

## **Item 1 - Cover Page**



**CRD# 157852**

1133 Military Cutoff Road  
Suite 110  
Wilmington, North Carolina 28405

(910) 679-4093

[www.TiliaPartners.com](http://www.TiliaPartners.com)

## **January 31, 2012 Brochure**

This brochure provides information about the qualifications and business practices of Tilia Fiduciary Partners, Inc. ("TFP"). If you have any questions about the contents of this brochure, please contact us at (910) 679-4093 or [christine@tiliapartners.com](mailto:christine@tiliapartners.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state authority.

Additional information about TFP also is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

## **Item 2 - Summary of Material Changes**

As you may be aware, the format that registered investment advisers are required to use in order to inform clients of the nature of advisory services provided, types of clients served, fee charged, potential conflicts of interest and other information has changed.

In the past, we were only required to offer you our updated brochure on an annual basis. Under the new rules, we are required to annually provide each client with these amended disclosures, rather than merely making the offer. If there had been changes to our brochure since our last regulatory filing, we would be required to inform you of these changes. However, there have been no material changes to the Firm's brochure since its last required filing, dated September 22, 2011. Nevertheless, if you would like a copy of the complete brochure, please let us know and we will be happy to provide one to you at no charge.

### Item 3 - Table of Contents

### Page

Item 1 - Cover Page .....	1
Item 2 - Summary of Material Changes .....	1
Item 3 - Table of Contents .....	2
Item 4 - Advisory Business .....	3
Item 5 - Fees and Compensation .....	5
Item 6 - Performance-Based Fees and Side-By-Side Management .....	6
Item 7 - Types of Clients .....	6
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss .....	6
Item 9 - Disciplinary Information .....	8
Item 10 - Other Financial Industry Activities and Affiliations .....	9
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading ....	9
Item 12 - Brokerage Practices .....	10
Item 13 - Review of Accounts .....	11
Item 14 - Client Referrals and Other Compensation .....	11
Item 15 - Custody.....	11
Item 16 - Investment Discretion.....	12
Item 17 - Voting Client Securities .....	12
Item 18 - Financial Information.....	12
Brochure Supplement(s).....	Appendix A

#### ***Item 4 - Advisory Business***

##### **General Information**

Tilia Fiduciary Partners, Inc. was formed in 2011, and provides financial planning, portfolio management, and general consulting services to its clients. At the outset of each client relationship, TFP spends time with the client, asking questions, discussing the client's investment experience and financial circumstances, and broadly identifying major goals of the client.

Clients may elect to retain TFP to prepare a full financial plan. This written report is presented to the client for consideration. In most cases, clients subsequently retain TFP to manage the investment portfolio on an ongoing basis.

For those financial planning clients making this election, and for other clients who do not need financial planning but retain TFP for portfolio management services, based on all the information initially gathered, TFP generally develops with each client:

- a financial outline for the client based on the client's financial circumstances and goals, and the client's risk tolerance level (the "Financial Profile"); and
- the client's investment objectives and guidelines (the "Investment Plan").

The Financial Profile is a reflection of the client's current financial picture and a look to the future goals of the client. The Investment Plan outlines the types of investments TFP will make on behalf of the client in order to meet those goals. The Profile and the Plan are discussed regularly with each client, but are not necessarily written documents.

Finally, where TFP provides only limited financial planning or general consulting services, TFP will work with the client to prepare an appropriate summary of the specific project(s) to the extent necessary or advisable under the circumstances.

##### **Financial Planning**

One of the services offered by TFP is Financial Planning, described below. This service may be provided as a stand-alone service, or may be coupled with ongoing portfolio management.

Financial Planning may include advice that addresses one or more areas of a client's financial situation, such as estate planning, risk management, budgeting and cash flow controls, retirement planning, education funding, and investment portfolio design and ongoing management. Depending on a client's particular situation, financial planning may include some or all of the following:

- Gathering factual information concerning the client's personal and financial situation;
- Assisting the client in establishing financial goals and objectives;
- Analyzing the client's present situation and anticipated future activities in light of the client's financial goals and objectives;
- Identifying problems foreseen in the accomplishment of these financial goals and objectives and offering alternative solutions to the problems;
- Making recommendations to help achieve retirement plan goals and objectives.
- Designing an investment portfolio to help meet the goals and objectives of the client;
- Providing estate planning;
- Assessing risk and reviewing basic health, life and disability insurance needs; or
- Reviewing goals and objectives and measuring progress toward these goals.

Once Financial Planning advice is given, the client may choose to have TFP implement the client's financial plan and manage the investment portfolio on an ongoing basis. However, the client is under no obligation to act upon any of the recommendations made by TFP under a Financial Planning engagement and/or engage the services of any recommended professional.

#### Portfolio Management

As described above, at the beginning of a client relationship, TFP meets with the client, gathers information, and performs research and analysis as necessary to develop the client's Investment Plan. The Investment Plan will be updated from time to time when requested by the client, or when determined to be necessary or advisable by TFP based on updates to the client's financial or other circumstances.

To implement the client's Investment Plan, TFP will manage the client's investment portfolio on a discretionary or a non-discretionary basis. As a discretionary investment adviser, TFP will have the authority to supervise and direct the portfolio without prior consultation with the client. Clients who choose a non-discretionary arrangement must be contacted prior to the execution of any trade in the account(s) under management. This may result in a delay in executing recommended trades, which could adversely affect the performance of the portfolio. This delay also normally means the affected account(s) will not be able to participate in block trades, a practice designed to enhance the execution quality, timing and/or cost for all accounts included in the block. In a non-discretionary arrangement, the client retains the responsibility for the final decision on all actions taken with respect to the portfolio.

Notwithstanding the foregoing, clients may impose certain written restrictions on TFP in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments (e.g., "sin stocks") in an investment portfolio or prohibiting the sale of certain investments held in the account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client's investment portfolios. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of TFP.

#### Separate Account Managers

When appropriate and in accordance with the Investment Plan for a client, TFP may utilize one or more Separate Account Managers, each a "Manager". Having access to various Managers offers a wide variety of manager styles, and offers clients the opportunity to utilize more than one Manager if necessary to meet the needs and investment objectives of the client. TFP will usually select the Manager(s) it deems most appropriate for the client. Factors that TFP considers in recommending/selecting Managers generally includes the client's stated investment objective(s), management style, performance, risk level, reputation, financial strength, reporting, pricing, and research.

The Manager(s) will generally be granted discretionary trading authority to provide investment supervisory services for the portfolio. Under certain circumstances TFP retains the authority to terminate the Manager's relationship or to add new Managers without specific client consent. In other cases, the client will ultimately select one or more Managers recommended by TFP.

In any case, with respect to assets managed by a Manager, TFP's role will be to monitor the overall financial situation of the client, to monitor the investment approach and performance of the Manager(s), and to assist the client in understanding the investments of the portfolio.

#### General Consulting

In addition to the foregoing services, TFP may provide general consulting services to clients. These services are generally provided on a project basis, and may include, without limitation, minimal cash flow planning for certain events such as education expenses or retirement, estate planning analysis, income tax planning analysis and review of a client's insurance portfolio, as well as other matters specific to the client as and when requested by the client and agreed to by TFP. The scope and fees for consulting services will be negotiated with each client at the time of engagement for the applicable project.

#### Principal Owners

John Ward Nesselroade and Walker Lee Abney are the principal owners of TFP. Please see "**Brochure Supplement(s)**", Appendix A, for more information on these principal owners and other individuals who formulate investment advice and have direct contact with clients, or have discretionary authority over client accounts.

#### Type and Value of Assets Currently Managed

As of December 31, 2011, TFP managed \$4,869,093 on a discretionary basis, and \$43,704,733 of assets on a non-discretionary basis. TFP does not participate in or offer any wrap programs.

### ***Item 5 - Fees and Compensation***

#### General Fee Information

Fees paid to TFP are exclusive of all custodial and transaction costs paid to the client's custodian, brokers or other third party consultants. Fees paid to TFP are also separate and distinct from the fees and expenses charged by mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund's prospectus or offering materials). The client should review all fees charged by funds, brokers, TFP and others to fully understand the total amount of fees paid by the client for investment and financial-related services.

#### Financial Planning Fees

When TFP provides stand-alone financial planning services to clients, these fees are negotiated at the time of the engagement for such services and are normally based on a fixed fee of \$1,000 to \$2,000.

#### Portfolio Management Fees

The annual fee schedule, based on a percentage of assets under management, is as follows:

Up to \$500,000	2.00%
\$500,001 and above	1.50%

The minimum portfolio value is generally set at \$10,000. The minimum annual fee for any account is \$200. TFP may, at its discretion, make exceptions to the foregoing or negotiate special fee arrangements where TFP deems it appropriate under the circumstances.

Portfolio management fees are generally payable quarterly, in advance. If management begins after the start of a quarter, fees will be prorated accordingly. Fees are normally debited directly from client account(s), unless other arrangements are made.

Either TFP or the client may terminate their Investment Management Agreement at any time, subject to any written notice requirements in the agreement. In the event of termination, any paid but unearned fees will be promptly refunded to the client, and any fees due to TFP from the client will be invoiced or deducted from the client's account prior to termination.

#### Separate Account Manager Fees

When one or more Managers are utilized, the Manager(s)' fees will be separate from and in addition to TFP's fee.

#### General Consulting Fees

When TFP provides general consulting services to clients, these services are generally separate from TFP's financial planning and portfolio management services. Fees for general consulting are negotiated at the time of the engagement for such services, and are normally based on an hourly of \$250.

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

TFP does not have any performance-based fee arrangements. "Side by Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because TFP has no performance-based fee accounts, it has no side-by-side management.

### ***Item 7 - Types of Clients***

TFP serves individuals, trusts, estates, and corporations. With some exceptions, the minimum portfolio value eligible for conventional investment advisory services is \$10,000, and the annual minimum fee charged is \$200. Under certain circumstances and in its sole discretion, TFP may negotiate such minimums.

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

#### Methods of Analysis

In accordance with the Investment Plan, TFP will primarily invest in ETF's, common stock, mutual funds, and individual bonds (corporate, municipal, treasury, foreign). TFP will use third party research and do analysis of companies and sectors based on company financials, industry trends, business cycle, and economic analysis.

Mutual funds and ETFs are generally evaluated and selected based on a variety of factors, including, without limitation, past performance, fee structure, portfolio manager, fund sponsor, overall ratings for safety and returns, and other factors.

In making selections of individual stocks for client portfolios, TFP may use any of the following types of analysis:

**Fundamental Analysis** – involves review of the business and financial information about an issuer. Without limitation, the following factors generally will be considered:

- Financial strength ratios;
- Price-to-earnings ratios;
- Dividend yields; and
- Growth rate-to-price earnings ratios

**Cyclical Analysis** – is a type of technical analysis that involves evaluating recurring price patterns and trends.

Fixed income investments may be used as a strategic investment, as an instrument to fulfill liquidity or income needs in a portfolio, or to add a component of capital preservation. TFP may evaluate and select individual bonds or bond funds based on a number of factors including, without limitation, rating, yield and duration.

#### Investment Strategies

TFP's strategic approach is to invest each portfolio in accordance with the Plan that has been developed specifically for each client. TFP will mainly buy and hold stocks, bonds, ETF's, and mutual funds. However, some limited tactical trades will be made along with basic hedges against potential market moves and inflation. This means that the following strategies may be used in varying combinations over time for a given client, depending upon the client's individual circumstances.

Long Term Purchases – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Short Term Purchases – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short term price fluctuations.

Margin Transactions – a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.

Trading – generally considered holding a security for less than thirty (30) days.

Options Trading/Writing: a securities transaction that involves buying or selling (writing) an option. If you write an option, and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the exercise of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option.

#### Risk of Loss

While TFP seeks to diversify clients' investment portfolios across various asset classes consistent with their Investment Plans in an effort to reduce risk of loss, all investment portfolios are subject to risks. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money.

Below is a description of several of the principal risks that client investment portfolios face.

*Management Risks.* While TFP manages client investment portfolios based on TFP's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that TFP allocates assets to asset classes that are adversely affected by unanticipated market movements, and the risk that TFP's specific investment choices could underperform their relevant indexes.

*Risks of Investments in Mutual Funds, ETFs and Other Investment Pools.* As described above, TFP may invest client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

*Equity Market Risks.* TFP will generally invest portions of client assets directly into equity investments, primarily stocks, or into pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

*Fixed Income Risks.* TFP may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

*Foreign Securities Risks.* TFP may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

#### ***Item 9 - Disciplinary Information***

TFP has no disciplinary events to report.



### ***Item 10 - Other Financial Industry Activities and Affiliations***

Neither TFP nor its Management Persons have any other financial industry activities or affiliations to report.

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

#### Code of Ethics and Personal Trading

TFP has adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. TFP's Code has several goals. First, the Code is designed to assist TFP in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, TFP owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires TFP associated persons to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for TFP's associated persons (managers, officers and employees). Under the Code's Professional Standards, TFP expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, TFP associated persons are not to take inappropriate advantage of their positions in relation to TFP clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time TFP's associated persons may invest in the same securities recommended to clients. Under its Code, TFP has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code's personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of such trading and pre-clearance of certain types of personal trading activities. These policies are designed to discourage and prohibit personal trading that would disadvantage clients. The Code also provides for disciplinary action as appropriate for violations.

#### Participation or Interest in Client Transactions

As outlined above, TFP has adopted procedures to protect client interests when its associated persons invest in the same securities as those selected for or recommended to clients. In the event of any identified potential trading conflicts of interest, TFP's goal is to place client interests first.

Consistent with the foregoing, TFP maintains policies regarding participation in initial public offerings (IPOs) and private placements in order to comply with applicable laws and avoid conflicts with client transactions. If a TFP associated person wishes to participate in an IPO or invest in a private placement, he or she must submit a pre-clearance request and obtain the approval of the Chief Compliance Officer. If associated persons trade with client accounts (e.g., in a bundled or aggregated trade), and the trade is not filled in its entirety, the associated person's shares will be removed from the block, and the balance of shares will be allocated among client accounts in accordance with TFP's written policy.

## ***Item 12 - Brokerage Practices***

### **Best Execution and Benefits of Brokerage Selection**

When given discretion to select the brokerage firm that will execute orders in client accounts, TFP seeks “best execution” for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, TFP may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of TFP’s clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

TFP may recommend 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. TFP may also effect trades for client accounts at Schwab, or may in some instances, consistent with TFP’s duty of best execution and specific agreement with each client, elect to execute trades elsewhere. Although TFP may recommend that clients establish accounts at Schwab, it is ultimately the client’s decision to custody assets with Schwab. TFP is independently owned and operated and is not affiliated with Schwab.

Schwab provides TFP with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as TFP maintains a pre-established minimum amount of client assets in accounts at Schwab Advisor Services. 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 TFP 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 Advisor Services also makes available to TFP other products and services that benefit TFP but may not directly benefit its clients’ accounts. Many of these products and services may be used to service all or some substantial number of TFP accounts, including accounts not maintained at Schwab.

Schwab’s products and services that assist TFP in managing and administering 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 TFP’s fees from its clients’ accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Advisor Services also offers other services intended to help TFP manage and further develop its 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 TFP. Schwab Advisor Services 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

TFP. Schwab Advisor Services may also provide other benefits such as educational events or occasional business entertainment of TFP personnel. In evaluating whether to recommend that clients custody their assets at Schwab, TFP 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 it considers 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.

#### Aggregated Trade Policy

TFP typically directs trading in individual client accounts as and when trades are appropriate based on the client's Investment Plan, without regard to activity in other client accounts. However, from time to time, TFP may aggregate trades together for multiple client accounts, most often when these accounts are being directed to sell the same securities at the same time. If such an aggregated trade is not completely filled, TFP will allocate shares received (in an aggregated purchase) or sold (in an aggregated sale) across participating accounts on a pro rata or other fair basis; provided, however, that any participating accounts that are owned by TFP or its officers, directors, or employees will be excluded first.

#### ***Item 13 - Review of Accounts***

Managed portfolios are reviewed at least quarterly, but may be reviewed more often if requested by the client, upon receipt of information material to the management of the portfolio, or at any time such review is deemed necessary or advisable by TFP. These factors may include but are not limited to, the following: change in general client circumstances (marriage, divorce, retirement); or economic, political or market conditions. Walker Abney, TFP's Principal and Managing Director, John Nesselrode, TFP's Principal and Managing Director, and Christine Williams, TFP's Vice President of Operations, review all accounts.

For those clients to whom TFP provides separate financial planning and/or consulting services, reviews are conducted on an as needed or agreed upon basis. Such reviews are conducted by one of TFP's investment adviser representatives or principals.

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms. TFP will provide additional written reports as needed or requested by the client.

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

As noted above, TFP may receive some benefits from Schwab based on the amount of client assets held at Schwab. Please see ***"Brokerage Practices"*** for more information. However, neither Schwab nor any other party is paid to refer clients to TFP.

#### ***Item 15 - Custody***

Schwab is the custodian of nearly all client accounts at TFP. From time to time however, clients may select an alternate broker to hold accounts in custody. In any case, it is the custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify TFP of any questions or concerns. Clients are also asked to promptly notify TFP if the custodian fails to provide statements on each account held.

From time to time and in accordance with TFP's agreement with clients, TFP will provide additional reports. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend reporting, pending trades, and other similar issues.

#### ***Item 16 - Investment Discretion***

As described in the "**Advisory Business**" section, TFP will accept clients on either a discretionary or non-discretionary basis. For *discretionary accounts*, a Limited Power of Attorney ("LPOA") is executed by the client, giving TFP the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of advisory fees directly from the account. TFP then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment advisory agreement with TFP and the requirements of the client's custodian.

For *non-discretionary accounts*, the client also generally executes an LPOA, which allows TFP to carry out trade recommendations and approved actions in the portfolio. However, in accordance with the investment advisory agreement between TFP and the client, TFP does not implement trading recommendations or other actions in the account unless and until the client has approved the recommendation or action. As with discretionary accounts, clients may limit the terms of the LPOA, subject to TFP's agreement with the client and the requirements of the client's custodian.

#### ***Item 17 - Voting Client Securities***

As a policy and in accordance with TFP's client agreement, TFP does not vote proxies related to securities held in client accounts. The custodian of the account will normally provide proxy materials directly to the client. Clients may contact TFP with questions relating to proxy procedures and proposals; however, TFP generally does not research particular proxy proposals.

#### ***Item 18 - Financial Information***

TFP does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore has no disclosure required for this item.

**Brochure Supplement for**  
**John Ward Nesselroade**

**CRD# 4258837**

**of**

**Tilia Fiduciary Partners, Inc.**

1133 Military Cutoff Road  
Suite 110  
Wilmington, North Carolina 28405

(910) 679-4093

[www.TiliaPartners.com](http://www.TiliaPartners.com)

June 1, 2011

This brochure supplement provides information about John Nesselroade, and supplements the Tilia Fiduciary Partners, Inc. ("TFP") brochure. You should have received a copy of that brochure. Please contact TFP at (910) 679-4093 if you did not receive TFP's brochure, or if you have any questions about the contents of this supplement.

Additional information about John Nesselroade is available on the SEC's website at  
[www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

---

***Educational Background and Business Experience***

John Ward Nesselroade (year of birth 1963) is the President and Principal Managing Director of Tilia Fiduciary Partners, Inc. John joined what is now Wells Fargo Advisors as a Financial Advisor in 2000 until he formed Tilia Fiduciary Partners, Inc. in 2011. Prior to that, John was at Caterpillar, Inc. from 1985 and worked in several sales, marketing and product development positions through June of 2000. He lived in several areas while working for Caterpillar including Kobe, Japan; Seattle, Washington; Hartford, Connecticut; and Peoria, Illinois.

John attended Ohio State University from 1981 to 1982. He later graduated from West Virginia University in 1985.

***Disciplinary Information***

There is no disciplinary information to report regarding John.

***Other Business Activities***

John is not engaged in any other business activities.

***Additional Compensation***

John has no other income or compensation to disclose.

***Supervision***

John Nesselroade is the President and Principal Managing Partner of TFP, and also serves as Chief Compliance Officer. Walker Abney is the Secretary, Treasurer and Principal Managing Partner of TFP. Both are Portfolio Managers and serve on the investment committee.

Overall investment decisions are made as a team by the investment committee, and portfolio activity based on these decisions will be carried by these individuals, as assisted by other staff members of the firm.

As Chief Compliance Officer, John Nesselroade is responsible for providing supervisory oversight to the staff. He also participates as a team member in the investment and trading processes, and may be contacted at (910) 679-4093.

**Brochure Supplement for**  
**Walker Lee Abney, CFP®**

**CRD# 5248339**

**of**

**Tilia Fiduciary Partners, Inc.**

1133 Military Cutoff Road  
Suite 110  
Wilmington, North Carolina 28405

(910) 679-4093

[www.TiliaPartners.com](http://www.TiliaPartners.com)

June 1, 2011

This brochure supplement provides information about Walker Abney, and supplements the Tilia Fiduciary Partners, Inc. ("TFP") brochure. You should have received a copy of that brochure. Please contact TFP at (910) 679-4093 if you did not receive TFP's brochure, or if you have any questions about the contents of this supplement.

Additional information about Walker Abney is available on the SEC's website at  
[www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

---

***Educational Background and Business Experience***

Walker Lee Abney (year of birth 1982) is the Secretary, Treasurer and Principal Managing Director of Tilia Fiduciary Partners, Inc. Walker joined what is now Wells Fargo Advisors as a Financial Advisor in 2006 until he formed Tilia Fiduciary Partners, Inc. in 2011.

Walker graduated from Appalachian State University in December of 2005 with a Bachelor's degree in Business Administration, with a concentration in Finance and Banking. In 2009, he received his CERTIFIED FINANCIAL PLANNER™ certification\*. Walker also holds a North Carolina Life and Health Insurance License.

\* The CFP® certification is granted by Certified Financial Planner Board of Standards, Inc. (CFP Board). To attain the certification, the candidate must complete the required educational, examination and experience requirements set forth by CFP Board. Certain designations, such as the CPA, CFA and others may satisfy the education component, and allow a candidate to sit for the CFP® Certification Examination. The Examination tests the candidate's ability to apply financial planning knowledge to client situations. The 10-hour exam is divided into three separate sessions over a 2-day period. At least 3 years of qualifying full-time work experience are required for certification.

Qualifying experience includes work in the area of the delivery of the personal financial planning process to clients, the direct support or supervision of others in the personal financial planning process, or teaching all, or any portion, of the personal financial planning process.

***Disciplinary Information***

There is no disciplinary information to report regarding Walker.

***Other Business Activities***

Walker is not engaged in any other business activities.

***Additional Compensation***

Walker has no other income or compensation to disclose.

***Supervision***

John Nesselroade is the President and Principal Managing Partner of TFP, and also serves as Chief Compliance Officer. Walker Abney is the Secretary, Treasurer and Principal Managing Partner of TFP. Both are Portfolio Managers and serve on the investment committee.

Overall investment decisions are made as a team by the investment committee, and portfolio activity based on these decisions will be carried by these individuals, as assisted by other staff members of the firm.

As Chief Compliance Officer, John Nesselroade is responsible for providing supervisory oversight to the staff. He also participates as a team member in the investment and trading processes, and may be contacted at (910) 679-4093.