without additional fees for Clients that engage us for investment advisory services and meet the current minimum quarterly fee. Fees for financial planning services are based on the complexity of the Client's situation, reassessed on an as-needed basis, and will not change without the consent of both parties.

Fees for financial planning services for these Clients are quoted as an annual fee, but are paid quarterly in arrears in installments equal to one-fourth (1/4) of the annual fee. Financial planning services fees are deducted from a non-qualified account managed by the Advisor unless another payment method has been agreed to in advance. We do not require or accept advance payment of financial planning services fees for these Clients.

At times we offer financial planning services on an as-needed basis to Clients that do not engage us for investment advisory services. Fees for these limited engagements are quoted and billed as a flat fee based on the amount of time anticipated to be spent by each consultant devoting time to the services at the current hourly rates. Current hourly rates are \$250 per hour for Lead Planners and \$90 per hour for administrative work.

Fees for limited engagements are billed in thirds: one-third as a deposit, one-third during the planning process, and the final third upon delivery of the services. This fee may be paid in fewer installments if agreed to by you and the Advisor.

### Fees for Investment Advisory Services

Fees for investment management through our investment advisory services are billed according to a tiered fee schedule based on the combined average daily balance of all accounts managed for the Client during the most recent quarter. We do not have an account minimum for investment advisory services but do charge a minimum quarterly fee of \$1,500.

Fees for investment advisory services are billed according to the following tiered fee schedule:

<u>Combined Balance Tiers</u>	<u>Annual Fee</u>
\$0 - \$749,999.99	0.85%
\$750,000 - \$1,499,999.99	0.65%
\$1,500,000 - \$2,999,999.99	0.30%
\$3,000,000 +	0.20%

We bill for investment advisory services at the end of each calendar quarter in arrears. Clients receive a detail of the investment advisory services fees earned by Vannoy Advisory Group at the end of each quarter. These fees are deducted directly from the account(s) managed unless the Client has arranged to pay the fees by a different method. We do not require or accept advance payment of investment advisory services fees.

Clients may incur additional fees and expenses when they purchase or sell securities that we recommend or when we purchase or sell securities for Clients in the account(s) we manage. We do not receive, directly or indirectly, any of these fees charged to Clients. They are paid directly to the third party that charges them. Examples of some of these fees and expenses include:

- Brokerage commissions,
- Transaction fees,
- SEC fees,
- Management fees charged by mutual funds and exchange-traded funds (ETFs) and notes (ETNs),
- Custodial fees,

- Wire transfer and electronic fund processing fees,
- Mark-ups or mark-downs on security transactions, and
- Other expenses that may be incurred.

Vannoy Advisory Group does not receive any compensation from the sale of securities or investments that are purchased or sold for Client accounts or to which we provide advice or expertise. As a result, we are a “fee-only” financial planning and investment management firm. We do not have any potential conflicts of interest present that relate to any additional (and un-disclosed) compensation from the Client or Client assets that we manage.

### **Terminating and Agreement**

Either party may terminate an Agreement for ongoing financial planning and investment advisory services within five (5) days of signing without any fee being due. Clients that terminate an Agreement after five (5) days of signing are responsible for any services conducted up to the point the Advisor receives written notice to terminate the engagement. Any amount received in excess of the invoiced amount will be refunded within twenty (20) days. If an Agreement is terminated within the first twelve (12) months, the Advisor reserves the right to bill for the remaining amount due for the first twelve (12) months of investment advisory services based on the balance of the funds in the Client’s account(s) managed by the Advisor as detailed in the fee schedule in the Agreement. The Advisor may reduce or waive this fee at its discretion. The final amount invoiced for investment advisory services will be deducted directly from the account(s). If the Advisor is not able to deduct payment for the invoice from the Client’s account(s), then payment of such invoice shall be made by the Client within twenty (20) days of receipt.

Termination of a limited engagement within five days of signing the Agreement would result in no fees due. Any deposit paid by the client would be refunded immediately. If a limited engagement is terminated after five days of signing the Agreement, the client is responsible for any services conducted by Vannoy Advisory Group up to the point we receive written notice of the client’s desire to terminate the limited engagement. Any deposit in excess of the invoiced amount would be refunded to the client within twenty (20) days.

### **Item 6 – Performance-Based Fees and Side-By-Side Management**

Vannoy Advisory Group does not charge any performance-based fees.

### **Item 7 – Types of Clients**

Vannoy Advisory Group provides financial planning and investment advisory services to individuals; high net worth individuals; families; corporations and other business entities; pension and profit-sharing plans; charities; non-profit organizations; and foundations. Although we do not have an account minimum, our investment advisory services are best for Clients that have at least \$600,000 in investable assets due to our minimum quarterly fee.

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

We use a long-term, buy-and-hold approach to investment management and do not attempt to time the market. Our portfolios are diversified across multiple asset classes using low-cost, no-load investment products.

Our investment strategies employ mutual funds, exchange-traded funds (ETFs), and exchange-traded notes (ETNs) across various asset classes (e.g. domestic stocks, international stocks, bonds, etc.). Our primary strategy is to take long-term positions (over one year) in these investments, although short-term positions (less than one year but generally greater than 30 days) may occur. We do not anticipate short term trading (less than 30 days).

We use various sources to research and analyze potential investments including data from Morningstar, Inc., investment reports, investment prospectuses, fund company websites, and other sources. We cannot guarantee the accuracy of the information we use or that a particular investment strategy will be profitable or successful.

All investments in securities involves risk of loss, including loss of principle. Stock markets and bond markets fluctuate substantially over time and the performance of any investment is not guaranteed. As a result, there is a risk

of loss of the assets we manage that may be out of our control. We will do our very best in the management of Client assets but cannot guarantee any level of performance or that Clients will not experience a loss of their account assets. Investing in securities involves risk of loss that Clients should be prepared to bear.

### **Item 9 – Disciplinary Information**

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of Vannoy Advisory Group or the integrity of Vannoy Advisory Group's management. We do not have any legal, financial or other disciplinary items to report. This statement applies to our firm, employees, and Investment Advisor Representatives.

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

We may partner with other financial planning firms, discount brokers, mutual fund companies, businesses, and other financial institutions to sponsor public financial education seminars. Most seminars are non-profit in nature and purely educational but we may enter into an agreement with a business or other entity under which we would be paid for providing a seminar. Any engagement that results in payment to the Vannoy Advisory Group will be detailed in a signed Agreement with the contracting entity. We never sell investment products at our seminars.

### **Item 11 – Code of Ethics**

Vannoy Advisory Group has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Vannoy Advisory Group must acknowledge the terms of the Code of Ethics annually, or as amended.

At times employees and other related parties to Vannoy Advisory Group may hold positions in mutual funds that may also be recommended to Clients. This could create a conflict of interest, but at no time will Vannoy Advisory Group or any related party receive preferential treatment over Clients.

Advisors have a duty to exercise their authority and responsibility for the benefit of their Client, to place the interests of the Client first, and to refrain from having outside interests that conflict with the interests of the Client. Advisors must avoid any circumstances that might adversely affect or appear to affect their duty of complete loyalty to their Clients. Advisors have a duty to disclose potential and actual conflicts to their Clients. Advisors should not accept gifts (other than de minimis gifts) from persons or companies with which they do business. Advisors should not attempt to limit their liability for willful misconduct or gross negligence through the use of disclaimers.

Advisors that are members of NAPFA and/or those that hold the CFP® designation must also adhere to the Code of Ethics for these organizations. Vannoy Advisory Group will provide a copy of its Code of Ethics to any Client or Prospective Client upon request.

Vannoy Advisory Group's Clients or prospective Clients may request a copy of the firm's Code of Ethics by contacting Simone Vannoy at (512) 759-7759 or by email at [Simone@VannoyAdvisoryGroup.com](mailto:Simone@VannoyAdvisoryGroup.com).

### **Item 12 – Brokerage Practices**

Vannoy Advisory Group is not associated with any broker/dealer firm. Vannoy Advisory Group may recommend the services of companies such as TD Ameritrade, Vanguard, T. Rowe Price, or similar broker/dealer to Clients. Broker recommendations are based on individual Client needs, total costs, and ease of use for Clients. Clients engaging Vannoy Advisory Group for investment advisory services will hold their investments at TD Ameritrade.

The Advisor does not receive any direct compensation from brokers for recommending their products or services to financial planning Clients, but does receive indirect, non-cash benefits as a result of using TD Ameritrade as the custodian for investment advisory service Clients. These benefits may include electronic statements, discounts on investment research, educational materials, and software. It is Vannoy Advisory Group's policy to restrict these types of non-cash (soft dollar) compensation to products and services that do not present a conflict of interest and directly enhance Vannoy Advisory Group's ability to render quality advice to Clients.

Vannoy Advisory Group may receive indirect, non-cash benefits from discount brokers recommended to the Clients. These benefits may include electronic Client statements and discounts on investment research, educational materials, and software. It is the Advisor's policy to restrict non-cash (soft dollar) compensation to products and services that directly enhance their ability to render quality advice to Clients.

### **Item 13 – Review of Accounts**

At times we provide investment advice to Clients under a limited engagement. Clients that receive one-time, non-ongoing investment advice are provided a report and recommendation based on their financial situation at the time they contract us to conduct the analysis. These Clients are responsible for initiating future reviews and do not receive automatic ongoing investment reviews although regular financial “checkups” are recommended.

Clients receiving investment management through our investment advisory services receive periodic reports, updates, and reviews. Portfolio reports are provided quarterly and review meetings are held at least annually. Our investment advisory services Clients can request additional reports and meetings as desired.

Clients receive regular statements from the mutual fund and/or brokerage companies in which they hold investments. These statements are typically provided on a monthly or quarterly basis and as transactions occur.

Recommendations, advice, reviews, and Client contact is provided by Neil Vannoy and/or Simone Vannoy.

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

Clients and prospective Clients may be referred to Vannoy Advisory Group through our involvement with the following organizations:

- National Association of Personal Financial Advisors ([www.napfa.org](http://www.napfa.org))
- Dimensional Fund Advisors ([www.dfaus.com](http://www.dfaus.com))
- Certified Financial Planner Board of Standards ([www.cfp.net](http://www.cfp.net))

Although we may pay operational fees to these and other organizations, Vannoy Advisory Group never pays any group, organization, or individual for Client referrals. Clients referred to us by these organizations do not pay more for our services than Clients from other sources.

### **Item 15 – Custody**

Vannoy Advisory Group does not have custody of Client accounts, funds, or securities.

Clients will receive account statements from the custodian that holds and maintains the Client's investment assets at least quarterly, if not monthly. We encourage Clients to carefully review these statements and to compare them to any account statement and/or report that we may provide.

Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Statements received from the custodian are the official record of Client account(s) and assets for tax and other purposes.

## **Item 16 – Investment Discretion**

Vannoy Advisory Group receives discretionary trading authority from the Client at the outset of an investment advisory services relationship. This authority allows us to buy, sell, and trade in mutual funds, exchange-traded funds (ETFs), exchange-traded notes (ETNs), stocks, bonds, and other securities in order to implement the investment strategy, rebalance the investments, and otherwise manage the investments in the account(s).

Investment discretion includes, but is not limited to, the investment purchased, the timing of purchases, dollar amounts or shares to be purchased, and other factors pertaining to the management of the account(s). This discretionary authority will be exercised in a manner consistent with the stated investment objectives for the particular Client account.

When selecting securities and determining amounts, Vannoy Advisory Group observes the investment policies, limitations and restrictions of the Clients for which it advises. Investment guidelines and restrictions must be provided to Vannoy Advisory Group in writing.

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

As a matter of firm policy and practice, Vannoy Advisory Group does not have any authority to and does not vote proxies on behalf of investment advisory services Clients or other Clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in Client portfolios. Vannoy Advisory Group may provide advice to Clients regarding the Clients' voting of proxies.

## **Item 18 – Financial Information**

Vannoy Advisory Group has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has never been the subject of a bankruptcy proceeding.

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

### **Education and Business Background of Principal Executive Officers**

#### **Neil Vannoy – President**

##### Education

- CFP® Professional
- Boston University – Certificate in Financial Planning
- Pepperdine University – MBA
- Texas State University – BS Biology & BA Spanish

##### Experience

Vannoy Advisory Group, Inc., Round Rock, TX  
President, Financial Planner  
2007 to Present

Health Net, Inc. / MHN Government Services, Inc.  
Texas Joint Family Support Assistance Program (JFSAP) Personal Financial Consultant (PFC)  
2010 – 2012

Vannoy, Inc., Las Vegas, NV  
Consultant (Non-Financial in Nature)  
2005 – 2007

#### **Simone Vannoy – Secretary and Treasurer**

## Education

- Accredited Financial Counselor (AFC) (2011 – 2015)
- Texas State University – MS
- Colorado State University – BS

## Experience

Vannoy Advisory Group, Inc., Round Rock, TX  
Treasurer and Secretary, Junior Planner  
2007 to Present

City of Waco, Waco, TX  
Registered Sanitarian  
2009 – 2010

Vannoy, Inc., Las Vegas, NV  
Consultant (Non-Financial in Nature)  
2005 – 2007