

**Part 2 of Form ADV  
Brochure and Supplement**

for

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**DATE**

**January 1, 2017**

**Item 1: Firm Brochure Introduction**

This brochure provides information about the qualifications and business practices of Fountain Strategies, LLC. If you have any questions about the contents of this brochure, please contact us at 831-298-7036, or by email at [info@fountainstrategiesllc.com](mailto:info@fountainstrategiesllc.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. Registration does not imply a certain level of skill or training.

Additional information about Fountain Strategies, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The firm's searchable IARD/CRD number is **142890**.

**Item 2: Summary of Material Changes**

**Annual Update**

The Material Changes section of this Part 2 of our Form ADV will be updated when material changes occur subsequent to any previous release. We make Part 2 of our Form ADV available to our clients either by sending copies via email or regular mail or by advising them the updated Part 2 is available in the Library section of our website.

**Firm Brochure and Supplement Available**

Whenever you would like to receive a complete copy of Part 2 of our Form ADV, please contact us by telephone at: (831)298-7036 or by email at [info@fountainstrategiesllc.com](mailto:info@fountainstrategiesllc.com).

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## Item 4: Advisory Business

### Firm Description

Fountain Strategies, LLC is a fee-only financial planning and investment management firm established 18 December 2006 in the State of California. The firm is a Registered Investment Advisor with the State of California. Principal owner is Douglas M. Pease, as sole member of the limited liability company and Investment Advisor Representative (IAR) of the firm. Austin W. Chinn, Manorama (Anita) Pai, and Douglas M. Roesser serve clients in San Jose, Irvine, and Monterey, respectively as IARs' of the firm.

We are strictly a fee-only financial planning and investment management firm. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products.

The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted. No finder's fees are accepted.

### Services

Prospective clients can choose among four services offered by the firm: Financial Planning and Investment Management, Financial Planning Only, Fresh Look, and Retirement Plan.

**Financial planning** covers and keeps current all six phases of one's financial life: goals, cash flow control, wealth accumulation, risk management, retirement, and estate transfer. This includes but is not limited to college planning, retirement planning, financial advice, tax planning and estate planning. The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts including asset allocation and repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations. Detailed investment advice and specific recommendations are provided as part of a financial plan. Implementation of the recommendations is at the client's discretion.

**Investment management** is based upon a buy-and-hold strategy and accepts performance of world markets as a whole rather than seeking winning stocks. Our strategy includes diversification among no-load, index-fund-like, asset-class-specific Dimensional (DFA) funds and rebalancing to target allocations as market changes may require.

Client portfolios are balanced between equity and fixed income assets commensurate with each client's personal tolerance for market risk. Each client portfolio reflects the time horizon indicated for fulfillment of the financial plan it supports. While clients may request other publicly traded stocks or mutual funds, Fountain's seven portfolio models employ Dimensional funds for

several good reasons that include lower cost, adherence to asset class parameters, long statistical performance backgrounds, and impressive analysis reporting capabilities.

Investment advice is provided on a non-discretionary basis; our clients make the final decision on investment selection and trades. We do not act as a custodian of client assets. We place trades for our clients upon receipt of their written instructions under a limited power of attorney.

Our clients share with their Fountain advisor continuing access to and editing capability of their own on-line financial plan, thanks to Fountain's license with MoneyGuidePro™. Periodic reviews keep each client's online plan in meaningful working order.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by clients on an as-needed basis. We disclose conflicts of interest in the unlikely event they should occur. Initial data-gathering begins with Fountain's online confidential questionnaire. The completed data are then transferred into MoneyGuidePro™ to start the planning process.

Financial planning goals are clearly documented in each client's MoneyGuidePro™ account. Investment goals and market risk assessment for each client are documented both in the MoneyGuidePro™ account and in a Fountain Investment Policy Statement signed by the client and his or her Fountain advisor. Investment performance is available to Fountain investment clients online at [www.fidelity.com](http://www.fidelity.com) and in periodic Fountain Advisor reports to clients.

See Item 5: Fees.

**Financial Planning Only** serves clients who seek long-term financial planning guidance but who want to retain outside broker custody and advice for their investments. Financial Planning Only does not include investment management or asset-specific investment advice by Fountain advisors.

See Item 5: Fees.

**Fresh Look** serves clients who seek a second opinion or are in need of a foundation upon which to maintain a workable financial plan on their own. **Retirement Plan** serves clients who seek a workable answer to "When can I retire?" Both services include Fountain advisor guidance over three consecutive months. Fountain's online questionnaire is used for initial data-gathering to construct an online plan at MoneyGuidePro™. The client is free to download the finished plan and proceed on his own, and the online version is erased at the end of the three month period. Fresh Look and Retirement Plan do not include investment management, asset-specific investment advice, or administrative services (broker account setup, transfers between investment accounts, IRA distributions, processing forms, etc.).

See Item 5: Fees

**Tailored Relationships.** Acknowledging the constraints of law, ethics, regulations and Fountains' investment philosophy, the terms of our relationship with each client are tailored to match the client's needs, wants, and wishes.

#### **Assets Under Management**

As of December 31, 2016 Fountain was managing approximately \$32 million in assets, on a non-discretionary basis, for 51 clients

#### **Type of Agreement**

Each of the four Fountain services has its agreement that defines the Fountain-client relationship. Financial Planning and Investment Management, and Financial Planning Only relationships are set when client and advisor both sign the applicable Fountain Strategies Client Retainer Agreement. The Fresh Look relationship and Retirement Planning relationship are set when client and advisor both sign the Fresh Look Agreement or Retirement Planning Agreement.

#### **Retainer Agreement**

The Fountain Strategies Client Retainer Agreements for Financial Planning and Investment Management and for Financial Planning Only set forth the responsibilities and commitments of the Fountain advisor and the client to each other, and state the amount of the agreed-upon annual fee and how it is to be paid. Either party may terminate these Client Retainer Agreements at any time by notifying the other in writing. The Fresh Look and Retirement Plan relationships terminate when full payment is received at or prior to the three-month relationship period.

### **Item 5: Fees and Compensation**

Our continuing **Financial Planning and Investment Management** service requires a one-time nonrefundable setup fee of \$500 and an annual fixed retainer fee payable quarterly in arrears (prorated for any partial calendar quarter) and paid from a client's managed investment accounts. Currently our annual retainer fees range from \$3,000 minimum to \$10,000-or more, depending upon services to be performed, anticipated complexities, and usually less than 1% of the value of assets under management.

**Financial Planning Only** clients agree to a one-time nonrefundable setup fee of \$500 and an annual fixed retainer fee payable quarterly in arrears (prorated for any partial calendar quarter) and payable directly by check, credit card or by authorized withdrawal from a cash account set up for that purpose at Fidelity Investments. Currently our annual retainer fees range from \$3,000 to \$10,000-or more, depending upon services to be performed and anticipated complexities.

Our fee for **Fresh Look** and for **Retirement Plan** is \$1500, which may be paid in three \$500 installments: at the outset, at the start of the second month, and at the start of the third month.

Payment can be made by check payable to and mailed to Fountain Strategies LLC, or by the credit card facility at Fountain's website. If a client decides to sever his relationship with Fountain, other than for reasons of Fountain's proven neglect or disservice at a time prior to the full three month period, any remaining balance of the \$1,500 is still due and payable. Fresh Look and Retirement Plan clients who decide to continue with a Fountain advisor in one or the other longer term relationships, will not be required to pay the \$500 initial setup fee.

These are the only fees clients pay to Fountain for its services. See "Other Fees" below.

Although Fountain believes its advisory fees are competitive, lower fees for similar services may be available at other firms and practitioners.

### Fee Billing

Fees for our two long-term relationship services are billed quarterly in arrears. Clients are invoiced the week before the three-month billing period has ended and fees are deducted directly from a designated investment account or broker service account. The Client Retainer Agreement is in effect a limited power of attorney for Fountain to initiate and receive these quarterly fee deductions and to place trades at the client's direction. It is the client's responsibility to verify the accuracy of the fee deducted from the custodian broker account each quarter; the custodian will not determine whether the fee is properly calculated, but the custodian does report the deduction in the client's monthly account statement for that billing period.

### Other Fees

Investment management clients can expect transaction fees charged by their custodian brokers for trades placed in the course of assembling and rebalancing portfolios that follow a Fountain model. These transaction charges are usually small and incidental to the purchase or sale of a security.

### Expense Ratios

Mutual funds generally charge a management fee for their services and trading costs as investment managers. The management fee compared to the total value of the assets held by the fund is that fund's *expense ratio*. Fountain consciously recommends funds with low expense ratios, steady performance, and reliable quality. In many cases, Fountains' annual retainer fee and the internal costs of recommended funds, combined, has been lower than the fund costs clients were paying before they joined Fountain.

## Item 6: Performance-Based Fees

### Sharing of Capital Gains

Our fees are not based on a share of the capital gains or capital appreciation of managed securities. We do not use a performance-based fee structure because of the potential conflict of interest; performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a degree of risk beyond a clients' risk tolerance threshold.



## Item 7: Types of Clients

### Description

We generally provide investment advice to individual clients, trustees, and business owners concerning their retirement plan assets, trust investments, estate arrangements, charitable contribution possibilities, and personal investment accounts.

Client relationships vary in scope and length of service but it is Fountain's intent to provide excellent advice and services to warrant long-lasting relationships.

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

### Methods of Analysis

We focus on the "risk" aspect of the risk-return continuum, as we strive to match the range of volatility (as measured by Standard Deviation) in a portfolio to the client's tolerance for risk. Also, we want our clients to benefit from whatever advantages are inherent in diversifying investments among a dozen to sixteen asset classes. Our analysis, then, focuses on correlations between various asset classes, and how the volatility of individual asset classes will affect the portfolio as a whole. We suggest no-load, index-like, asset class-specific mutual funds offered by Dimensional funds, for which there are several years of risk and return performance statistics readily available.

Past performance is no guarantee of future results, but it does help gauge relative future performance possibilities. Dimensional funds can provide serious performance histories for individual asset classes and for its funds that represent individual asset classes and those that combine several asset classes. These histories allow Fountain advisors to anticipate investment risk as well as appreciation in projecting long term performance of a portfolio. For that reason, all investment planning discussions with a client begin with an initial assessment or later review of that client's risk tolerance.

Fountain advisors do not try to pick winning stocks; instead, they accept performance of the whole market over the longer term. Overall market risk can be balanced to some extent by increasing or decreasing the value of fixed income assets in a portfolio and to accepting longer holding periods in the plan design. As market events change asset values by plus or minus 3%, Fountain advisors suggest "re-balancing" individual assets to the original target percentages within a client's portfolio. Such rebalancing supports, albeit in a modest way, the injunction to "buy low and sell high."

### Investment Strategies

We do not attempt to beat the market: we anticipate its longer term average performance. We rely upon diversification and asset allocation as investment strategies, and we are attentive to rebalancing among assets of various classes to retain relative target percentages among portfolio assets as markets change.

### Risk of Loss

All investment programs are subject to risks. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

*Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

*Market Risk:* The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social events may serve to disrupt –or improve—market expectations.

*Inflation Risk:* When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

*Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

*Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

*Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil companies rely upon finding oil; if they don't, they go out of business. Any threat that this might occur will serve to depress the company's stock value.

*Liquidity Risk:* Liquidity is the ability to convert readily an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

*Financial Risk:* Excessive borrowing to finance a business' operations can impede its profitability and resilience. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## Item 9: Disciplinary Information

### Legal and Disciplinary

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients during the firm's lifetime. In 1985 Douglas M. Pease was reprimanded and suspended for five days by his broker dealer at that time and the disciplinary action was reported to the NASD (now FINRA) as a matter of record. For full details see Item 23.

## Item 10: Other Financial Industry Activities and Affiliations

### Financial Industry Activities

We are not involved in any other financial industry activities.

### Affiliations

We have no arrangements with any other entity that are material to our advisory business or to our clients.

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

### Code of Ethics

We have adopted a Code of Ethics. The Code treats our standards of conduct, fiduciary duties, required compliance with all securities regulations, required reporting of personal trading, preapproval of participation in any initial public offering or private placement, required reporting of violations of the Code to the Chief Compliance Officer, and required written acknowledgement of receipt of the Code by personnel. A copy of the Code of Ethics is available to you and prospects upon request.

### Participation or Interest in Client Transactions

Our Investment Advisor Representatives (IAR's) are paid for their advice and not by or for the investments they recommend to clients. We can buy or sell for our company and for our personal accounts the same assets we recommend to our clients, so conflicts of interest are not an issue we address beyond the injunction to, "Put our clients' interests first." The quarterly billing process is our only acceptable access to a clients' resources. When placing trading orders, our advisors act solely as agents on behalf of and at the direction of their clients.

### Personal Trading

Our Chief Compliance Officer is Douglas M. Pease. As compliance officer he monitors all trades, including those made by Fountain Investment Advisor Representatives for their own accounts.

## Item 12: Brokerage Practices

### Selecting Brokerage Firms

We do not have product sales affiliations with any firms, which includes brokerage firms. We do enjoy a working relationship of several years' standing with Fidelity Investments that serves clients of Registered Investment Advisor at no charge to Fountain or to our clients. We recommend custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates, and that includes but is not limited to Fidelity Investments. We do work with brokerage firms and trust companies (qualified

custodians) other than Fidelity Investments. We do not receive fees or commissions from any of these arrangements.

### **Best Execution**

Trades are generally executed for a flat fee and are competitive with those charged by other custodians. Fountain holds a reasonable belief that Fidelity Investments as custodian broker offers best execution and competitive prices, in light of the fact that Fidelity is one of only a few custodian firms that enjoys a working relationship with Dimensional funds.

### **Soft Dollars**

We do not receive any soft dollar benefits from any custodian.

### **Order Aggregation**

Most of Fountain's trades are in Dimensional mutual funds, and trades are aggregated to meet Dimensional Funds requirements.

### **Trade Errors**

From time-to-time we may make an error in submitting a trade order on a client's behalf. If this occurs, we will place a correcting trade with the custodian broker-dealer. If an investment gain results from the correcting trade, the gain will remain in the clients' account unless the same error involved other client account(s) that should have received the gain, or unless we confer with the client who may decide to forego the gain (e.g., for tax reasons). Generally, if related trade errors result in both gains and losses in a client's account, they may be netted.

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

### **Periodic Reviews**

Fountain IAR's review their client's accounts and financial plans at least quarterly. Such reviews may amount to updating account data in MoneyGuidePro™ and reviewing account performance data available at Fidelity. Where such reviews signal a need for action, the IAR reports to the client involved, by phone, by email or by regular mail.

### **Review Triggers**

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

### **Regular Reports**

For all Fountain supervisory accounts, clients receive standard statements from the custodian broker, either electronically or by regular mail. In addition, clients can access their account data at any time, including current values, transactions history, archived statements, and tax

documents, directly from their custodian broker website, and investment current values and allocations from their MoneyGuidePro™ account.

## Item 14: Client Referrals and Other Compensation

### Incoming Referrals

We have been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, and other similar sources. The firm does not compensate referring parties for these referrals.

### Referrals Out

We do not accept referral fees or any form of remuneration from other professionals when we refer a prospective client or Fountain client to them.

### Other Compensation

There is no other compensation to Fountain or its IARs' beyond our initial setup fee, our annual retainer fee, and the one-time Fresh Look and Retirement Planning service fees.

## Item 15: Custody

### Account Statements

All client investment assets are held by qualified custodians who provide our clients account statements at their address of record at least quarterly.

### Performance Reports

Clients are urged to compare the account statements received directly from their account custodians, to the performance report statements provided by us.

### Net Worth Statements

Clients can access their Net Worth Statement at any time, in their MoneyGuidePro account, where values of assets held at Fidelity reflect previous-day market closing prices. However, there is not as immediate accounting for liabilities, alternative investments, bank account values, land, and hard-to-price real estate... which are up-dated directly by clients.

## Item 16: Investment Discretion

### Discretionary Authority for Trading

We do not claim discretion to choose the broker/dealer or trading commission rates to be paid; clients direct the choice of a particular broker/dealer in the Client Retainer Agreement. While we generally request that clients direct us to custody their accounts at and to place trades through Fidelity Investments Wealth Central, clients can and do choose other firms for these services. We hold a reasonable belief that the firms we deal with offer best execution and competitive prices,

and we hope for but do not require a working relationship between the selected broker/custodian and Dimensional Funds.

#### **Limited Power of Attorney**

Our Client Retainer Agreement serves as a limited power of attorney to effect trades on behalf of a client only as the client may direct, and to withdraw our stated quarterly advisory fee from a client's custodian account.

### **Item 17: Voting Client Securities**

#### **Proxy Votes**

We do not vote proxies. Therefore, although we may provide investment advisory services relative to client investment assets, the client maintains exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to investment assets. In making application for an account with a custodian broker, the client instructs the custodian to forward all proxies and shareholder communications to the client-owner of those investment assets requiring proxy votes.

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

#### **Financial Condition**

Fountain Strategies, LLC does not suffer any financial impairment that will preclude the firm from meeting any contractual commitments to clients.

A balance sheet is not required to be provided because Fountain does not serve as a custodian for client funds or securities, and because the firm does not require prepayment of fees of more than \$500 for services six months or more in advance.

### **Item 19: Requirements for State Registered Advisors**

- All principal executive officers and management persons are described in the Brochure Supplement section of this ADV Part 2.
- No disclosure events have occurred since 1985 (see Item 9 and Item 23).
- We are not actively engaged in any other business.
- We do not receive any performance-based compensation.

#### **California Disclosures**

The California Code of Regulations (10 CCR Section 260.235.2) imposes two notice requirements upon financial advisers: (a.) lower cost comparable services may be available from others, and (b.) the possibility exists for a conflict of interest between a client's interests and those of our firm. A prospective client is under no obligation to purchase advice or services

from Fountain Strategies, LLC. All material conflicts of interest under CCR Section 260.238 (k) have been disclosed regarding the adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

## Item 20: Additional Information: Business Continuity Plan

**General.** We recognize the importance of continuity in our systems and services. We have formulated a Business Continuity Plan (“BCP”) outlining actions designed to mitigate the impact of significant business disruptions.

**Disasters.** Our Business Continuity Plan covers natural and manmade disasters. Fountain’s email files are archived offsite in Google servers. Fountain’s paper files are scanned as .PDF files and, along with other Fountain digital documents, are stored offsite in Google Drive. Working files on the firm’s computer hard drive are archived on an external flash drive at least annually. The chances of Google’s servers and the hard drive surviving a disaster offer a good probability that Fountain can continue to operate from any computer link.

**Alternate Offices.** An alternate office has been identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact our clients within five days of a disaster that would dictate moving our office to an alternate location.

**Loss of Key Personnel.** We have cross-trained Fountain Advisors in all phases of Fountain operations so that one Fountain advisor can assume the functions of another Fountain advisor in case of death, disability, or disaster. Currently, this applies to three of the four Fountain advisors. In the case of Douglas M. Pease’ death or disability, there is an agreement with Austin W. Chinn to fill the position of sole member, manager and compliance officer.

**Information Security.** We maintain an information security program to reduce the likelihood that clients’ and the firms’ personal and confidential data would be breached in the event of a disaster or significant business disruption. We cannot be as confident about possible invasions by hackers and “fraudsters,” especially with regard to incoming emails from clients.

## Item 21: Privacy Notice

-We are committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us. Nonpublic information that we collect from our clients include information about personal finances, health, transactions with third parties, and data available from consumer reporting agencies (e.g., credit reports).

-Only at a clients’ written request do we disclose limited information to attorneys, accountants, and mortgage lenders the client may be dealing with. Clients may opt out of sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person.

- We do share non-public information with a client's custodian broker sufficient to execute securities transactions on the client's behalf.
- We maintain a secure office to ensure that client information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment and we change entry passwords regularly.
- We do not provide a client's personal information to mailing list vendors or solicitors.
- We require strict confidentiality with regard to client personal information in the event that certain unaffiliated third parties such as financial service companies, consultants, and auditors may legally require access. Federal and state securities regulators can review our firm's records and client personal records only as permitted by law.
- After the Client-Fountain relationship is terminated, personally identifiable information about a client will be maintained for the period required by federal and state securities laws. After that time, all such information will be destroyed.
- We notify clients in advance if our privacy policy is expected to change: we are required by law to deliver our Privacy Statement to clients annually, in writing.

## Item 22: Brochure Supplement Introduction

This brochure supplement provides information about Fountain's Investment Advisor Representatives Douglas M. Pease, Austin W. Chinn, Manorama (Anita) Pai, and Douglas M. Roesser. Additional information about Douglas M. Pease, Austin W. Chinn, Manorama (Anita) Pai, and Douglas M. Roesser is available on the SECs' website, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## Education and Business Standards

Our general standards for accepting IAR's include but are not limited to a college degree, designation as a Certified Financial Planner™ licensee, and commitment to our fee-only and passive investment philosophies in client relationships.

## Professional Certifications

Certifications and credentials that are required to be explained in further detail:  
Certified Financial Planner™ - CFP®: Certified Financial Planner™ licensees are licensed by the CFP Board to use the CFP® mark. CFP® certification requirements include:

- Bachelors' degree from an accredited college or university.
- Completion of requirements set by the CFP Board ([www.cfp.net](http://www.cfp.net)).
- Successfully pass the CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.



**Douglas MacDonald Pease, CFP®**

Year of birth: 1937

Educational Background:

Dartmouth College, B.A.; History; 1958

CERTIFIED FINANCIAL PLANNER™ licensee; 1977 – Present

Business Experience:

Fountain Strategies, LLC; 1/2007 to Present; Co-Founder, Managing Member, Investment Advisor Representative

Maas Capital Advisors, LLC; 11/03 - 12/06; Investment Advisor Representative

KMS Financial Services, Seattle, WA 1/92 - 12/03; Registered Representative and Advisor Affiliate

Disciplinary Information: See Item 23.

Other Business Activities: None

Additional Compensation: None

Supervision: Douglas M. Pease is the Managing Member and Chief Compliance Officer and supervises his own activities.

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

**Austin William Chinn, CFP®**

Year of birth: 1943

Educational Background:

University of California Santa Cruz - Extension; Certificate, Personal Financial Planning; 2004

Stanford University, B.A.; Psychology; 1966

CERTIFIED FINANCIAL PLANNER™ licensee; 2007 – Present

Business Experience:

Fountain Strategies, LLC 1/2007 to Present; Co-Founder, Investment Advisor Representative

Maas Capital Advisors, LLC 02/05 - 12/06; Investment Advisor Representative

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision: Austin W. Chinn is supervised by Douglas M. Pease, Managing Member via frequent office interactions as well as remote interactions. Supervisor's contact information:

Phone: 831-298-7036 Email: info@fountainstrategiesllc.com

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

**Manorama (Anita) Pai, CFP®**

Year of birth: 1953

Educational Background:

University of California Irvine; Personal Financial Planner Certificate; 2004

Concordia University, BA; Liberal Arts; 2010

CERTIFIED FINANCIAL PLANNER™ licensee; 2011 – Present

Business Experience:

Fountain Strategies, LLC; 9/2007 to Present; Investment Advisor Representative

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision: Manorama (Anita) Pai is supervised by Douglas M. Pease, Managing Member via frequent office interactions. Supervisor's contact information:

Phone: 831-298-7036 Email: info@fountainstrategiesllc.com

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

**Douglas McKenzie Roesser, CFP®**

Year of birth: 1958

Educational Background:

Golden Gate University, Masters Science, Finance; 1999

University of Colorado, B.A., Geography; 1981

CERTIFIED FINANCIAL PLANNER® licensee; 2003 - Present

Business Experience:

Fountain Strategies, LLC; 12/2009 to Present; Investment Advisor Representative

Integrus Wealth Management, LLC; 4/08 – 12/09; Investment Advisor Representative

Family Wealth Consulting Group, Inc.; 1/00 – 4/08; Investment Advisor Representative

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision: Douglas McKenzie Roesser is supervised by Douglas M. Pease, Managing Member via frequent office interactions. Supervisor's contact information:

Phone: 831-298-7036 Email: info@fountainstrategiesllc.com

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

**Item 23: Disciplinary Details:** Statement by Douglas M. Pease:

By 1982 I had amassed several hundred mutual fund accounts as registered representative of American Investors Company in Hayward, California. I received statements by mail only from accounts with activity. Copies of account statements for periods of no reportable activity accumulated at AIC and I drove 80 miles once a month to collect and sort them in order to maintain performance tracking. That year I had it in mind to establish a practice in Oak Harbor, Washington; I moved my registration to KMS Financial Services in Seattle so that I might license and do business in that state and in California. Preparatory to making the change I culled my mutual fund accounts inventory to remove those with multi-year histories of no activity, so as not to burden staff at American Investors after my departure and to transfer the active client accounts to KMS. "Culling" meant contacting account owners to liquidate inactive accounts, which went well until I came upon a divorce situation where the wife had moved to an unknown address in another state and the husband could not contact her in any manner. I signed her name to complete the liquidation order of their joint account to pay proceeds of less than \$100 to the husband at the address of record. I joined KMS in November 1982 and in August 1985 received a phone call from their compliance officer asking me to explain why the wife's divorce attorney had contacted them about my signing her name to the account liquidation order. KMS reprimanded me and suspended me for five days over a weekend and reported the incident to NASD as they deemed proper for my action in the matter. I remained on good terms with KMS for years thereafter, but the history of this event continues as a sad reminder in my professional record.