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Form ADV Part II: Firm Brochure  
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Disclosure:

This brochure provides information about the qualifications and business practices of Lakeland Investment Advisors, a registered investment advisor. If you have any questions about the content of this brochure, please contact us at 317-376-3506 or [matt@lakelandinvest.com](mailto:matt@lakelandinvest.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 Lakeland Investment Advisors is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique intensifying number known as the CRD number. Our firm's CRD # is 158978.

## **Item 2: Material Changes**

The SEC adopted “Amendments to Form ADV” in July, 2010. This firm Brochure, dated 03/25/2019, is our new disclosure document prepared according to SEC’s new requirements and rules. As you will see, this document is a narrative that is substantially different in form and content, and included some new information that we were not previously required to disclose.

After our initial filing of this brochure, this item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

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## **Advisory Business**

Lakeland Investment Advisors is an Indiana Registered Investment Advisor with its principal place of business located at 1110 Shore Ln. Syracuse, IN 46567. We began conducting business on September 19, 2011. Matthew Ringler is the founder and President of the company.

We provide investment advisory services to clients based on their individual wants and/or needs. Typically, the advisor will gather pertinent information about a client by asking questions relating to goals, wants, needs, investment experience, good/bad experiences in the past, depth of knowledge regarding investments, etc.... It is crucial that the advisor and client share as much information as possible in order to formulate an investment plan that suits the client's needs. It is also important for the advisor to gauge the level of risk that a client is comfortable with before making any investment recommendations. To do this, we have prepared a Risk Tolerance Questionnaire that every client must complete. This is also a good way to educate clients on the different types of risks and how those risks could affect a portfolio.

Once all the data is gathered, an investment proposal is presented to the client. The majority of our business is discretionary in nature, which means that the advisor has the ability to make changes in the investment account without the permission of the client. We believe that this gives the advisor the room to maneuver when needed. It can become very burdensome for an advisor to call each client to discuss the changes, get permission to make them and then actually make them. We would much rather agree in advance that the account will always be developed in line with a pre-determine comfort level and risk-tolerance (i.e. Growth, Balanced, Income, Conservative, etc....), and that the advisor (not the client) will be in control of the individual investment selection.

Obviously, there are no perfect scenarios, and there can be reasons for contacting clients before an investment is bought or sold. Some of these reasons may be an emotional attachment to a security, tax consequences of buying or selling, or simply a courtesy to let a client know what an advisor would like to do. In these circumstances, it will be at the discretion of the advisor on how to proceed.

There may occasionally be a need to hold a client's account as Non-Discretionary as well. Under this circumstance, an advisor MUST have permission from the client prior to initiating any securities transactions. It is not our preferred business arrangement, but we will make an allowance for this under certain circumstances.

Once the account is established, it will be monitored and reviewed as needed. We will rebalance the portfolio based on market conditions and the client's individual needs. We review and adjust our client's portfolios on an ongoing basis, and we initiate communication to the client when we feel important information needs to be discussed, reviewed or when the client requests such communication.

We are not compensated to buy or sell any security whatsoever, and will generally include advice regarding the following types of securities:

- Exchange Traded Funds
- Mutual Funds
- Equities (Common and Preferred Stocks)
- Bonds (Government, Municipal, Corporate)
- Annuities (Deferred and Immediate)
- Unit Investment Trusts (UIT's)
- Certificates of Deposit (CD's)
- Money Market Accounts
- Real Estate Investment Trusts (REIT's)

All securities (even CD's) carry some degree and type of risk. These will be discussed at great lengths with a client before a portfolio is established.

### **Assets Under Management**

As of March 1, 2020 we manage 88 accounts with a total balance of \$14,815,000.

### **Fees and Compensation**

#### **Discretionary Asset Management:**

Accounts will be charged a quarterly fee based on the amount of assets in that account (or aggregated accounts). We do NOT utilize a tiered method for determining fees.

<u>Assets</u>	<u>Annual Fee</u>	<u>Quarterly Fee</u>
\$0-\$249,999	1.60%	.40%
\$250,000-\$499,999	1.40%	.35%
\$500,000-\$749,999	1.20%	.30%
\$750,000-\$999,999	1.00%	.25%
\$1,000,000-\$1,999,999	.85%	.2125%
\$2,000,000+	.65%	.1625%

Fixed Income Portfolios (CD's, Bonds only): Custom quote based on complexity of portfolio.

- Fees are paid quarterly in arrears and are calculated based on the account value on the last business day of March, June, September & December.

*Example: Account opened on January 1st will be billed on April 1st for January, February and March. The value to determine the fee will be the account value on March 31st.*

- All fees are deducted directly from a pre-determined account.
- Any related accounts may be aggregated to determine the appropriate fee schedule.
- Lakeland Investment Advisors will pay for any trade errors.

## **General Information**

### **Termination of the Contract:**

A client agreement may be cancelled at any time by either party for any reason upon receipt of 30 day's written notice. Since all fees are paid in arrears, the client will be billed up until the day that the contract is terminated and there will be no need for a refund.

### **Other Costs To The Client:**

In order to maintain partiality, Lakeland Investment Advisors does not pay brokerage fees, mutual fund fees/expenses or trading costs for a client. We do not want to put ourselves in a position where we could become influenced to NOT buy/sell a security just so we could avoid paying a fee. Typical costs that a client may pay in addition to the management fee are mutual fund expenses, trading costs, account close-out fees, transfer fees, etc.... The client is responsible for the fees charged by the custodian at all times.

### **Minimum Account Size:**

At this time there is NO minimum account size required.

### **Financial Planning:**

Matt Ringler is a Certified Financial Planner (CFP®) and would be happy to prepare a plan that suits the needs of any client. Financial plans will be prepared for clients at a rate of \$500-\$2,500 depending on the goals of the client, the complexity of the plan and the time needed for preparation and presentation.

### **Investment Philosophy:**

Lakeland Investment Advisors primarily adheres to Modern Portfolio Theory. We believe that long-term risk can be minimized by holding low-correlating assets over a long period of time. We do however recognize that some assets may not be able to be purchased or sold due to emotional attachment, legal obligations or tax consequences. We also recognize that during shorter periods of time, certain asset classes are more attractive to own than others. During these times a reasonable percentage of the portfolio may be allocated to certain market sectors. Lakeland Investment Advisors cannot guarantee returns, but we can and do seek to purchase securities with low internal expenses.

## **Performance-Based Fees and Side-By-Side Management**

We do not charge performance-based fees.

### **Types of Clients**

Lakeland Investment Advisors provides investment management services to the following types of clients:

- Individuals (other than high net worth clients)
- High net worth clients
- Businesses
- Charitable Organizations

## **Methods of Analysis**

There are several types of analysis available to investment managers such as Charting, Technical Analysis and Fundamental Analysis. It is imperative to note however that Lakeland Investment Advisors believes strongly in Modern Portfolio Theory. We believe that markets are generally efficient, and that it makes more sense to choose low correlating assets with low expenses instead of trying to beat (or out-perform) the market. Example: If Growth Fund “A” has internal expenses of 1.25%, but Growth Fund “B” has internal expenses of .5%, (and everything else is the same), doesn’t it make sense to choose fund “B”? By lowering your expenses, you’ve achieve the same result as increasing your potential returns. Rate of return can never be predicted or guaranteed, but internal expenses are a published fixed cost and advisors can use this information to select investments with low expenses.

To achieve this type of strategy, our portfolios will generally consist of Exchange Traded Funds (ETF’s), Indexed Mutual Funds, Individual Bonds (to produce income and some stability), and Common Stocks. *Note that we will not recommend the purchase of stocks, but that the portfolios which contain common stocks were likely transferred from another custodian and it may not make sense to sell them due to tax consequences.*

We use Morningstar to research all of our investment recommendations, but our overall goal is to create a portfolio with internal expenses of less than .50%. There are numerous studies which prove that the vast majority of mutual fund managers do NOT out-perform the given benchmark in the long term. Sure, there are some who may beat the market at times, but that is almost always during a shorter period of measured time.

Risk of Loss: All investments carry with them some form of risk. Even the safest (like T-bills and CD’s carry the potential risk of losing purchasing power during times of inflation or a low valued dollar. The risk of loss of principal is much higher with listed securities like stocks, bonds, mutual funds, etc...., and every effort is made to educate clients about these risks. It is during the Risk Tolerance Questionnaire activity that clients are asked what they would do if their account were to drop by 20% in a matter of days. This question is usually a good way to gauge how aggressive a client is comfortable being.

## **Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client’s or prospective client’s evaluation of our advisory business or the integrity of our management. There are no reportable disciplinary events to disclose.

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

Trade PMR: Trade PMR is an independent company that assists Registered Investment Advisors with technology, trading, CRM and research capabilities.

First Clearing, LLC: Currently we use First Clearing as our preferred custodian to hold all client assets. They will provide the client with a monthly or quarterly statement as well as confirmations of all trades place in the account.

## **Code of Ethics**

Fiduciary Duty: The underlying principle driving our practice is striving to meet the obligations as a fiduciary at all times. A fiduciary is an individual (or company) who “steps into the client’s shoes” and makes recommendations that are in the client’s best interest. This approach is what separates and Advisor from a Broker. It is essential when providing advice to a client, and it is what we are being paid for.

## **Privacy**

Information is the cornerstone of our ability to offer excellent service and Lakeland Investment Advisors recognizes that our most important asset is our clients' trust. We respect your right to keep your personal information confidential and to avoid unwanted solicitations. Investment advisors have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by law. Therefore, we have always protected your right to privacy.

### **Types of non-public personal information we collect:**

We collect nonpublic personal information about you that is provided to us by you or obtained by us with your authorization.

### **Parties to whom we disclose information:**

For current and former clients, we do not disclose any nonpublic personal information obtained in the course of our practice except as required or permitted by law. Permitted disclosures include, for instance, providing information to our employees, our Custodian (First Clearing LLC.), and in limited situations, to unrelated third parties who need to know certain information to assist us in providing services to you. In all such situations, we stress the confidential nature of information being shared.

### **Protecting the confidentiality and security of current and former clients’ information:**

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards. Our custodian also adheres to the same privacy standards and safeguards stated herein.

Your privacy, our professional ethics, and the ability to provide you with quality financial services are very important to us.



**Conflicts of Interest:**

A fiduciary should always try to limit conflicts of interest and disclose those that exist to the clients. As an independent fee-only firm, we strive to minimize conflicts of interest by only collecting a fee from our clients and not from mutual fund or insurance companies. We will absolutely refuse to accept so much as a golf ball or pen from any company soliciting our business.

**Personal Securities Trading:**

Because we invest in the same securities that we recommend to our clients, a conflict of interest is prevalent. This is not an issue with mutual funds, but with other securities it could be seen as a way to trade ahead or after a client in order to get a better price. To minimize this, we place trades in our own accounts only after we place trades in client accounts.

**Insider Information:**

Should we obtain insider information, we will document the event and avoid trading in the related security until the information becomes public or immaterial.

**IPO's and Limited Offerings:**

We do not participate in these types of investments in any way.

**Selection of Brokerage Firms and Investment Companies:**

At this time, clients will open his/her account with our preferred custodian (First Clearing, LLC) for Discretionary Investment Management. We recommend brokerage firms and investment companies to clients to the extent that these firms offer us no compensation or other benefits. It could be said that we gain some benefit from these firms should we choose to use their research capabilities, but this would be inherent in any selection of a brokerage firm. It does not present a conflict of interest.

**Finances of the Firm:**

We believe that a firm whose own finances are not in order may not be able to adequately offer advice to clients. For that reason, we will do everything possible to maintain a sound financial company in an attempt to avoid any conflicts of interest. As of March 25, 2019 Lakeland Investment Advisors is a completely debt-free company.

**Brokerage Practices**

Lakeland Investment Advisors recommends that all client accounts are opened or transferred to First Clearing, LLC. They provide clients with a reasonable fee structure for trading and account management, along with the processing of trading confirmations and quarterly or monthly statements. Since we are a small firm, we cannot recommend more than one brokerage firm at this time. One of the main needs is for the brokerage firm to provide on-line access to all client accounts and this is available with First Clearing, LLC. We do monitor the offerings of other firms to make sure that we are providing the best recommendation to our clients, but we believe that our current custodian is offering everything that we need at a very reasonable price.

## **Review of Accounts**

We review our client's accounts on an ongoing basis. During times of market fluctuation or a change in a client's comfort level for risk, we may re-balance the account to ensure that the portfolio doesn't "drift" too far from the original risk tolerance. We also have the ability to have an e-mail sent to our computer or telephone alerting us when a client's account has changed more than a pre-set percentage. Example: If we determine that a portfolio can change by 3% up or down, and it actually changes by 10%, an e-mail will be sent electronically and immediately.

We like to meet with our clients face-to-face at least once a year to discuss their current financial situation and to see if anything needs to be updated or changed. We will pro-actively contact our clients at least twice a year to discuss things as well. Obviously, we welcome the opportunity to talk with our clients at any time at their convenience.

## **Client Referrals and Other Compensation**

Lakeland Investment Advisors welcomes the referral of a client, prospect or anyone else who may have benefited from our services, but under no circumstances will we pay for such a referral.

## **Custody**

Lakeland Investment Advisors is said to have a limited form of custody, since we can debit client accounts to pay for the management fees. We do not however have custody in the sense that we are the custodian. All client accounts are maintained through a qualified custodian which will provide trade confirmations, monthly or quarterly statements and access via internet to view the accounts. By us NOT having direct access to your accounts, an extra layer of protection is provided to you (the client).

## **Investment Discretion**

Lakeland Investment Advisors has investment discretion over all of the accounts unless the contract is customized to show that the account is deemed to be "non-discretionary". A discretionary account is one in which we have complete autonomy to trade in order to achieve the investment goals set forth during the "discovery" phase of our relationship. This is also disclosed in the contract that will be initialed and signed by all parties.

## **Voting Client Securities**

As a matter of firm policy, we do not vote proxies for our clients. Therefore, although our firm may provide investment advisory services relative to a client's investment assets, the client maintains an exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other events pertaining to the client's investment assets. Clients are responsible for instructing each custodian to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

## **Trade Errors**

In the unlikely event that a trade error occurs, Lakeland Investment Advisors will make sure that steps are taken to ensure that the client will be “made whole”. In effect, it will be as though the error had never occurred at all.

## **Financial Information**

Lakeland Investment Advisors is a Limited Liability Company formed and operated in the state of Indiana. As of March 25, 2019, Matthew Ringler is the owner. His education and work experience is shown below:

### **Education:**

Bachelor of Arts (Finance)	Ball State University	1995
Certified Financial Planner (CFP®)	American College	2009
Masters of Business Administration	Indiana University Kokomo	2011

### **Business Background:**

Sroufe Manufacturing (Ligonier, IN)	1996-1998
Bank One (Indianapolis, IN)	1998-2000
First Indiana Investor Services (Indianapolis, IN)	2000-2004
Union Federal Investments (Indianapolis, IN)	2004-2007
Harris Investor Services (Kokomo, IN)	2007-2011
Lakeland Investment Advisors (Syracuse, IN)	2011-

## **Other Business Activities**

Matthew Ringler is licensed to sell life insurance and fixed-annuities in the states of Indiana and Florida. If such a recommendation is made to a client, the compensation structure will be fully disclosed. Typically, the insurance company would pay a commission directly to the agent (Matthew Ringler).