

*This brochure supplement provides information about Michael Houston Gross that supplements the MoneyLife Partners, Inc. brochure. You should have received a copy of that brochure. Please contact Michael Houston Gross if you did not receive MoneyLife Partners, Inc.'s brochure or if you have any questions about the contents of this supplement.*

*Additional information about Michael Houston Gross is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

## **MoneyLife Partners, Inc.**

Form ADV Part 2B – Individual Disclosure Brochure

*for*

### **Michael Houston Gross**

Personal CRD Number: 2941586

Investment Adviser Representative

MoneyLife Partners, Inc.  
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UPDATED: 05/26/2023

## Item 2: Educational Background and Business Experience

**Name:** Michael Houston Gross

**Born:** 1972

### **Educational Background and Professional Designations:**

#### **Education:**

Masters of Science Financial Planning, The American College - 2010

Bachelors of Science Personal Finances, University of Kentucky - 1995

#### **Designations:**

##### **CFP® - Certified Financial Planner**

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- i. Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- ii. Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

## CEBS - Certified Employee Benefit Specialist

- o To earn a CEBS designation individuals are expected to register with the CEBS Program then must pass a national exam on each course. Upon completing the national exam for each of the courses, students will earn the professional designation of Certified Employee Benefit Specialist. Examinations are computer-based and are administered at Prometric (formerly Sylvan) Testing Centers.
- o EARN THE CEBS DESIGNATION BY COMPLETING SIX REQUIRED COURSES AND TWO ELECTIVES
  - \* COURSE 1 -Employee Benefits: Concepts and Health Care Benefits
  - \* COURSE 2 -Employee Benefits: Design, Administration and Other Welfare Benefits
  - \* COURSE 3 -Retirement Plan Design
  - \* COURSE 4 -Retirement Plans: Defined Benefit Approaches and Plan Administration
  - \* COMPENSATION 1 - Compensation Concepts and Principles NEW
  - \* COURSE 8 -Human Resources and Compensation Management
- o TWO ELECTIVES
  - \* COURSE 7 -Asset Management
  - \* COURSE 9 -Health Economics
  - \* COMPENSATION 2 - Executive Compensation and Compensation Issues NEW
  - \* PFP 1 - Personal Financial Planning 1: Concepts and Principles
  - \* PFP2 - Personal Financial Planning 2: Tax and Estate Planning Techniques

## ChFC®- Chartered Financial Consultant®

- o Bachelor’s degree or its equivalent, in any discipline, from an accredited university, this qualifies as one year of business experience
- o Three years of full-time business experience is required; this three-year period must be within the five years preceding the date of the award (part-time qualifying business experience is also credited toward the three-year requirement with 2,000 hours representing the equivalent of one year full-time experience).
- o Must fulfill the ChFC® seven course curriculum, as well as two additional elective courses
- o Pass the exams for all required and elective courses
- o Pass a background check and candidate fitness standards test. You must reveal any criminal history, pending litigation or ethical violations.

## QPFC – Qualified Plan Financial Consultant

QPFC is the professional credential for financial professionals who sell, advise, market or support qualified retirement plans. The QPFC program provides an understanding of general retirement planning concepts, terminology, distinctive features of qualified plans and the role of retirement plan professionals. QPFC is not an entry-level credential. A candidate will be expected to demonstrate a general proficiency of plan administration, compliance, investment, fiduciary, and ethics issues.

### Education Requirements

- o Earning ASPPA’s QPFC credential requires successful completion of the following examinations:
  - Retirement Plan Fundamentals – Part 1 (RPF-1)
  - Retirement Plan Fundamentals – Part 2 (RPF-2)
  - Plan Financial Consulting – Part 1 (PFC-1)

- Plan Financial Consulting – Part 2 (PFC-2)

#### **Additional Requirements**

- In addition to passing the required examination series, a candidate must meet one of the following requirements:
  - Series 6, 7 or 65 license issued by the FINRA (formerly NASD) and two letters of reference demonstrating at least two years of retirement plan related experience; or
  - State-life or annuity insurance license and two letters of reference demonstrating at least two years of retirement plan related experience; or
  - Investment Advisor Representative or Registered Investment Advisor credential and two letters of reference demonstrating at least two years of retirement plan related experience; or
  - Two letters of reference demonstrating at least three years of retirement plan related experience.

### **Business Background:**

02/2012- Present	President & CCO MoneyLife Partners, Inc. (formerly Cornerstone Corp).
11/2003 - 01/2012	Sr. Financial Planner MetLife Securities, Inc.

### **Item 3: Disciplinary Information**

Mr. Gross was involved in an administrative proceeding and was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an Agreed Order that imposed a civil money penalty of more than \$2,500. MoneyLife Partners, Inc. underwent a routine regulatory audit exam in 2021 by the Kentucky Department of Financial Institutions, the firm’s regulatory authority, which found several administrative and procedural items that required correction. These related primarily to bookkeeping methods, disclosure brochures, client agreements and recordkeeping. The firm failed to maintain financial records, failed to provide a true and accurate general ledger, the balance sheet which MLP provided included fixed assets but no documentation to verify the value of the fixed assets, not any depreciation schedules, MLP’s bank account statements showed MLP was not recording check payments on an accrual basis, MLP’s financial statements did not properly record quarterly management fees collected in advance as liabilities earned, the general ledger MLP provided did not record any transactions for a credit card account from June 2021 through August 2021, though account statements reflected multiple transactions during that period, the general ledger and profit-and-loss report MLP provided to Department impermissibly comingled MLP’s fee income and other income from insurance commissions. The equity section of MLP’s balance sheet was improperly formatted and contained incorrect accounts. Department had previously found deficiencies in MLP’s financial statement upon prior compliance examinations. MLP’s monthly net-worth computations provided during the examination were inaccurate. Though MLP purported to provide Department revised and accurate net worth computations, it only provided Department a balance sheet reflecting “total equity”. MLP failed to provide Department evidence

of its monthly assets under management custodied with TD Ameritrade. Department had previously found deficiencies in MLP's monthly computations of assets under management upon prior compliance examinations. A sample review of MLP's client files during the September 2021, examination revealed several clients with whom MLP had no executed written investment contract. Certain client agreements in MLP's files lacked the client's signature. Following the compliance examination, MLP produced executed agreements which had only been signed two weeks after the compliance examination. Ten of the fifteen sampled client files contained agreements with certain sections and exhibits blank or incomplete. MLP uses a third-party money manager to manage a portion of its client accounts. The fee schedules and fee formulas MLP provided Department did not match between MLP's agreements and the money manager's agreements with those clients. Department had previously noted MLP's failure to produce written agreements with clients upon prior compliance examinations conducted. Following the examination on March 20, 2018, Department required MLP to revise portions of its Investment Advisory Agreement and execute new advisory agreements with all ongoing clients. Department's review of MLP's client files during September 2021, compliance examination revealed 5 of 15 sampled clients had never executed a revised agreement. A review of one client's file showed MLP was charging an annual fee of 1% of the assets during a 17 month period where the client's investments were held solely in cash. MLP maintains a YouTube channel with 4 publicly available videos. The 'About' section of that YouTube video channel contained statements constituting an impermissible guarantee of results. Following the compliance examination on September 2021, Department advised Gross that his FINRA Form U4 was materially incomplete. While Gross made revisions to the Form U4 as his operative registration application document. Form ADV failed to disclose the existence of MLP's YouTube Channel. As a result of these findings, MoneyLife Partners, Inc. and Michael Gross (i) entered into an Agreed Order with the Kentucky Department of Financial Institutions, (ii) agreed to correct these deficiencies, and (iii) agreed to pay a fine in the amount of \$7,400.

#### **Item 4: Other Business Activities**

Michael Houston Gross is an independent licensed insurance agent. Mr. Gross is paid a percentage fee on existing insurance business related to employee/group benefits, as well as fee-only compensation from annuity providers.

Michael Houston Gross is the President of Persimmon Ridge Homeowners Association. This is a non-investment related business activity in which he devotes approximately 4 hours per month.

Michael Houston Gross is the Member of MoneyLife Properties, LLC, a real estate company. He spends less than 1 hour a month outside of trading hours on this outside business.

Michael Houston Gross is on the Board of Directors at Whitefield Academy.

## **Item 5: Additional Compensation**

Michael Houston Gross does not receive any economic benefit from any person, company, or organization, other than MoneyLife Partners, Inc. in exchange for providing clients advisory services through MoneyLife Partners, Inc.

## **Item 6: Supervision**

As the Chief Compliance Officer of MoneyLife Partners, Inc., Michael Houston Gross supervises all activities of the firm. Michael Houston Gross's contact information is on the cover page of this disclosure document. Michael Houston Gross adheres to applicable regulatory requirements, together with all policies and procedures outlined in the firm's code of ethics and compliance manual.

## **Item 7: Requirements For State Registered Advisers**

*This disclosure is required by state securities authorities and is provided for your use in evaluating this investment advisor representative's suitability.*

- A. MoneyLife Partners, Inc. underwent a routine regulatory audit exam in 2021 by the Kentucky Department of Financial Institutions, the firm's regulatory authority, which found several administrative and procedural items that required correction. These related primarily to bookkeeping methods, disclosure brochures, client agreements and recordkeeping. As a result of these findings, MoneyLife Partners, Inc. and Michael Gross (i) entered into an Agreed Order with the Kentucky Department of Financial Institutions, (ii) agreed to correct these deficiencies, and (iii) agreed to pay a fine in the amount of \$7,400. Disclosure regarding the disciplinary action are included in Item 3 above.
- B. Michael Houston Gross has NOT been the subject of a bankruptcy.