



*1550 Timothy Road  
Suite 102  
Athens, GA 30606*

*706.208.1166*

*[www.bscadvisors.com](http://www.bscadvisors.com)*

## *Disclosure Brochure*

*March 30, 2012*

This brochure provides information about the qualifications and business practices of Broad Street Capital Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 706.208.1166. 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.

Broad Street Capital Advisors, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provides you with information about an adviser which will help you determine to hire or retain an adviser.

Additional information about Broad Street Capital Advisors, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

---

## Material Changes

Broad Street Capital Advisors, LLC (“BSCA, we, us, our, ours”) provides clients and prospective clients (“you, your, yours”) with a brochure and brochure supplements written in plain English.

The disclosure brochure is made available to you initially when you enter into an advisory relationship with us. Annually, no later than April 29, we will provide a summary of material changes to our brochure, which includes the date of the last annual update and information on how you may obtain a complete updated brochure free of charge. We may also



provide updated disclosure information about material changes on a more frequent basis. Any summaries of changes will include the date of our last annual update of our brochure.

Currently, our brochure may be requested by contacting Valerie S. Jensen, Chief Compliance Officer at 706.208.1166 or [vjensen@bscadvisors.com](mailto:vjensen@bscadvisors.com).

Additional information about our company is also available via the SEC’s website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The SEC’s website also provides information about any persons affiliated with us who are registered as investment adviser representatives (“your financial advisor”) of BSCA. Information on our investment adviser representatives who work with your account can be found in our brochure supplements.

## Table of Contents

<b>Advisory Business .....</b>	<b>2</b>
<b>Fees and Compensation .....</b>	<b>5</b>
<b>Performance-Based Fees .....</b>	<b>7</b>
<b>Types of Clients .....</b>	<b>7</b>
<b>Methods of Analysis, Investment Strategies and Risk of Loss .....</b>	<b>8</b>
<b>Disciplinary Information .....</b>	<b>9</b>
<b>Other Financial Industry Activities and Affiliations .....</b>	<b>9</b>
<b>Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....</b>	<b>9</b>
<b>Brokerage Practices .....</b>	<b>10</b>
<b>Review of Accounts .....</b>	<b>13</b>
<b>Client Referrals and Other Compensation .....</b>	<b>13</b>
<b>Custody .....</b>	<b>14</b>
<b>Investment Discretion .....</b>	<b>14</b>
<b>Voting Client Securities .....</b>	<b>15</b>
<b>Financial Information .....</b>	<b>15</b>

SEC File Number: 801-68568

CRD Number 145460

## ***Advisory Business***

BSCA is a Limited Liability Company organized under the laws of Georgia. Richard P. Sheridan and James H. Bozman founded the Athens-based investment advisory firm in 2007. The firm is a wholly owned subsidiary of Broad Street Capital Partners, LLC, which is owned by Messrs. Sheridan and Bozman. BSCA is a SEC registered investment advisory firm.

### *Institutional Consulting*

We offer advisory services to institutional investors, which may include qualified pension plans, endowments, foundations or other 501(c)(3) entities. As part of this service, we will meet with the Investment Committee or Plan Board to develop a custom Investment Policy Statement (“IPS”) which outlines the return objectives, risk tolerance as well as any cash flow requirements. In addition, your IPS will outline any reasonable restrictions you impose on the type of investments to be held in the portfolio and hiring and termination guidelines for investment managers. We will help develop an investment plan that is designed to meet your return, objectives, satisfy any cash flow requirements and assume a reasonable amount of risk commensurate with your goals.

As part of the process, we will determine an appropriate allocation of assets given

your particular needs. Once the appropriate asset allocation is determined, we will help your investment committee create a portfolio with several types of investments which may include one or more Third-Party Investment Managers (“TPIM”) whose investment styles and methodology correlate with investment requirements outlined in your IPS. You may engage the TPIMs directly or through a wrap-fee program offered by a third party, unaffiliated registered investment adviser. If you are considering investments with TPIMs, you will be provided with a copy of the appropriate disclosure brochure. Please refer to these documents for a detailed explanation of the program, including account minimums and fees.

We will generally recommend an allocation to traditional asset classes such as equities, bonds, mutual funds and cash. We will analyze investments and managers using both quantitative and qualitative methodology. Additionally, based on the sophistication level and your needs, we may recommend an allocation to non-traditional asset classes such as private equity, hedge funds and real assets. We will also search out new investments and managers if we determine that a change is appropriate.

Finally, we may also provide services that are ancillary to the investments and manager selection process, including market research and commentary, evaluation of social investing policies and

education for your board, staff and potential donors.

### *Corporate Retirement Plan Consulting*

We provide services to corporations and small businesses, which includes establishing retirement plans and related documents through:

- data gathering,
- assessment of participant's goals,
- development of an IPS,
- meeting with plan participants,
- vendor and fund selection, and
- conducting education and enrollment meetings.

If agreed upon with us, the services include a quarterly review of fund performance and fund review meetings (2-4 per year). As part of the services, we will assist you in developing a fiduciary file to document the establishment of a Qualified Retirement Plan and the ongoing monitoring of the plan provider in the event of oversight by a regulatory body.

In addition, we can provide advisory services to the plan participants by applying the asset allocation strategies used by our Institutional Consulting division and creating managed accounts for the participants.

### *Private Wealth Consulting*

We assist affluent private clients and, when appropriate, their families by designing and implementing

comprehensive wealth management programs. Our first step is often to help you gain control over your financial destiny by gaining a global perspective of your financial picture and developing a comprehensive wealth plan designed to achieve specific financial goals. Working with you, we will develop or refine an IPS which outlines:

- your basic financial information,
- investment objectives,
- risk tolerance, and
- any cash flow requirements.

Also, we can work with your existing legal, insurance and accounting counsel to develop long-term innovative financial strategies and solutions that enhance existing wealth.

We will develop an asset allocation model taking into consideration:

- your specific investment timeline,
- spending and savings patterns,
- tax considerations, and
- external factors such as inflation.

We will assist you in creating a portfolio with several types of investments which may include one or more Third-Party Investment Managers ("TPIM") whose investment styles and asset allocation methodology correlate with your investment requirements. You may engage the TPIMs directly or through a wrap-fee program offered by a third party, unaffiliated registered investment adviser. If you are considering investments with TPIMs, you will be provided with a copy of the appropriate disclosure brochure. Please refer to these documents for a detailed

explanation of the program, including account minimums and fees.

We will include in the recommended portfolio, an allocation to traditional assets classes such as equities, bonds, mutual funds and cash. Additionally, based on your sophistication level and need, we may recommend an allocation to non-traditional asset classes like private equity, hedge funds, and real assets. Also, we may help you oversee and implement complex investment plans with services such as:

- advice on capital purchases, for example
  - real estate,
  - vehicles,
  - investment property
- wealth preservation, and
- tax liability minimization (working in concert with your tax advisors.)

Generally, the TPIMs exercise discretion in the management of your accounts. As allowed for in the IPS and Consulting Agreement, the Private Wealth Advisor may manage or maintain discretionary authority over your assets. They will also have the discretionary authority to hire and fire TPIM's selected to manage your assets, as well as move money between the managers to manage the portfolio in accordance with your agreed upon asset allocation and risk preferences. You may elect to retain discretion over manager selection for your accounts.

#### *IRA Solution Consulting*

We offer the individual investor the ability to select from three professionally managed models for your IRA account. We apply the asset allocation strategies used by our Institutional Consulting division and create managed accounts for you.

#### *Life Management Consulting*

We offer Life Management Consulting to our individual clients for an hourly fee. As part of the Life Management Consulting, we work with you to address all aspects of your financial needs. Specifically, we will assist you in various aspects of:

- financial planning, for example:
  - tax planning,
  - cash flow management,
  - education funding and
  - charitable giving;
- retirement planning, for example:
  - evaluation and management of stock options,
  - business succession advice, and
  - determination of long term care or disability insurance needs, and;
- estate planning, for example:
  - wealth transfer requirements,
  - reviewing trust documents and wills, and
  - evaluating insurance needs.

We do not provide accounting or legal advice. As part of the management process, we will work closely with your attorney, accountant, insurance agent, stockbroker and/or other advisors, at your discretion. Otherwise, we suggest

that you work closely with these outside professional advisors independently.

You should notify us promptly if there are any changes in your financial situation or investment objectives or if you wish to impose any reasonable restrictions upon the management of your account.

#### *Research and Portfolio Models*

We provide research in the form of objective-based portfolio models to other investment advisors. This service includes allocation and reallocation recommendations.

#### *Management of Wrap Accounts*

Generally, our consulting services are offered on a wrap fee basis. The fee you pay to us covers our advisory fee and most brokerage commissions and other trading costs as described under “Fees and Compensation”. Although we have made an occasional exception, we do not typically manage accounts on a non-wrapped basis. We do not manage wrapped and non-wrapped accounts differently.

#### *Assets under Management*

As of December 31, 2011, we managed approximately \$105 million in client assets where we made all of the investment decisions (discretionary assets). Approximately \$463 million in client assets were managed where our clients made the investment decisions

based upon our recommendations (non-discretionary assets).

### ***Fees and Compensation***

Broker-dealers and other financial institutions that hold client accounts are referred to as custodians (“custodian/broker-dealer”). Your custodian/broker-dealer determines the values of the assets in your portfolio.

In general, we offer our services on a fee-only basis. You must authorize us in writing to have the custodian/broker-dealer pay us directly by charging your account. One-fourth of the annual fee is charged each calendar quarter. Your custodian/ broker-dealer provides you with statements that show the amount paid directly to us. You should review and verify the calculation of our fees. Your custodian/broker-dealer does not verify the accuracy of fee calculations.

Fees for the initial quarter are based on the value of your cash and securities on the date the custodian/ broker-dealer receives them and are prorated based upon the number of calendar days in the calendar quarter that our agreement is in effect. Thereafter, our fee is calculated based upon the market value of the assets in your account on the last day of the previous quarter except for Life Management Consulting for which we are compensated on an hourly basis.

Our fee schedule is as follows:

#### **BSCA Fee Schedule**

<b><u>Advisory Service</u></b>	<b><u>Advisory Fee</u><sup>1</sup></b>
Institutional Consulting	0.12% - 1.00%
Retirement Consulting	0.10% - 1.50%
Private Wealth Consulting	0.15% - 2.00%
IRA Solution Consulting	0.80% - 1.50%
Life Management Consulting	\$250 per hour <sup>2</sup>
Research and Portfolio Models	0.40% - 1.00%

<sup>1</sup>All fees are negotiable at our sole discretion. We, at our sole discretion, may accept smaller portfolios which may pay only transaction charges to the custodian based upon certain factors, including:

- account composition,
- related accounts, and
- pre-existing client relationships.

<sup>2</sup>A minimum fee of \$2,500 may be required to be deposited at the beginning of the project. Additional fees are billed on a monthly basis as time is spent by your financial advisor. In some cases Life Management Consulting may be a value-added service to the investment management process.

In addition to the wrap fee, you will be required to pay other charges (as applicable) such as:

- custodial fees,
- SEC fees,
- internal fees and expenses charged by mutual funds or exchange traded funds (“ETFs”), and
- other fees and taxes on brokerage accounts and securities transactions.

We will provide you with a copy of our ADV Part 2A Appendix 1 Wrap Fee Brochure which discloses additional aspects of our wrap programs.

Mutual fund companies and ETFs charge internal fees and expenses for their products. These fees and expenses are in addition to any advisory fees charged by us. Complete details of these internal fees and expenses are explained in the prospectuses for each investment. You are strongly encouraged to read these explanations before investing any money. You may ask us any questions you have about fees and expenses.

If you purchase mutual funds through the custodian/broker-dealer, you may pay a transaction fee that would not be charged if the transactions were made directly through the mutual fund company. Also, mutual funds held in accounts at brokerage firms may pay internal fees that are different from funds held at the mutual fund company.

While you may purchase shares of mutual funds directly from the mutual fund company without a transaction fee, those investments would not be part of our advisory relationship with you. This means that they would not be included in our investment strategies, investment performance monitoring, or portfolio reallocations.

Please be sure to read the section entitled “Brokerage Practices,” which follows later in this brochure.

You must pay our advisory fees in advance of receiving our services. Should you terminate the advisory agreement we have entered into within five (5) business days from the date the

agreement is executed, you will receive a full refund of any fees paid.

Should either one of us terminate the advisory agreement we have entered into before the end of a billing period, any unearned fees that were deducted from your account will be returned to you by us. The amount refunded to you is calculated by dividing the most recent advisory fee you paid by the total number of days in the quarter. This daily fee is then multiplied by the number of calendar days in the quarter that our agreement was in effect. This amount, which equals the amount we earned for the partial quarter, is subtracted from the total fee you paid in advance to determine your refund. Upon termination of Life Management Consulting, you will be invoiced for any outstanding fees; which are due immediately.

Your financial advisor may also be a registered representative of Silver Oak Securities, Inc., a registered broker/dealer, member FINRA/SIPC, and registered investment adviser. If you choose to implement your financial plan through us, commissions may be earned by your financial advisor in addition to any fees paid for advisory services. In addition, your financial advisor may be entitled to a portion of the internal expense fees (such as 12b-1 fees) charged by mutual funds.

Your financial advisor may also be licensed with Broad Street Benefit Group, LLC ("BSBG"). BSBG is a

state-licensed insurance agency which sells life, disability, long term care, group annuity and fixed annuity products. Broad Street Capital Partners, LLC is the sole owner of BSBG. Commissions may be earned by your financial advisor if insurance products are purchased through this insurance agency.

The described arrangements present a conflict of interest because they create an incentive to make recommendations based upon the amount of compensation we receive rather than based upon your needs. We will explain the specific costs associated with any recommended investment with you upon request. We also recommend no-load and load-waived mutual funds to further reduce conflicts of interest. Additionally, you have the option to purchase investment and insurance products through other brokers or agents who are not affiliated with us.

### ***Performance-Based Fees***

Performance-based fees are designed to give a portion of the returns of an investment to the investment adviser as a reward for positive performance. The fee is generally a percentage of the profits made on the investments. We do not charge performance-based fees on any of our client accounts.

### ***Types of Clients***

We provide advisory services primarily to high net worth individuals, including their trusts, estates and retirement



accounts. We also provide services to corporations or business entities including their pension and profit sharing plans.

Conditions for starting and maintaining an advisory relationship are as follows:

- The minimum investment relationship for the Private Wealth Consulting program is \$1 million.
- The minimum account fee for Retirement Plan Consulting is \$7,500 per year.
- The minimum annual fee for Life Management services is \$2,500.

We, at our sole discretion, may accept clients with smaller portfolios or lower minimums based upon certain factors including:

- anticipated future earning capacity,
- anticipated future additional assets,
- account composition,
- related accounts, and
- pre-existing client relationships.

We may consider the portfolios of your family members to determine if your portfolio meets the minimum size requirement.

### ***Methods of Analysis, Investment Strategies and Risk of Loss***

We select specific investments for your portfolios through the use of fundamental and technical analysis.

Fundamental analysis is a method of evaluating a company that has issued a

security by attempting to measure the value of its underlying assets. It entails studying overall economic and industry conditions as well as the financial condition and the quality of the company's management. Earnings, expenses, assets, and liabilities are all important in determining the value of a company. The value is then compared to the current price of the issuing company's security to determine whether to purchase, sell or hold the security.

Technical analysis is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volumes. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity.

Our investment strategies may include long-term and short-term purchases. You may place reasonable restrictions on the strategies to be employed in your portfolio and the types of investments to be held in your portfolio.

All investments involve risks that can result in loss:

- loss of principal,
- a reduction in earnings (including interest, dividends and other distributions), and
- the loss of future earnings.

Additionally, these risks may include:

- market risk,
- interest rate risk,
- issuer risk, and

- general economic risk.

Although we manage your portfolio in a manner consistent with your risk tolerances, we cannot guarantee that our efforts will be successful. You should be prepared to bear the risk of loss.

### ***Disciplinary Information***

We have not been the subject of any legal or disciplinary events that would be material to your evaluation of our business or the integrity of our management.

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

As explained under “Fees and Conditions” above, your financial advisor may be licensed as a registered representative through Silver Oaks Securities, Inc. Your financial advisor may also be licensed as an insurance agent with BSBG.

These arrangements present a conflict of interest because they create an incentive to make recommendations based upon the amount of compensation your financial advisor can receive rather than based upon your investment needs. As previously noted, we will explain the specific costs associated with any recommended investments with you upon request. We also recommend no-load and load-waived mutual funds to further reduce conflicts of interest. You have the option to purchase investment

and insurance products through other brokers or agents who are not affiliated with us.



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

We have adopted a Code of Ethics (“Code”) to address the securities-related conduct of our financial advisors and employees. The Code includes our policies and procedures developed to protect your interests in relation to the following:

- the duty at all times to place your interests ahead of ours;
- that all personal securities transactions of our financial advisors and employees be conducted in a manner consistent with the Code and avoid any actual or potential conflict of interest, or any abuse of a financial advisor’s or employee’s position of trust and responsibility;
- that financial advisors may not take inappropriate advantage of their positions;
- that information concerning the identity of your security holdings and financial circumstances are confidential; and
- that independence in the investment decision-making process is paramount.

We will provide a copy of the Code to you or any prospective client upon request.

We do not buy or sell securities for our firm that we also recommend to clients. Our financial advisors and employees are permitted to buy or sell the same securities for their personal and family accounts that are bought or sold for your account(s). The personal securities transactions by financial advisors and employees may raise potential conflicts of interest when they trade in a security that is:

- owned by you or
- considered for purchase or sale for you.

We have adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our financial advisors and employees to act in your best interest,
- prohibit favoring one client over another, and
- provide for the review of transactions to discover and correct any same-day trades that result in a financial advisor or employee receiving a better price than a client.

Financial advisors and employees must follow our procedures when purchasing or selling the same securities purchased or sold for you.

## ***Brokerage Practices***

We may recommend that the broker-dealer/custodian for your account be Fidelity Institutional Wealth Services or Schwab Institutional (collectively “Fidelity/Schwab”). Fidelity/Schwab will assist us in servicing your accounts. We are independently owned and operated and not affiliated with Fidelity/Schwab. Our use of Fidelity/Schwab is, however, a beneficial business arrangement for us and for Fidelity/Schwab. Information regarding the benefits of this relationship is described below.

In recommending Fidelity/Schwab to execute transactions for your portfolios, we consider at a minimum

Fidelity/Schwab’s:

- existing relationship with us,
- financial strength,
- reputation,
- reporting capabilities,
- execution capabilities,
- pricing, and
- types and quality of research.

The determining factor in the selection of Fidelity/Schwab to execute transactions for your accounts is not the lowest possible transaction cost, but whether Fidelity/Schwab can provide what is in our view the best qualitative execution for your account.

Fidelity/Schwab provides us with access to its institutional trading and custody services, which includes:

- brokerage,
- 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.

We are not required to place a minimum volume of transactions or maintain a minimum dollar amount of client assets to receive these services.

Fidelity/Schwab does not charge separately for holding our clients accounts, but may be compensated by you through other transaction-related fees associated with the securities transactions it executes for your accounts.

Fidelity/Schwab also makes available to us other products and services that benefit us but may not benefit you directly. Some of these products and services assist us in managing and administering our client accounts, such as software and other technology that:

- provide access to account data such as:
  - duplicate trade confirmations,
  - bundled duplicate account statements, and
  - access to an electronic communication network for client order entry and account information;
- facilitate trade execution, including:

- access to a trading desk serving advisory participants exclusively and
- access to bunched trading which provides the ability to combine securities transactions and then allocate the appropriate number of shares to each individual account;
- provide research, pricing information and other market data;
- facilitate payment of our fees from client accounts; and
- assist with back-office functions, record keeping and client reporting; and
- receipt of compliance publications.

Fidelity/Schwab makes available to us other services intended to help us manage and further develop our business. These services may include:

- consulting,
- publications and conferences on practice management,
- information technology,
- business succession,
- regulatory compliance, and
- marketing.

Fidelity/Schwab may make available or arrange for these types of services to be provided to us by independent third parties. Fidelity/Schwab may discount or waive the fees it would otherwise charge for some of the services it makes available to us. It may also pay all or a part of the fees of a third party providing these services to us. Thus, we receive economic benefits as a result of our

relationship with Fidelity/Schwab, because we do not have to produce or purchase the products and services listed above.

Because the amount of our compensation or the products or services we receive may vary depending on the broker dealer/custodian we recommend to be used by our clients, we may have a conflict of interest in making that recommendation. Our recommendation of Fidelity/Schwab may be based in part on the economic benefit to us and not solely on the nature, cost or quality of custody and brokerage services provided to you and our other clients. We nonetheless strive to act in your best interests at all times.

Commissions and other fees for transactions executed through Fidelity/Schwab may be higher than commissions and other fees available if you use another firm to execute transactions and maintain custody of your account. We believe, however, that the overall level of services and support provided to our clients by Fidelity/Schwab outweighs the benefit of possibly lower transactions cost which may be available under other brokerage arrangements.

Many of the services described above may be used to benefit all or a substantial number of our accounts, including accounts not maintained at Fidelity/Schwab. We do not attempt to allocate these benefits to specific clients.

We may engage in bunched trading, which is the purchase or sale of a security for the accounts of multiple clients in a single transaction. If a bunched trade is executed, each participating client receives a price that represents the average of the prices at which all of the transactions in a given bunch were executed. Executing a bunched trade allows transaction costs to be shared equally and on a pro rata basis among all of the participating clients. If the order is not completely filled, the securities purchased or sold are distributed among participating clients on a pro rata basis or in some other equitable manner.

Bunched trades are placed only when we reasonably believe that the combination of the transactions provides better prices for clients than had individual transactions been placed for clients. Transactions for nondiscretionary client accounts are not bunched with transactions for discretionary client accounts. Transactions for the accounts of our employees and financial advisors may be included in bunched trades. They receive the same average price and pay the same commissions and other transaction costs, as clients. Transactions for the accounts of our financial advisors or employees will not be favored over transactions for client accounts.

We are not obligated to include any client account in a bunched trade. Bunched trades will not be placed for your account if doing so is prohibited or otherwise inconsistent with your

investment advisory agreement. No client will be favored over any other client.

## ***Review of Accounts***

All client accounts under the Institutional Consulting and Private Wealth Consulting programs are monitored on an ongoing basis. The reviews focus on the consistency of portfolio investments with your stated objectives and risk tolerances. Reviews also consider:

- investment restrictions requested by individual clients,
- investment time horizons,
- liquidity needs,
- tax considerations, and
- other circumstances unique to each client.

We will monitor the progress and success of the investment structure by tracking historical performance versus certain benchmarks and client objectives for Investment Consulting clients. We will also track the adherence to the IPS and will report to the Investment Committee or Plan Board if changes are necessary to maintain compliance or if we have discretion to do so, make the changes as necessary.

You will receive a quarterly and/or semi-annual investment report which may include:

- a summary of asset growth and fundamental risk exposures,
- extensive investment performance analytics,

- individual manager peer and benchmark comparisons, and
- important market commentary that serves to put all of the results in the proper context.

We will monitor the progress and success of the portfolio by tracking historical performance versus certain benchmarks and your objectives for Private Wealth Consulting clients. You will receive periodic investment reports which summarize asset growth and compare investment performance to appropriate benchmarks. We will also search out new investments and managers when a change is appropriate. Financial advisors of BSCA are responsible for all reviews.

Institutional Consulting and Private Wealth Consulting clients receive reports no less than annually which provide:

- a summary of asset growth and fundamental risk exposures,
- investment performance analytics,
- individual manager peer and benchmark comparisons, and
- market commentary.

## ***Client Referrals and Other Compensation***

We receive certain economic benefits as a result of our participation in Fidelity/Schwab's institutional program. Those benefits are described in detail in the preceding section entitled "Brokerage Practices."

We have entered into written compensation agreements with certain unaffiliated investment adviser representatives and professionals such as CPAs, attorneys, etc. We pay these persons a percentage of the fee that you pay to us if it is determined you have become a client as a result of their direct or indirect efforts. These payments are a portion of the fee that we charge and do not result in an increase in the amount of the fee that you pay. Any solicitation or referral arrangements will comply with applicable laws that govern:

- the nature of the service,
- fees to be paid,
- disclosures to clients and
- any necessary client consents.

## ***Custody***

We do not act as a custodian for your account. You will receive statements from Fidelity/Schwab on at least a quarterly basis. You should verify that the transactions in your account are consistent with your investment goals and the objectives for your account.

Institutional Consulting and Private Wealth Consulting clients receive reports prepared by us no less than annually. These reports provide:

- a summary of asset growth and fundamental risk exposures,
- investment performance analytics,
- individual manager peer and benchmark comparisons, and
- market commentary.

We urge you to carefully review these statements and compare them to your custodial account statements. We also encourage you to contact your financial advisor or our Chief Compliance Officer should you have any questions or concerns regarding your account.

## ***Investment Discretion***

We do offer our advisory services on a discretionary basis. This means that we do not need advance approval from you to determine the type and amount of securities to be bought and sold for your accounts. We do not, however, have the ability to choose the broker-dealer through which transactions will be executed. Additionally, we do not have the ability to withdraw funds from your account (other than to withdraw our advisory fees which, may only be done with your prior written authorization.)

This discretion is used in a manner consistent with the stated investment objectives for your account, if you have given us written authorization to do so. We only exercise discretion in accounts where we have been authorized by you. This authorization is typically included in the investment advisory agreement you enter into with us.

## ***Investment Consulting***

TPIMs typically exercise discretion in the management of the accounts they manage. As allowed for in the IPS and Consulting Agreement, we may manage or maintain discretionary authority over

the assets. We will have the discretionary authority to hire and fire TPIM's selected to manage your assets as well as move money between managers to maintain compliance with the IPS. You may also elect to retain discretion over the manager selection. We may recommend certain independent broker/dealers to act as custodian for your assets or will investigate a custodian that you prefer. We may assist with negotiating custodial fees and services.

### ***Voting Client Securities***

We do not take any action or give any advice with respect to voting of proxies solicited by or with respect to the issuers of securities in which your accounts may

be invested. We will, however, forward to you any information received by us regarding proxies and class action legal matters involving any securities held in your accounts.

### ***Financial Information***

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to you and we have not been the subject of a bankruptcy proceeding.

