

Part 2A of Form ADV: *Firm Brochure*

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12/31/2011

This brochure provides information about the qualifications and business practices of Durbin Bennett Peterson Private Wealth Management, LLP. If you have any questions about the contents of this brochure, please contact us at (512) 439-4800 or halpeterson@dbpaustin.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 Durbin Bennett Peterson Private Wealth Management, LLP also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 107722.

Item 2 Material Changes

This Firm Brochure, dated 12/31/2011, provides you with a summary of Durbin Bennett Peterson Private Wealth Management, LLP's advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform of the revision(s) based on the nature of the information as follows.

1. Annual Update: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of those changes in this Item.
2. Material Changes: Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

The following summarizes new or revised disclosures based on information previously provided in our Firm Brochure dated 12/31/2010:

Beginning in 2012, DBP added Pension Consulting Services to our Advisory Business. We now offer these services for retirement plans based upon an analysis of the needs of the plan. The primary client for these services will be participant-directed pension, profit sharing and 401(k) plans.

DBP has contracted with BAM Advisors Services, LLC (BAM), an affiliated firm of the Buckingham Family of Financial Services, for Advisors Access™ 401(k) services, including access to model investment portfolios and administrative and marketing support services. Advisors Access™ 401(k) is a trademarked brand name for a 401(k) platform for independent, registered investment advisors to bring conflict free advice to plan participants. BAM receives a portion of the Advisors Access fees paid by participating 401(k) plans.

For additional information about this new service, you may request a copy of the full revised version of our Brochure by calling us at (512) 439-4800 or sending an e-mail to damianlopez@dbpaustin.com. Items 4, 5, 10, 12 and 13 have been updated to include information about Pension Consulting Services.

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Item 4 Advisory Business

Durbin Bennett Peterson Private Wealth Management, LLP is a SEC-registered investment adviser with its principal place of business located in Texas. Durbin Bennett Peterson Private Wealth Management, LLP began conducting business in 2001.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Richard Baldwin Bennett
- Brent Lasater Durbin
- Harold Everett Peterson

Durbin Bennett Peterson Private Wealth Management, LLP offers the following advisory services to our clients:

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

Durbin Bennett Peterson Private Wealth Management, LLP provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual goals and objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Clients will retain individual ownership of all securities.

Durbin Bennett Peterson Private Wealth Management, LLP has two main service delivery models/strategies. Each advisory client will fall into one of these groups, which will determine the way in which the assets are managed by us. In managing client accounts, we ensure that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations.

Investment Management Group (IMG)

The Investment Management Group (IMG) focuses on the practical application of investment management. IMG approaches each client portfolio on an individual basis and maintains a

very low client-advisor ratio. With this high-investment, high-client focus, IMG provides investment management services by:

- Evaluating the needs and preferences of the client,
- Designing each portfolio to suit the client,
- Implementing the selected strategies and managers,
- Reviewing all investments and decisions in a frequent and timely manner, and
- Advocating for clients on externally-sourced financial matters.

The IMG team is comprised of investment professionals with deep and tenured investment-related experience, creating a well-diversified portfolio of investment-management skill sets.

As a component of an integrated wealth management business, IMG draws upon the strength and expertise of its complimentary practices, Tax Advisory and Wealth Management Group, to ensure taxes and other unique circumstances are taken into consideration for each client when making investment decisions. Additionally, IMG works with external practitioners to ensure a client's full financial profile is understood.

For IMG clients, our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities

- Options contracts on securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Other (may include hedge funds, private equity funds, natural resource investments, private real estate, venture capital investments, and foreign currency transactions).

For clients in the IMG group, we will create a portfolio and allocate the client's assets among various investments taking into consideration the overall management style selected by the client. The investment vehicle(s) will be selected on the basis of any or all of the following criteria: the manager's performance history; the industry sector and asset class in which the manager invests; the track record of the manager; the manager's investment objectives; the manager's management style and philosophy; and the management fee structure. Portfolio weighting between funds and market sectors will be determined by each client's individual needs and circumstances.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Additionally, we may provide IMG clients access to independent money management firms through direct access to individual managers or on a separate account basis through a managed account program offered by the Schwab Advisor Services division of Charles Schwab & Co. Inc. (Schwab) or another major brokerage firm.

Our firm performs management searches of various investment managers (manager). Based on the client's individual circumstances and needs (as exhibited in the client's Investment Policy Statement (IPS)), we determine which selected manager's portfolio management style is appropriate for that client. Factors considered in making this determination include account size, risk tolerance, the opinion of each client and the investment philosophy of the selected manager. Clients should refer to the manager's Firm Brochure or other disclosure document for a full description of the services offered. Client meetings are available on a regular basis, or as determined by the client, to review the account.

We will recommend one or more managers who will manage the client's account on a discretionary basis. On an ongoing basis, we monitor the performance of the manager(s). If we determine that a particular manager is not providing sufficient management services to the client, or is not managing the client's portfolio in a manner consistent with that client's IPS, then we may move the client's portfolio to a different manager. Under this scenario, our firm retains the discretion to hire and fire the manager and/or move the client's portfolio to a different program.

At least annually, we meet with the client to review and update, as necessary, the client's IPS. However, should there be any material change in the client's personal and/or financial situation, we should be notified immediately to determine whether any review and/or revision of the client's IPS is warranted.

Wealth Management Group (WMG)

The Wealth Management Group (WMG) generally focuses on clients with investment assets ranging from one to ten million who are working towards, or trying to maintain financial independence. WMG employs strategies based on Modern Portfolio Theory, emphasizing diversification, cost containment, and tax management. The client's individual risk tolerance and financial objectives are considered in the development of an Investment Policy Statement (IPS) that defines ranges of exposure to broad equity and fixed income asset classes. Additionally, specific rebalancing tolerance levels are detailed in order to maintain a disciplined and consistent exposure to various asset classes. The investment strategy in WMG is based on the following tenets:

- Markets process information efficiently
- Over time, riskier assets provide higher returns as compensation to investors for accepting greater risk
- Adding high-risk asset classes to a portfolio may reduce volatility and increase return
- Passive asset class fund portfolios can be designed to, over time, deliver the highest expected return for a chosen level of risk
- Broadly diversify portfolios globally among individual securities, sectors, and asset classes using institutional class mutual funds and exchange traded funds (ETF's)
- A structured and disciplined investment approach is more likely to lead to a successful investment experience

WMG does not engage in market timing or individual security selection. However, WMG investment strategies provide for a diverse and flexible approach, combining both passive and active management. In selecting managers, we evaluate fee structure and its impact on performance, along with the tax efficiency of those investments.

For WMG clients, investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper

- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities

For clients in the WMG group, we will create a portfolio of institutional class mutual funds and ETFs. We will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. The investment vehicle(s) will be selected on the basis of any or all of the following criteria: the manager's performance history; the industry sector and asset class in which the manager invests; the track record of the manager; the manager's investment objectives; the manager's management style and philosophy; and the management fee structure. Portfolio weighting between funds and market sectors will be determined by each client's individual needs and circumstances.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

SELECTION AND MONITORING SERVICES

Durbin Bennett Peterson Private Wealth Management, LLP provides several advisory services separately or in combination. Our Selection and Monitoring Services are comprised of three distinct services. Clients may choose to use any or all of these services.

- Investment Policy Statement Preparation (hereinafter referred to as IPS):

We will meet with the client (in person or over the telephone) to determine the client's investment needs and goals. We will then prepare a written IPS stating those needs and goals and encompassing a policy under which these goals are to be achieved. The IPS will also list the criteria for selection of investment vehicles and the procedures and timing interval for monitoring of investment performance.

- Selection of Investment Vehicles:

We will review various investments, consisting exclusively of mutual funds and ETFs (both index and managed) to determine which of these investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS.

- Monitoring of Investment Performance:

For clients that engage us for performance monitoring, client investments will be monitored continuously based on the procedures and timing intervals delineated in the IPS. Although we will not be involved in any way in the purchase or sale of these investments, we will supervise the client's portfolio and make recommendations to the client as market factors and the client's needs dictate.

STRATEGIC WEALTH PLANNING

We provide financial planning services termed Strategic Wealth Plan (SWP). This service includes a general review of a client's financial matters, including retirement needs, cash flow, investments, insurance, and tax matters. Generally, the SWP is designed to be a financial model developed to assist the client in making current and future financial decisions to achieve or maintain financial independence.

A SWP may help the client in one or more of the following: (i) determining accumulation of assets needed for retirement, (ii) developing current and future spending budgets, (iii) quantifying and planning for educational funding or other significant life events, (iv) identifying insurance or risk management needs, (v) determining a general investment allocation needed to meet financial objectives, (vi) identifying estate planning needs, and (vii) addressing other related financial issues. Specific recommendations may be developed based on this planning. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or investment advisor. Implementation of the SWP recommendations is entirely at the client's discretion.

The SWP may be used as a dynamic model and updated periodically. The scope and term of the planning is agreed upon in advance with the client.

PENSION CONSULTING SERVICES

We offer Pension Consulting Services for retirement plans based upon an analysis of the needs of the plan. The primary clients for these services will be participant-directed pension, profit sharing and 401(k) plans.

Durbin Bennett Peterson Private Wealth Management, LLP has contracted with BAM Advisors Services, LLC (BAM), an affiliated firm of the Buckingham Family of Financial Services, for Advisors Access™ 401(k) services, including access to model investment portfolios and administrative and marketing support services. Advisors Access™ 401(k) is a trademarked brand name for a 401(k) platform for independent, registered investment advisors to bring conflict free advice to plan participants. BAM receives a portion of the Advisors Access fees paid by participating 401(k) plans.

Pension Consulting Services are comprised of three distinct services. Clients may choose to use any or all of these services.

- **Investment Policy Statement Preparation (hereinafter referred to as "IPS"):**

We will meet with the client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Our firm then prepares a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

- **Selection of Investment Vehicles:**

We assist plan sponsors in constructing appropriate asset allocation models. We will then review various mutual funds (both index and managed) to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS.

- **Monitoring of Investment Performance:**

We monitor client investments continually, based on the procedures and timing intervals delineated in the IPS. Although our firm is not involved in any way in the purchase or sale of these investments, we supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

CONSULTING SERVICES

Clients can also receive investment advice on a more focused basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. We do not, however, provide tax advice. We may recommend the affiliated accounting firms of Durbin Bennett Peterson Tax Advisors, LLP or Durbin & Bennett, LLP for tax and accounting services. See Item 10 of this Brochure for additional information. We also provide specific consultation and administrative services regarding investment and financial concerns of the client.

Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

In certain limited situations as the client's needs dictate, we may also develop and implement hedging transactions or other unique investment strategies on assets held in a client's portfolio.

AMOUNT OF MANAGED ASSETS

As of 12/31/2011, we were actively managing \$574,420,000 of clients' assets on a discretionary basis plus \$8,302,000 of clients' assets on a non-discretionary basis, and overseeing \$71,444,000 of clients' assets being managed by third-party money managers and/or hedge funds.

Item 5 Fees and Compensation

INVESTMENT SUPERVISORY SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT FEES

Investment Management Group (IMG)

The annualized fee for clients in IMG will be charged as a percentage of assets under management, according to the following schedule:

<u><i>Assets Under Management</i></u>	<u><i>Annual Fee</i></u>
First \$5,000,000	1.00%
\$ 5,000,001 to \$10,000,000	0.50%
\$10,000,001 to \$20,000,000	0.30%
Over \$20,000,000	0.20%

A minimum of **\$10,000,000** of assets under management is required for this service. This account size may be negotiable under certain circumstances. Durbin Bennett Peterson Private Wealth Management, LLP may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Clients will be billed in advance at the beginning of each calendar quarter based upon the value (market value, or fair market value in the absence of market value, plus any credit balance in the event of a margin balance), of the client's account at the end of the previous quarter. Our firm directly debits our advisory fee from client accounts. Clients will receive a copy of the quarterly invoice.

Our fee is in addition to the fees charged by selected managers. When evaluating the advisory services being provided, clients should review the manager's disclosure document to fully understand the total amount of fees to be paid. Additional fees will have a direct effect on net investment performance.

Limited Negotiability of Advisory Fees: Although we have established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

Wealth Management Group (WMG)

The annualized fee for clients in WMG will be charged as a percentage of assets under management, according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$1,000,000	1.00%
\$1,000,001 to \$2,000,000	0.70%
\$2,000,001 to \$3,000,000	0.60%
\$3,000,001 to \$4,000,000	0.40%
Over \$4,000,000	0.30%

A minimum of **\$1,000,000** of assets under management is required for this service. This account size may be negotiable under certain circumstances. Durbin Bennett Peterson Private Wealth Management, LLP may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Clients will be billed in advance at the beginning of each calendar quarter based upon the value (market value, or fair market value in the absence of market value, plus any credit balance in the event of a margin balance), of the client's account at the end of the previous quarter. Our firm directly debits our advisory fee from client accounts. Clients will receive a copy of the quarterly invoice.

Limited Negotiability of Advisory Fees: Although we have established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

SELECTION and MONITORING SERVICES / CONSULTING SERVICES FEES

Durbin Bennett Peterson Private Wealth Management, LLP's Selection and Monitoring Services and Consulting Services fees will be billed at an hourly rate ranging from \$125 to \$300 per hour, depending upon the personnel used. The fees will be determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client and will be due as incurred.

As discussed in Item 4 of this Brochure, our firm may develop and implement hedging transactions or other unique investment strategies on assets held in a client's portfolio. The fee for these additional services would typically be a flat fee negotiated with the client as appropriate.

STRATEGIC WEALTH PLANNING FEES

Durbin Bennett Peterson Private Wealth Management, LLP's Financial Planning fee will be charged as a fixed fee, typically ranging from \$5,000 to \$40,000. The fee will be determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client. The fee will be charged to the client in advance.

PENSION CONSULTING SERVICES FEES

The annualized fee for Pension Consulting Services will be charged as a percentage of assets under management, according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
On the first \$1,000,000	1.00%
On the next \$1,000,000	0.80%
On the next \$3,000,000	0.60%
On the next \$5,000,000	0.45%
On all amounts thereafter	0.40%

A minimum plan size of \$1,000,000 in assets is required for this service. This plan size may be negotiable under certain circumstances.

These fees are shared by BAM Advisors Services, LLC (BAM) and Durbin Bennett Peterson Private Wealth Management, LLP as follows: BAM receives 30% of the annual fee and we receive 70% of the annual fee.

Clients will be billed in advance at the beginning of each calendar quarter based upon the value (market value, or fair market value in the absence of market value), of the client's account at the end of the previous quarter. BAM directly debits the entire fee from client accounts and sends our portion of the fee to us. Clients may also choose to pay BAM directly (not out of plan assets). Clients will receive a copy of the quarterly invoice.

Limited Negotiability of Advisory Fees: Although we have established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client. We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee. Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

Additional Fees Associated with Retirement Plans: Retirement plans also engage other providers such as TPAs (Third Party Administrators), Recordkeepers and Trustees. These providers each have their own fees associated with the work they provide and all such fees will be disclosed by the provider being utilized for the plan.

GENERAL INFORMATION ON FEES

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

Mutual Fund Fees: All fees paid to Durbin Bennett Peterson Private Wealth Management, LLP for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Separately Managed Account Fees: Clients with separately managed accounts may be charged various fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent managers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to Durbin Bennett Peterson Private Wealth Management, LLP's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

ERISA Accounts: Durbin Bennett Peterson Private Wealth Management, LLP is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"). As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Durbin Bennett Peterson Private Wealth Management, LLP may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Durbin Bennett Peterson Private Wealth Management, LLP's advisory fees.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

Item 6 Performance-Based Fees and Side-By-Side Management

Durbin Bennett Peterson Private Wealth Management, LLP does not charge performance-based fees.

Item 7 Types of Clients

Durbin Bennett Peterson Private Wealth Management, LLP provides advisory services to the following types of clients:

- Individuals, including high net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Charting. In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Cyclical Analysis. In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Quantitative Analysis. We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

Qualitative Analysis. We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove to be incorrect.

Asset Allocation. Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's

investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Third-Party Money Manager Analysis. We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

Investment Management Group (IMG)

Using strategic asset allocation, IMG takes a top-down approach to building each portfolio, positioning clients according to their customized investment policy. Within the policy allocation, IMG tactically shifts allocations according to opportunities and client preference in an attempt to enhance return and/or mitigate risk.

Once the investment policy for a client is agreed upon, IMG implements the portfolio by purchasing a combination of individual securities, mutual funds, exchange traded funds, partnerships, and/or separately managed accounts. IMG commits considerable time and energy to the due diligence and analysis of all investments, whether publically traded or privately placed. As an independent and objective entity, IMG incorporates strategies that suit clients' needs and selects investments from the universe at large. Further, IMG may recommend purchases in additional asset classes, including alternative investments (hedge funds, private equity, etc.), structured products, and commodities to enhance client portfolios.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

Wealth Management Group (WMG)

WMG takes a top-down approach to building each portfolio, positioning clients according to their customized investment policy. Once the investment policy for a client is agreed upon, WMG implements the portfolio by purchasing a combination of institutional mutual funds and exchange traded funds. WMG utilizes research, due diligence and analysis of all investments, whether publicly traded or privately placed, completed by IMG to formulate recommendations for each unique client situation. As an independent and objective entity, WMG incorporates strategies that suit clients' needs and selects investments from the universe at large emphasizing diversification, cost containment and tax management. Further, WMG may recommend purchases in additional asset classes, including alternative investments and commodities accessed via mutual funds to enhance client portfolios.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

Item 9 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.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Our firm and our related persons are not engaged in other financial industry activities.

Durbin Bennett Peterson Private Wealth Management, LLP has entered into a relationship with an unaffiliated third party, BAM Advisory Services, LLC. Under this agreement, BAM Advisory Services serves as an investment fiduciary of the Advisors Access™ 401(k) program. Please refer to the Pension Consulting Services section in Item 4 (Advisory Business) of this Form ADV for additional information.

Richard B. Bennett, Brent L. Durbin, and Harold E. Peterson, each a partner in Durbin Bennett Peterson Private Wealth Management, LLP, are also partners of Durbin Bennett Peterson Tax Advisors, LLP (DBPTA), a tax advisory firm. Richard B. Bennett and Brent L. Durbin are also partners of Durbin & Bennett, LLP (D&B), a CPA firm established to perform compilation services.

DBPTA and D&B may recommend Durbin Bennett Peterson Private Wealth Management, LLP to tax and accounting clients in need of advisory services. Conversely, our firm may recommend DBPTA and/or D&B to advisory clients in need of tax and accounting services. Tax and accounting services provided by DBPTA and D&B are separate and distinct from our advisory services, and are provided for separate and typical compensation. There are no referral fee arrangements between our firms for these recommendations. None of our clients are obligated to use DBPTA or D&B for any tax or accounting services and conversely, no tax or accounting client is obligated to use the advisory services provided by us. DBPTA and D&B tax and accounting services do not include the authority to sign checks or otherwise disburse funds on any of our advisory client's behalf. Durbin Bennett Peterson Private Wealth Management, LLP shares office space with DBPTA and D&B. Because our firm may recommend DBPTA and/or D&B to our clients, Richard Bennett and Brent Durbin have the potential of receiving additional compensation if the client engages the related firm(s) in a separate capacity. This can create a conflict of interest in recommending a third-party to a client.

Brent L. Durbin is also an Officer of Coditel U.S., Inc., a foreign owned U.S. corporation which makes periodic venture capital investments in the United States. Mr. Durbin is authorized to act in an administrative capacity for Coditel's United States interests. Any services provided to Coditel U.S. by Mr. Durbin are done strictly in his capacity as a CPA. Durbin Bennett Peterson Private Wealth Management, LLP does not provide advisory services to Coditel U.S.

Richard B. Bennett may spend as much as 15% of his time with these related activities. Brent L. Durbin may spend as much as 80% of his time with all of these related activities. Harold E. Peterson spends less than 1% of his time with these related activities and receives no direct economic benefit from being a partner in DBPTA.

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

CODE OF ETHICS AND PERSONAL TRADING

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Durbin Bennett Peterson Private Wealth Management, LLP and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Durbin Bennett Peterson Private Wealth Management, LLP's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to halpeterson@dbpaustin.com, or by calling us at (512) 439-4800.

Durbin Bennett Peterson Private Wealth Management, LLP and individuals associated with our firm are prohibited from engaging in principal transactions and agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory

accounts.

Our firm does not aggregate trades for itself or for any associated person with client block trades.

Item 12 Brokerage Practices

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

As our firm does not have the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid, clients must direct Durbin Bennett Peterson Private Wealth Management, LLP as to the broker-dealer to be used.

Durbin Bennett Peterson Private Wealth Management, LLP recommends that clients direct us to place trades through the Schwab Advisor Services division of Charles Schwab & Co. ("Schwab"). We have evaluated Schwab and believe that it will provide our clients with a blend of execution services, commission costs and professionalism that will assist our firm in meeting our fiduciary obligations to clients.

We reserve the right to decline acceptance of any client account for which the client directs the use of a broker other than Schwab if we believe that this choice would hinder our fiduciary duty to the client and/or our ability to service the account. In directing the use of Schwab, it should be understood that Durbin Bennett Peterson Private Wealth Management, LLP will not have authority to negotiate commissions or to necessarily obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients (who may direct the use of another broker).

Clients should note, while Durbin Bennett Peterson Private Wealth Management, LLP has a reasonable belief that Schwab is able to obtain best execution and competitive prices, our firm will not be independently seeking best execution price capability through other brokers. Not all advisers require clients to direct it to use a particular broker-dealer.

In situations where we determine that it is beneficial for a client to invest in fixed income and derivative securities, we may recommend additional brokers to clients for implementation of these particular transactions.

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, we may recommend the use of one of several brokers (including, but not limited to Schwab), provided that such recommendation is consistent with our firm's fiduciary duty to the client. Our clients must evaluate the broker(s) before opening an account. The factors considered by Durbin Bennett Peterson Private Wealth Management, LLP when making these recommendations are the broker's ability to provide professional services, our experience with the broker, the broker's reputation, the broker's quality of execution services and costs of such services, among other factors. Clients are not under any obligation to effect trades through any recommended broker.

Durbin Bennett Peterson Private Wealth Management, LLP will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. Durbin Bennett Peterson Private Wealth Management, LLP's block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Durbin Bennett Peterson Private Wealth Management, LLP, or our firm's order allocation policy.
- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable Durbin Bennett Peterson Private Wealth Management, LLP to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
- 6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.
- 7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief

Compliance Officer no later than the morning following the execution of the aggregate trade.

8) Durbin Bennett Peterson Private Wealth Management, LLP's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.

9) Funds and securities for aggregated orders are clearly identified on Durbin Bennett Peterson Private Wealth Management, LLP's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.

10) No client or account will be favored over another.

SELECTION AND MONITORING SERVICES

Durbin Bennett Peterson Private Wealth Management, LLP does not implement securities transactions for Selection and Monitoring Service clients. These clients are responsible for the implementation of securities recommendations. Our firm does not recommend brokers to Selection and Monitoring Service clients.

STRATEGIC WEALTH PLANNING / CONSULTING SERVICES

Implementation of a Strategic Wealth Planning or Consulting recommendation is entirely at the client's discretion. Clients will be required to select their own broker-dealers and insurance companies for the implementation of Strategic Wealth Planning and Consulting recommendations. When consistent with its fiduciary duty, we will recommend the use of Schwab. Strategic Wealth Planning and Consulting clients may use any broker-dealer of their choice.

PENSION CONSULTING SERVICES

Durbin Bennett Peterson Private Wealth Management, LLP does not implement securities transactions for Pension Consulting Service clients. These clients are responsible for the implementation of securities recommendations. Our firm does not recommend brokers to Pension Consulting Service clients.

ADDITIONAL COMPENSATION

As disclosed above, Durbin Bennett Peterson Private Wealth Management, LLP generally recommends that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although we recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. Durbin Bennett Peterson Private Wealth Management, LLP is independently owned and operated and not affiliated with Schwab.

Schwab provides Durbin Bennett Peterson Private Wealth Management, LLP 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 advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to our firm other products and services that benefit Durbin Bennett Peterson Private Wealth Management, LLP but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that:

- i. provide access to client account data (such as trade confirmations and account statements);
- ii. facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- iii. provide research, pricing and other market data;
- iv. facilitate payment of our fees from clients' accounts; and
- v. assist with back-office functions, recordkeeping and client reporting.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services may include:

- i. compliance, legal and business consulting;
- ii. publications and conferences on practice management and business succession; and
- iii. access to employee benefits providers, human capital consultants and insurance providers.

Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to Durbin Bennett Peterson Private Wealth Management, LLP. Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm. Schwab may also provide other benefits such as educational events or occasional business entertainment of our

personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

As an investment adviser, Durbin Bennett Peterson Private Wealth Management, LLP has negotiated the commission rates and transaction costs charged by Schwab to our advisory clients. We have also negotiated with Schwab to provide for certain research tools that are beneficial to use on behalf of our clients. The estimated value of these items is approximately \$24,500. Our firm receives the following research and service tools from Schwab: annual subscription for a software research package, including a database of hedge fund research. Schwab provides these research tools to us based on the total volume of commissions derived from trades placed in our clients' accounts.

Because these tools are provided to our firm, our clients may potentially pay higher commission costs than they might otherwise be charged by Schwab if we did not receive them. Because of this arrangement, our firm believes we should advise you that we have a conflict of interest in recommending Schwab to our clients. We believe that the overall benefit of the tools and services to our clients justifies any potentially higher commission costs. Additionally, the tools and services received benefit all of our clients and are not allocated in any way to particular client accounts. Each of the tools is used strictly for investment research purposes.

Item 13 Review of Accounts

INVESTMENT SUPERVISORY SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT

Investment Management Group (IMG)

REVIEWS: While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

The performance of the investment managers selected to manage client portfolios within IMG is continually monitored by Durbin Bennett Peterson Private Wealth Management, LLP. Furthermore, accounts within this group are formally reviewed at least quarterly. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: Harold E. Peterson, Partner and Chief Investment Officer, or another portfolio manager.

REPORTS: In addition to the monthly statements and confirmations of transactions that these clients receive from their respective broker-dealer, the manager(s) selected by our firm

to manage the client's portfolio(s) provides the client with written quarterly performance reports. In addition, we provide IMG clients with quarterly reports summarizing account performance, balances and holdings.

Wealth Management Group (WMG)

REVIEWS: While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: Richard B. Bennett, Partner; Brent L. Durbin, Partner; or another portfolio manager.

REPORTS: In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports summarizing account performance, balances and holdings.

SELECTION and MONITORING SERVICES

REVIEWS: Durbin Bennett Peterson Private Wealth Management, LLP will provide reviews of investment vehicle recommendations at least quarterly. More frequent reviews may be provided as required by the terms of the plan document or as contracted for by the client.

These accounts are reviewed by: Harold E. Peterson, Partner and Chief Investment Officer, or another portfolio manager.

REPORTS: Durbin Bennett Peterson Private Wealth Management, LLP will provide these client accounts with reports as contracted for at the inception of the advisory relationship.

STRATEGIC WEALTH PLANNING SERVICES

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Strategic Wealth Planning clients unless otherwise contracted for.

REPORTS: Strategic Wealth Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

PENSION CONSULTING SERVICES

REVIEWS: Durbin Bennett Peterson Private Wealth Management, LLP will review the client's Investment Policy Statement (IPS) whenever the client advises us of a change in circumstances regarding the needs of the plan. We will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Such reviews will generally occur on an annual basis.

These accounts are reviewed by the client's relationship manager.

REPORTS: Our firm will not provide reports for pension consulting services clients. All reports will be provided by the recordkeeper.

CONSULTING SERVICES

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by the client's relationship manager.

REPORTS: These client accounts will receive reports as contracted for at the inception of the advisory engagement.

Item 14 Client Referrals and Other Compensation

It is Durbin Bennett Peterson Private Wealth Management, LLP's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Durbin Bennett Peterson Private Wealth Management, LLP's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Also, as disclosed at Item 13 of this brochure, we will send account statements directly to our Investment Supervisory Services clients, on a quarterly basis, in addition to the periodic statements that clients receive directly from their custodians. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- Determine the security to buy or sell; and/or
- Determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Should a client elect not to grant us investment discretion over their account, we note that trades in their accounts will typically be executed after trades in the same securities are placed in discretionary accounts, due to the time involved in obtaining the requisite client approval. Consequently, these clients may not participate in blocked trades and there may be a difference in the price paid per share of a given security and the commission rates paid by these clients as compared to other clients depending, in part, on the type of security traded.

INVESTMENT MANAGEMENT GROUP (IMG)

As previously disclosed in Item 4 of this brochure, we may provide IMG clients access to independent money management firms through direct access to individual managers or on a separate account basis through a managed account program. We do not "manage" client portfolios in the traditional sense of the definition, rather Durbin Bennett Peterson Private Wealth Management, LLP manages the managers of client portfolios within this group. Accordingly, clients in this group grant us authority to hire and fire the selected asset manager(s) managing client accounts.

Clients give us this authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may change/amend these limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

As a general rule, Durbin Bennett Peterson Private Wealth Management, LLP does not vote proxies for its clients or give advice about how to vote proxies for securities held in a client's investment account. However, in a few limited cases we may accept this responsibility upon the client's specific request.

In situations where we have accepted proxy voting responsibility, we will vote proxies in the best interests of our clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a

copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and request that they either vote the proxy themselves or retain an independent third-party to cast a vote.

Clients may instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing. You can also instruct us on how to cast your vote in a particular proxy contest by contacting Hal Peterson at halpeterson@dbpaustin.com or (512) 439-4800.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting Hal Peterson by telephone, email, or in writing. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact Hal Peterson by telephone, email or in writing.

For accounts where we do not vote proxies, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We do not offer any consulting assistance regarding proxy issues to clients.

Item 18 Financial Information

Durbin Bennett Peterson Private Wealth Management, LLP has no additional financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Durbin Bennett Peterson Private Wealth Management, LLP has not been the subject of a bankruptcy petition at any time during the past ten years.