

**Part 2A of Form ADV
October 17 2018**

Item 1 *Cover Page*

This brochure provides information about the qualifications and business practices of Cunningham & Associates, LLC. If you have any questions about the contents of this brochure, please contact us at 248-952-1502 and/or Pat@Cunninghamonline.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 Cunningham & Associates, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

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Item 2 Material Changes

This item is not applicable.

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Item 4 *Advisory Business*

Overview of Cunningham & Associates, LLC

We are a state of Michigan registered investment advisor.

- Note that being a state registered adviser does not imply a certain level of skill or training.

We have been providing investment advisory services since 1992. Originally these services were provided by Cunningham & Associates Advisory Services, Inc. (owned by Pat and Jack Cunningham – 50% each). Since January 1, 2003, these services have been offered through Cunningham & Associates, LLC (also owned by Pat and Jack Cunningham – 50% each).

Our company is a limited liability company, organized in the state of Michigan.

We manage approximately \$12.4 million of your money on a discretionary basis (as of July 31, 2017); and zero on a non-discretionary basis.

- “Discretionary basis” means that we select the investments and make changes to the investments within your portfolio without first obtaining your approval.

Investment Advisory Services

We offer investment advisory services.

Our investment advisory services involve the following steps and procedures and are tailored to your unique needs and circumstances:

- Develop an understanding of your short-term and long-term financial goals and objectives.
- Continue to maintain an understanding of your short-term and long-term financial goals and objectives.
- Maintain a clear understanding of the purpose of the money that we are investing on your behalf.
- Develop and maintain a clear understanding of your family demographics.
- Develop and maintain an understanding of your current and likely future tax bracket.
- Develop and maintain a very clear understanding of your investment risk profile.
- Develop and maintain a very clear understanding of your long-term investment growth rate needs.
- Develop and maintain an investment portfolio that, to the extent your resources allow, best balances:
 - Your investment risk profile.
 - Your short-term need for cash withdrawals.
 - Your long-term need for cash withdrawals.
 - Your long-term investment growth rate needs.
- Invest your money in prudently selected investments that are consistent with your investment risk profile and your cash withdrawal and long-term growth needs.
- Monitor the merits of the investments contained within your portfolio.
- Make changes to the investments in your portfolio so that your portfolio continues:
 - To be invested only in prudent investment choices.
 - To be appropriate for your current and future investment needs.

Our investment advisory services also include (i) communicating with you at various times during the year and (ii) (if we manage at least \$250,000 on your behalf) meeting with you face-to-face at least once per year to help ensure that we continue to clearly understand your short and long-term investment objectives and your investment risk profile.

Item 4 *Advisory Business, continued*

Types of Investments That We Use

We primarily use no-load mutual funds in your portfolio. We may also use Exchange Traded Funds (ETFs) from time-to-time. In developing and managing your portfolio, we are not able to restrict your investments to certain/specific investment types (other than no-load mutual funds and ETFs); nor are we able to restrict your investments to certain/specific securities (other than the specific no-load mutual funds and ETF's that we use). Consequently, we will not be able to comply with a request from you to invest in certain securities or types of securities.

Tactical Changes to Your Portfolio

From time-to-time, we may reduce or increase the risk level in your portfolio. We would do this only if we thought the change would be in your best interest in light of the then-current investment environment.

Other Personal Financial Planning Services

We also provide other personal financial planning and analysis services, which include:

- Estate planning.
- Retirement funding analysis services.
- Education funding analysis services.
- Insurance needs analysis services.
- Budgeting and cash management services.

These other personal financial planning services are provided by Patrick Cunningham and Jack Cunningham and are typically provided on an hourly fee basis; though, in some cases, these services are covered by our investment advisory fee.

Jack Cunningham is an attorney, a Certified Public Accountant (CPA), a Personal Financial Specialist (PFS) and a Certified Financial Planner (CFP).

Pat Cunningham is a Certified Public Accountant (CPA), a Personal Financial Specialist (PFS) and a Certified Financial Planner (CFP).

Criteria for Attaining and Maintaining a CPA and a CFP License

Certified Public Accountant (CPA)

CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two-year period or 120 hours over a three-year period).

Item 4 *Advisory Business, continued*

- Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous *Code of Professional Conduct* which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. The vast majority of state boards of accountancy have adopted the AICPA's *Code of Professional Conduct* within their state accountancy laws or have created their own.

Certified Financial Planner (CFP)

The following steps are required to earn the CFP designation:

1: Complete the Education Requirement

Before applying for the CFP® Certification Examination, you need to complete the education requirements set by CFP Board. You can fulfill the education requirement through one of three paths:

- Complete a CFP Board-Registered Education Program.
- Apply for Challenge Status.

Certain degrees and professional credentials fulfill the educational requirement and allow you to sit for the CFP® Certification Examination.

Academic degrees and credentials that fulfill the educational requirements include:

- Certified Public Accountant (CPA) - inactive license acceptable.
- Licensed attorney - inactive license acceptable.
- Chartered Financial Analyst® (CFA®).
- Doctor of Business Administration.
- Chartered Financial Consultant (ChFC).
- Ph.D. in business or economics.
- Chartered Life Underwriter (CLU).
- Request a Transcript Review.
Certain industry credentials recognized by CFP Board, or the successful completion of upper-division level college courses, may satisfy some or all of the education requirements set by CFP Board.

Note: As of January 2007, a bachelor's degree, in any field of study or program, is required to obtain CFP® certification.

2: Pass the CFP® Certification Examination

The CFP® Certification Examination tests your ability to apply your financial planning knowledge to client situations. The 10-hour exam is divided into three separate sessions. Because of the integrated nature of financial planning, however, each session may cover all topic areas. All questions are multiple choice, including those questions related to case problems.

Item 4 *Advisory Business, continued*

3: Meet the Experience Requirement

At least three years of qualifying full-time work experience are required for certification. Qualifying experience includes work that can be categorized into one of the six primary elements of the personal financial planning process. Experience can be gained in a number of ways including:

- The delivery of all, or of any portion, of the personal financial planning process to a client.
- The direct support or supervision of individuals who deliver all, or any portion, of the personal financial planning process to a client.
- Teaching all, or any portion, of the personal financial planning process.

4: Adhere to the Code of Ethics and Professional Responsibility and Pass a Background Check

After you have met the education, examination, and work experience requirements, you must disclose past or pending litigation or agency proceedings and agree to abide by CFP Board's Code of Ethics and Professional Responsibility and Financial Planning Practice Standards. A background check will also be conducted.

5: Pay Certification Fees

6: Receive Authorization to use the CFP and Certified Financial Planner marks.

Item 5 Fees and Compensation

Overview of Fees and Expenses.

You will incur the following fees and expenses:

- Recurring portfolio management fees for our investment advisory services.
- Portfolio development and set-up fees.
- Mutual fund management fees and expenses.
- Charles Schwab & Company brokerage account transaction fees.
- (If we use AssetMark for your portfolio) Portfolio Strategist and custody fees.
- Other personal financial planning hourly fees.

Recurring Portfolio Management Fees

Recurring portfolio management fees are charged for the management of your investment portfolio.

Recurring portfolio management fees are computed by multiplying a fee percentage times the trailing average value of your portfolio. We compute this average by using month-end values.

- For example, if we were computing your fee for the months of October, November and December we would:
 - Add the month-end values of your portfolio as of September 30, October 31, November 30 and December 31,
 - Divide the sum of these 4 month month-end values by 4, to arrive at an average value of your portfolio for these three months.
 - Multiply the agreed upon fee percentage times this average value to compute your annualized fee.
 - Multiply this result by a fraction corresponding to the fraction of the year that is being billed for.

The following annual fee percentages apply in computing your recurring portfolio management fee:

- 2.50% on the first \$100,000 of assets managed.
- 1.00% on the next \$400,000.
- (Once the portfolio exceeds \$400,000, an annual credit of \$875 will be given.)
- 0.60% on the next \$500,000.
- 0.50% on the next \$2,000,000.
- Rate negotiable on portfolio additions exceeding \$3,000,000.

Generally, one-fourth (1/4) of the recurring portfolio management fee is computed, billed and payable quarterly (using one-quarter of the annual fee percentages described above to compute this fee).

- For example, if the average value of your portfolio for the last 3 months is \$100,000, we would compute your fee by multiplying that amount by 2.50%, then dividing that result by 4 to arrive at your quarterly fee amount.

For some clients, we compute our fees based on a 6-month trailing average. This would be the case for clients who started with us before our quarterly billing policy was put in place.

For some clients, the portfolio management fee percentages are lower than the amounts described above. This would be the case for our clients who started with us before our portfolio management fees were raised to the amounts described above. And we can choose to discount these fees at our discretion.

Item 5 Fees and Compensation, continued

How You Pay the Recurring Portfolio Management Fees

In most cases, our recurring portfolio management fee is deducted directly from your account. After we compute the fee as described above, we will:

- Provide an invoice to you, which describes the computation of the invoice amount.
- At the same time, submit a copy of that invoice to Charles Schwab & Company.
- Charles Schwab & Company will transfer the fee amount from your account to our account.

You can also elect to pay the fee directly and not have the fee deducted from your account.

If we use AssetMark for your portfolio, the fees will be billed quarterly IN ADVANCE (based on your most recent quarter-end portfolio value) and will be deducted directly from your account. You will receive a Portfolio Billing Invoice from AssetMark illustrating the computation of the AssetMark fees and our advisory fees. You will also receive a quarterly report from AssetMark that delineates the fees that were deducted from your account.

Portfolio Development Fee

We charge you a portfolio development fee of \$500. This fee is payable before we begin the process of developing your portfolio. This fee can be reduced or waived by us at our discretion.

In some cases, we charge more than \$500 to develop your portfolio. We would do this only if your particular situation is quite complicated. Before charging this extra fee, we would first discuss this with you and provide you with an estimate of the amount of this extra fee and obtain your approval before we began the process of setting up your portfolio.

At your request, we will refund this portfolio development fee to you if:

- You have paid it, and
- We have not started the portfolio development and account set-up process.

Mutual Fund Fees

The mutual funds that will be held in your account also charge fees and incur expenses. These fees and expenses correspond to the management of the fund and to the expenses related to operating the fund.

- These fees are not paid to us and we receive no benefit from these fees.
- These fees are not paid by you directly. Instead, they are paid by the mutual fund to the mutual fund management company.

When we evaluate the merits of a mutual fund investment, we always consider the amount of fees and costs that the mutual fund company charges and incurs.

Item 5 Fees and Compensation, continued

Brokerage Firm Fees

Your investments will be held in an account with Charles Schwab & Company.

- Charles Schwab & Company will charge a transaction fee when we buy certain mutual funds on your behalf.
- Charles Schwab & Company will also charge a transaction fee when we sell certain mutual funds in your portfolio.
- These fees are paid to Charles Schwab & Company; they are not paid to us.
- We do not benefit from these fees.
- **We always consider these fees before we make a buy or sell decision on your behalf.**
- **If we decide to buy or sell a mutual fund that will result in you being charged transaction fees, we make this decision only after we have determined that making the buy or the sell is in your overall long-term best interest.**

Other Services

As described above, our clients also receive services from Cunningham & Associates Advisory Services, PLLC. These services include tax preparation and planning services, business consulting services and accounting services. As a client of Cunningham & Associates, LLC, you will be afforded access to all of the services that are available from both companies.

The services that are provided by Cunningham & Associates Advisory Services, PLLC are charged for on an hourly basis.

- The hourly rates range from \$80 per hour to \$340 per hour.
- The higher hourly rates are charged by the more knowledgeable and experienced practitioners.

Cunningham & Associates Advisory Services, PLLC will submit a bill for any services rendered describing:

- The services that were rendered.
- The fees corresponding to each service rendered.

For the recurring-type services provided by Cunningham & Associates Advisory Services, PLLC, we will typically provide the services and bill you for such services without first disclosing to you the likely amount of the fee for these services.

For the less-recurring type services, we will typically discuss the projected fee with you before we begin.

Item 6 ***Performance-based Fees and Side-by-Side Management***

This item is not applicable.

Item 7 *Types of Clients*

Our clients include the following:

- Individuals.
- Trusts.
- Individual participants in profit sharing and 401(k) plans.
- Family limited liability companies.

Our investment advisory service is generally best suited for you if you have at least \$250,000 of assets for us to manage.

- In some cases, we will begin a portfolio management engagement if you have less than \$250,000.
- This decision is made on a case-by-case basis and depends on the circumstances.

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

Investment Strategies

As described in Item 4, your investment portfolio is developed after we have a clear understanding of:

- Your investment risk profile.
- Your long-term investment growth needs.
- Your short and long-term portfolio withdrawal needs.

Based on your specific profile, we will develop an investment portfolio that attempts to best blend your risk profile, growth needs and cash needs.

We develop and manage your portfolio following a combined strategic and tactical asset allocation approach, which generally assumes at least a five-year time horizon.

There are three primary steps in developing the overall asset allocation approach for the model portfolios we choose from.

First, a strategic allocation is established for each model portfolio. This represents a sensible, long-term asset allocation (a defined blend of asset types, such as stocks, bonds and cash), that attempts to maximize investment return for a given level of risk, based on long-term historical data and realistic and reasonable expectations going forward.

Next, this strategic allocation may be altered when there are "fat-pitch" opportunities, which could occur:

- When one asset class is extremely undervalued relative to competing asset classes.
- When cyclical or other factors don't significantly detract from the valuation story.
- When long-term trends that our investment sources believe will have a major impact in defining the upcoming investment climate don't detract from the valuation story.
- When exposure to an asset class allows us to hedge against a potentially severe risk without giving up expected returns.

Finally, scenario analysis is performed to stress-test the model portfolios' exposure to various downside risks.

These model portfolios have been developed by our primary investment research resource (a multi-billion dollar, domestic investment advisory firm).

Once the asset allocation model portfolio strategy that best fits your personal investment profile has been selected, we then utilize a combination of passive and actively managed no-load mutual funds and Exchange Traded Funds (ETF's) to create your overall portfolio.

As indicated above, we use no-load mutual funds and exchange traded funds (ETF's) as the investments of choice in your portfolio.

- We rely on various outside resources regarding the merits of each mutual fund and ETF investment choice.
- Some of the investment choices will be bond mutual funds or ETF's.
 - Bond mutual funds and ETF's are used in the portfolio to provide some income.
 - Bond mutual funds and ETF's are also used to reduce the overall portfolio's expected volatility.
 - A more conservative portfolio will have more bond mutual funds and ETF's than a more aggressive portfolio.
- We also may incorporate stock mutual funds and ETF's into your portfolio.

Item 8 *Methods of Analysis, Investment Strategies and Risk of Loss (cont'd)*

- Stock mutual funds and ETF's provide greater opportunity for long-term growth.
- Stock mutual funds and ETF's have the potential to decline more than bond mutual funds and ETF's on a temporary basis.
 - Consequently, we view stock mutual funds and ETF's as riskier than bond mutual funds and ETF's.
- A more aggressive portfolio will have more invested in stock mutual funds and ETF's than will a more conservative portfolio.
- A portion of your investment portfolio may be invested in "asset allocation funds."
 - "Asset allocation funds" are mutual funds that contain a wide range of investment types.
 - The manager of the "asset allocation fund" will decide how much of the fund should be invested in each of the different investment choices that are available.
 - The manager will make these choices based on his/her assessment of:
 - The relative merits of the various investment choices.
 - The relative risks associated with the various investment choices.
 - The overall global investment environment.
 - The overall global economic environment.
- A portion of your portfolio may be invested in Alternative Investment mutual funds.
 - Alternative Investment mutual funds are used in the portfolio to potentially provide investment returns that have a low or even negative correlation with the returns expected from bond mutual funds and ETF's and from stock mutual funds and ETF's.
 - Alternative investment mutual funds have the potential to decline more than bond mutual funds and ETF's on a temporary basis.
 - Alternative investment mutual funds are also used to reduce the overall portfolio's expected volatility.

Risks

Each asset allocation model portfolio has its own unique risks. In general, the risk level of a given model portfolio increases as the allocation to stock market type investments increases.

One risk of utilizing periodic tactical allocation strategies is that the perceived "fat pitch" investment opportunity may fail to materialize, resulting in portfolio under-performance for that portion of the asset allocation.

Investors also face the following specific 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 value to drop.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible or intangible events and conditions. This type of risk is caused by external factors independent of a security's underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When inflation is present, dollars spent in the future will not buy as much as today, 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 (e.g. interest rate). This risk primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry.

Item 8 *Methods of Analysis, Investment Strategies and Risk of Loss (cont'd)*

- **Liquidity Risk:** Liquidity is the ability to readily convert 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 increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **International investments:** International investment risks include risks related to foreign currency, limited liquidity, less government regulation and the possibility of substantial volatility due to adverse political, economic or other developments.
- **Foreign Tax Risk:** Investors may be subject to foreign taxes if Cunningham & Associates invests client assets in a foreign mutual fund. Issuers of foreign securities are usually not subject to the same degree of regulation as U.S. issuers. Reporting, accounting, and auditing standards of foreign countries differ, in some cases significantly, from U.S. standards. Tax laws and regulations applicable to an account are subject to change, and unanticipated tax liabilities could be incurred by investors as a result of such changes.
- **Mutual Funds:** Investing in mutual funds may present the risk of capital loss and thus an investor may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. Mutual funds invest in a pool of individual investments and have a wide range of assets, ranging from money market funds, which invest in short-term cash-equivalent investments, to funds that invest in a narrow range of equities.
- **Equity:** Equity investments generally refers to purchasing shares of stocks in return for receiving a prospective future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.
- **Fixed income:** Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield and investment grade debt and structured products, such as mortgage and other asset-backed securities. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on Treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.
- **Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance

Bond mutual fund and ETF investments will periodically decline in value for temporary periods of time.

- The two main risks related to fixed-income (i.e., bond mutual funds and ETF's) investing are interest rate risk and credit risk. Typically, when interest rates rise, there is a corresponding decline in the market value
- of bonds. Credit risk refers to the possibility that the issuer of the bond will not be able to make principal and interest payments. The bond mutual fund manager may also invest in non-investment-grade debt securities (those rated below Baa by Moody's Investors Service, Inc., or below BBB by

Item 8 *Methods of Analysis, Investment Strategies and Risk of Loss (cont'd)*

Standard & Poor's). These securities, commonly referred to as "junk bonds," generally involve greater volatility of price and risks to principal and income than securities in higher rating categories.

Stock mutual fund investments and ETF's will periodically decline in value and could decline **significantly** for **temporary** periods of time.

Asset allocation funds will periodically decline in value and could experience **significant temporary** declines from time-to-time.

Alternative Investment mutual funds will periodically decline in value and could experience **significant temporary** declines from time-to-time.

Bond mutual fund investments and ETF's are generally less risky than equity mutual fund and ETF investments.

Asset allocation mutual fund investments are generally less risky than equity mutual fund and ETF investments.

Alternative Investment mutual fund investments are generally less risky than equity mutual fund and ETF investments.

As discussed above, investing in bond mutual funds and ETF's, stock mutual funds and ETF's, asset allocation mutual funds and Alternative Investment mutual funds involves assuming varying levels of risk. As such, you should be prepared for the fact that your investments will decline in value periodically for temporary periods.

In order for you to benefit from the income and growth potential associated with mutual fund and ETF investments, it is necessary for you to be prepared to stay invested during those periods of temporary decline.

Item 9 ***Disciplinary Information***

There are no disciplinary or legal events to report.

Item 10 *Other Financial Industry Activities and Affiliations*

Affiliation with Cunningham & Associates Advisory Services, PLLC

As discussed in Item 4, many of our clients are also serviced by Cunningham & Associates Advisory Services, PLLC in the areas of tax return preparation and income tax planning.

Both Cunningham & Associates Advisory Services, PLLC and Cunningham & Associates, LLC are owned 50% each by Pat and Jack Cunningham (Pat and Jack are brothers).

Cunningham & Cunningham

We also share office space with Cunningham & Cunningham, a sole proprietorship which provides insurance and estate planning services and products to its clients. The sole proprietor is Michael W. Cunningham, brother of both Jack and Pat Cunningham.

- While no formal business arrangement exists between us and Cunningham & Cunningham, the sole proprietorship of Cunningham & Cunningham does provide insurance services to some of our clients.
- And we perform tax and financial consulting services for some of the clients of Cunningham & Cunningham.
- Our affiliated company, Cunningham & Associates Advisory Services, PLLC periodically pays a consulting fee to Cunningham & Cunningham in exchange for services rendered.

Our relationship with Cunningham & Cunningham could create a conflict of interest between you and us (given that we are motivated to see Cunningham & Cunningham sell product and earn a commission).

- **Because we recognize the existence of this conflict of interest, we will point this out to you in the event that you are contemplating the purchase of any financial product from Cunningham & Cunningham.**

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

Code of Ethics

We have a Code of Ethics that states that we have a duty to act solely in your best interest.

- As a fiduciary, Cunningham & Associates, LLC has a duty of utmost good faith to act solely in the best interests of each of our clients. Our clients entrust us with their funds, which in turn places a high standard on our conduct and integrity. Our fiduciary duty compels all employees to act with the utmost integrity in all of our dealings. This fiduciary duty is the core principle underlying this Code of Ethics and Personal Trading Policy, and represents the expected basis of all of our dealings with our clients.

Personal Trading Restrictions

At present, we use only no-load mutual funds and exchange traded funds (ETF's) in your accounts. As a result, any personal trading within our employees' accounts will have no negative impact on the value of the mutual funds held in your accounts.

To ensure that there is no conflict of interest with a security other than a mutual fund that may be within your account, we require that all employees who are contemplating a trade first consult with our Chief Compliance Officer before conducting his/her personal trade.

Item 12 Brokerage Practices

Brokerage Accounts Held at Charles Schwab & Company

Your investment assets will be held in a brokerage account or accounts with the Schwab Institutional Division of Charles Schwab & Company, Inc. (Schwab).

- Schwab is a registered broker dealer and a member of the SIPC.
- Schwab will maintain custody of your assets and will execute the trades in your accounts.
 - We decide what trades to make in your accounts; Schwab only executes these trades based on our instructions.

We are independently owned and operated and non-affiliated with Schwab. Schwab does provide us with access to its institutional trading and custody services, which are typically not available to Schwab retail investors.

- These services generally are available to independent investment advisors such as us on an unsolicited basis at no charge as long as we maintain at least \$10 million of our clients' assets in Schwab accounts.
- Schwab's services include brokerage services, custody services, research services and access to mutual funds and other investments that are otherwise generally available only to institutional investors.

Schwab generally does not charge separately for holding your assets but, rather, is compensated through transaction fees and commissions for securities that are bought or sold in their accounts.

Schwab makes available to us other products and services that benefit us, but may not benefit you.

- Some of these other products and services assist us in managing and administering your accounts.
 - These include providing us with software and other technology that allow us access to your account data and allows us to officially execute trades on your behalf.
 - They provide research and pricing information and other market data.
 - They also facilitate the payment of our fees directly from your accounts.

Schwab also provides other services that help us better manage your accounts and our business. These services may include:

- Consulting.
- Publications and conferences on practice management.
- Information technology.
- Regulatory compliance.
- Marketing information.

Our requirement that you maintain your assets in accounts at Schwab is based in part on the benefit to us of the availability of some of the foregoing products and services.

- We recognize that Schwab may not be the lowest cost provider of custody and brokerage services.
- We view Schwab as a reasonable provider of custody and brokerage services.
- We view Schwab's cost structure as being not excessive.

We recognize that our requirement for you to use a Schwab brokerage account may create a potential conflict of interest.

Item 13 Review of Accounts

Review of Accounts

On a near-daily basis, Pat Cunningham reviews the increase or decrease in the value of the mutual funds held in your account.

On a weekly basis, Pat Cunningham will compare the gain or loss in the mutual funds held in your account against other comparable mutual funds.

On a monthly basis, we prepare and Pat Cunningham reviews an internal report of your portfolio gains or losses for the following periods:

- The previous month.
- The year-to-date period.
- The trailing 12-month period.
- The trailing 3-year period.
- The period since inception until the most recent month-end date.

On a monthly basis, Pat Cunningham will review your account positions to determine:

- If your liquidity needs are adequately maintained.
- If your portfolio composition results in a risk profile that continues to make sense for you.
- If the investment portfolio overall is consistent with your long-term liquidity needs and growth needs.

Pat Cunningham will also periodically review your account in light of the current global investment environment.

On an annual basis, we will provide a package of reports that include the following:

- Portfolio performance review (which reflects your portfolio's investment results for various trailing periods).
- Portfolio position analysis (which describe your then-current portfolio positions and overall gain or loss corresponding to each position).
- "Transaction ledger" (which lists all of the transactions that occurred in your account(s) during the previous six months).

On at least an annual basis (if you have at least \$250,000 in the accounts that we are managing), Pat Cunningham may review your file to determine what, if any, personal financial planning and/or analysis procedures should be performed or addressed with you.

On at least an annual basis (if you have at least \$250,000 in the accounts that we are managing), Pat will offer you the opportunity to set up a meeting to discuss your investment portfolio and:

- To update our understanding of your short and long-term liquidity needs.
- To update our understanding of any changes in your personal financial situation.
- To address any questions you have.
- To discuss personal financial planning and/or analysis that should be performed, if any.

Each month you will receive a brokerage account statement(s) from Schwab. This statement(s) will delineate:

- Your investment holdings.

Item 13 ***Review of Accounts, continued***

- Transactions and activity within your account(s) during the month.
- A summary of transactions occurring within your account(s) during the month and the year-to-date period.

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

This item is not applicable.

Item 15 **Custody**

This item is not applicable.

Item 16 *Investment Discretion*

Discretionary Authority over your Account

When we establish an investment advisory engagement with you, we will ask you to initial a Power of Attorney.

- This Power of Attorney will give us authority to buy and/or sell investment securities in your account without first requiring your authorization to do so.

Item 17 *Voting Client Securities*

Voting Client Securities

We do not assume authority to vote securities on your behalf.

From time-to-time, you will receive proxies from Schwab on behalf of the investment securities in your portfolio.

- It will be your responsibility to vote via use of these proxies.
- You can choose to not vote and you can choose to not return these proxies.
- You can contact us with any questions you may have regarding a particular solicitation you receive.

Item 18 ***Financial Information***

This item is not applicable.

Item 19 *Requirements for State-Registered Advisors*

Pat Cunningham is solely responsible for providing investment advisory services on your behalf.

Pat and Jack also provide tax preparation and planning services through Cunningham & Associates Advisory Services, PLLC.

- During the period February 1st through April 15th, a significant portion of Pat and Jack’s work schedule is dedicated to providing tax preparation services.
 - However, during this time period, Pat still provides all of the same portfolio review procedures that are described in Item 13 “Review of Accounts” with the exception of the semi-annual review process and annual meetings, which are conducted either before February 1st or after April 15th.
- During the remainder of the year, Pat Cunningham’s time is allocated primarily towards investment advisory and other personal financial planning services, while still performing other tax and business consulting services on behalf of Cunningham & Associates Advisory Services, PLLC

**Part 2B of Form ADV
Brochure Supplement
December 29, 2104**

Item 1 *Cover Page*

This brochure supplement provides information about Patrick Cunningham and Jack Cunningham, that supplements Cunningham & Associates, LLC brochure. You should have received a copy of that brochure. Please contact us at 248-952-1502 and/or Pat@Cunninghamonline.com if you did not receive Cunningham & Associates, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about Patrick W. Cunningham and Jack Cunningham is available on the SEC's website at www.adverserinfo.sec.gov.

**Cunningham & Associates, LLC
1301 W. Long Lake Rd., Ste. 265
Troy, MI 48098**

**Contact Information:
Patrick W. Cunningham
Phone: 248-952-1502, ext. 223
Pat@cunninghamonline.com**

Website: www.cunninghamonline.com

Item 2 Educational Background and Business Experience

Patrick W. Cunningham, C.P.A./P.F.S., C.F.P.

Born 1955

Education: Wayne State University, Detroit, MI 1979

Business Background:

01/03 – Present	Cunningham & Associates, LLC** Troy, MI	- Member/CPA/Account Executive
10/92 – Present	Cunningham & Associates Advisory Services, PLLC* Troy, MI	- Member/CPA/Account Executive
07/89 – 2002	Cunningham & Associates, P.C. Troy, MI	- Owner/CPA
11/84 – 07/89	McEndarffer, Hoke & Bernard Bloomfield Hills, MI	- Audit Manager
08/83-07/84	Burroughs Detroit, MI	- Accounting Analyst
06/79 – 08/83	Touche, Ross & Co. Detroit, MI	- Auditor

*Formerly Cunningham & Associates Advisory Services, Inc.

**Formerly Cunningham & Associates, PLLC

Item 2 Educational Background and Business Experience

John W. Cunningham, J.D., C.P.A./P.F.S., C.F.P.

Born 1957

Education: University of Michigan, Ann Arbor, MI
(B.B.A., 1979);

University of Michigan Law School, Ann Arbor, MI
(J.D., 1985)

Business Background:

1/03 - Present	Cunningham & Associates, LLC ** Troy, MI	- Member/CPA/Account Executive
10/92 - Present	Cunningham & Associates Advisory Services, PLLC* Troy, MI	- Member/CPA/Account Executive
1/03 -03/12	Maximum Financial Investment Group, Inc. Troy, MI	- Registered Representative
1/95 -12/02	Vestax Securities, Inc. Hudson, Ohio	- Registered Representative
1/94 - 12/94	Securities America, Inc. Troy, MI	- Registered Representative
10/88 - 12/93	Mutual Service Corp., Troy, MI	- Registered Representative
10/88 - 6/92	Cunningham & Associates P.C. Troy, MI	- CPA/Owner
1/85 - 9/88	Coopers & Lybrand Detroit, MI	- Tax Manager
5/84 - 1/85	Driggers, Schultz, et al. Troy, MI	- Law Clerk
8/81 - 7/83	Deloitte, Haskins & Sells San Francisco, CA	- Tax Accountant

*Formerly Cunningham & Associates Advisory Services, Inc.

**Formerly Cunningham & Associates, PLLC