



**MERCER GLOBAL ADVISORS INC.**

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January 11, 2013

**Form ADV Part 2 A – Disclosure Brochure**

This brochure provides information about the qualifications and business practices of Mercer Global Advisors Inc. If you have any questions about the contents of this brochure, please contact us at 805-565-1681. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about Mercer Advisors Inc. and Mercer Global Advisors Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Mercer Global Advisors Inc. is registered with the Securities and Exchange Commission and delivers all investment-related services. Mercer Advisors Inc. is the parent company of Mercer Global Advisors Inc. and is not involved with investment services.

## **Item 2 - Material Changes**

The United States Securities and Exchange Commission published the *Amendments to Form ADV* which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated 01/11/2013 is the document prepared in accordance with the SEC's requirements and rules.

This section of the Brochure will address only "material changes" that have been incorporated since our last delivery or posting of this document on the SEC's public disclosure website (IAPD) [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

We may, at any time, update this Brochure and either send you a copy or offer to send you a copy (either by electronic means (email) or in hard copy form).

If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact your Wealth Management Team.

Since the last ADV filing, the following material changes have occurred:

~ An additional Branch Office was opened in the Fall 2012. It is located in:

### **San Diego, California Branch Office**

Managing Directors: Steve Daniels (800) 258-1559  
Dustin Rief (858) 242-7204

1245 Gold Flower Road, Carlsbad, CA 92011

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## Item 4 - Advisory Business

Mercer Global Advisors is a total wealth management firm that provides comprehensive financial planning and investment management services. Dedicated to improving the lives of our clients both today and through their retirement, we help them to develop a clear vision of their life goals. We then support their journey by providing comprehensive and coordinated wealth management advice that encompasses all areas of their financial life.

Mercer Global Advisors is a fee-based, multi-disciplinary independent Registered Investment Advisors (RIA) that provides comprehensive financial planning and investment management, as well as other financial services including proactive tax planning, insurance, retirement plan design and administration.

Mercer Global Advisors employs investment experts, financial planners and retirement specialists. These specialists work to produce investment, financial and retirement strategies and plans customized for individual client needs.

Mercer Global Advisors' programs are based upon current academically validated methodologies, use cutting-edge financial analysis, advanced tax management strategies and business profitability enhancement concepts. In addition, Mercer Global Advisors' Retirement Plan Department provides state-of-the-art plan document services to maximize savings dollars.

The company stresses its commitment to long-term financial and investment policies (in written form) to safeguard against emotional "ad hoc" reactions to short-term market movement.

Significant emphasis is placed on planning and education. A coordinated effort is made to achieve results and develop an integrated game plan which addresses an individual's personal and financial needs throughout his/her lifetime. Special emphasis is also placed on distribution planning throughout the individual's retirement years.

**In the following pages, you can learn more about Mercer Global Advisors' programs, investment philosophy and strategies, medical and dental association endorsement relationships, key personnel and other important information.**

## Item 4 - Advisory Business

Continued.

### **PRODUCTS and SERVICES DESCRIPTIONS:**

The following is an overview of the various services provided to Mercer Global Advisors clients. These services may be offered to our clients in varying combinations to satisfy their individual needs. Program costs vary according to the level of service required. Mercer Global Advisors is continually developing new products and services to meet the changing needs of our clients.

#### **MERCER GLOBAL ADVISORS INVESTMENT MANAGEMENT PROGRAM**

##### MERCER GLOBAL ADVISORS INVESTMENT PROGRAM: ("MIP")

This program establishes a game plan for investment of personal and/or retirement plan portfolios. This program provides a way for clients to take advantage of Mercer Global Advisors' investment strategies, as well as our scale efficiencies and access to institutional funds. It also provides a fundamental context for investment decision-making and goal-setting, including an analysis of the client's current portfolio and education about Mercer Global Advisors' investment strategy. Ongoing review of the client's investment/retirement goals, quarterly newsletters and quarterly portfolio design reports are provided and adjustments to the client's account are made according to their needs. This program also allows clients to use the fixed income or any other of Mercer Global Advisors' investment approaches. (These are included in our 'investment strategies')

#### **MERCER GLOBAL ADVISORS ECONOMIC FREEDOM<sup>®</sup> PROGRAM**

##### ECONOMIC FREEDOM PROGRAM<sup>®</sup>: ("EFP")

This is a comprehensive full-day personal financial planning session. It provides clients with comprehensive financial analysis to create a written financial plan for achieving Economic Freedom<sup>®</sup>. The EFP utilizes Mercer Global Advisors' proprietary retirement planning process and software program. Working with a dedicated Mercer Global Advisors CERTIFIED FINANCIAL PLANNER<sup>™</sup>, clients analyze their annual savings objectives, children's college education funding, projected investment returns and major purchasing decisions as well as other financial considerations. The Mercer Global Advisors planner then conducts in-depth analysis to determine the impact of these financial choices by incorporating year-by-year cash flow projections and corresponding changes in tax brackets, business sale projections, real estate hold-versus-sell calculations, retirement plan distribution implications and other case-specific information.

## **Item 4 - Advisory Business**

Continued.

### **PRODUCTS and SERVICES DESCRIPTIONS:**

Continued.

#### **ECONOMIC FREEDOM PROGRAM®: (“EFP”)**

Continued.

This enables clients to make informed choices regarding investments, current spending, future spending and retirement. It also teaches clients how to deal effectively with the sale of a business, office building, home or other real estate, plus accounts receivable and funding their children’s college education.

The EFP also includes an in-depth analysis of estate planning, risk management, insurance coverage, tax planning and retirement plan services. The program also teaches clients about the critical components of developing a clear economic vision, defining short-term objectives and establishing a written “life plan” for achieving these objectives. All aspects of a client’s economic and personal financial activities are covered in detail. The Mercer Global Advisors CERTIFIED FINANCIAL PLANNER™ acts as coach and advisor by asking questions, creating context and providing direction on important decisions.

### **INVESTMENT STRATEGIES**

#### **Asset Optimization® Portfolios**

This program utilizes a strategy designed in accordance with individual client volatility tolerance to deliver the optimal mix of asset classes, using institutional-grade, no-load funds, accumulation units and/or separate accounts. The program reviews the existing portfolio(s) and structures/designs the new portfolio to reflect: (1) risk; (2) ERISA policy for qualified plans; and (3) implementation of the Investment Policy Guideline. The client is educated on investment strategy, and an investment game plan is established using an asset allocation investment strategy. Clients participating in this program may establish custodial accounts through a Mercer Global Advisors’ recommended or other brokerage/custodial firm. Clients may utilize a combination of investment programs.

Continued.

## **Item 4 - Advisory Business**

Continued.

### **PRODUCTS and SERVICES DESCRIPTIONS:**

Continued.

#### **INVESTMENT STRATEGIES**

##### **Tax-managed Separate Accounts**

This program's objective is to create a balanced and tax-efficient portfolio using an aggressive balance of tax-loss harvesting and asset swapping techniques in order to maximize tax-managed opportunities and benefits for our clients. This is a powerful investment and diversification strategy for high-net-worth individuals and for those with highly concentrated holdings.

##### **Fixed Income Separate Accounts**

This program's objective is to build portfolios using investment grade fixed-income instruments (i.e. CDs, corporate bonds, U.S. Treasuries, tax free municipal bonds, zero-coupon bonds and commercial paper) within a multi-year ladder of maturity so that an equal percentage of the total portfolio matures each year.

#### **OTHER VALUABLE PROGRAMS**

##### **Retirement Planning Services**

This program provides for the design, implementation, compliance and annual review of various types of retirement plans for individuals and groups using Mercer Global Advisors' prototype and/or volume submitter plan(s). Amendments to Mercer Global Advisors' document(s) are provided at no additional cost (excludes restated documents). New clients can receive a review of existing non-Mercer Global Advisors plans. Clients are also entitled to receive a quarterly newsletter, discounted plan administration (through Mercer Global Advisors' recommended administrators) and periodic contact with the pension department, as necessary. Retirement Plan Administration Services available through Mercer Advisors Inc. provide a comprehensive analysis of a client's unique business demographics, financial resources and core philosophies. Analysis results are used to design a retirement system — a single plan or multiple plans — that maximizes the retirement savings and tax advantages for a single individual or business owner and associated plan participants. The Mercer Global Advisors Retirement Plan Services department performs all administrative functions for each client plan to ensure its continued Retirement Plan status, in compliance with all applicable federal regulations.

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

All fees are subject to negotiation. The factors considered are the size of the account and the type of assets managed. The specific manner in which fees are assessed by Mercer Global Advisors is established in each client's written agreement with Mercer Global Advisors and/or Mercer Advisors Inc. Mercer Global Advisors collects fees on a quarterly basis. Clients may elect to be billed directly for fees or authorize Mercer Global Advisors to debit fees directly from the client's account(s). Management fees shall not be prorated for each capital contribution and withdrawal made during the applicable calendar quarter, unless otherwise agreed to in writing. Accounts initiated or terminated during a calendar quarter will be assessed a prorated fee. Upon termination of any account, any prepaid, unearned fees will be refunded promptly; any earned, unpaid fees will be due and payable.

Fees for the EFP program range up to \$4,500.

Investment management fees range from 1.35% down to 0.20% per year and are calculated using one of the following methods: 1) average daily balance, 2) face value at end of period, 3) market value at end of period.

Retirement Plan document charges range up to \$1,650 per document; plan maintenance fees range up to \$800 per year.

MIP and monthly retainer fees range up to \$1,495 per month.

Advisory fees assessed may vary significantly from client to client, and may be higher or lower than those indicated above, depending upon a number of factors, including the amount of assets under management, the nature of the assets, the type of analysis required to manage the account, the level of service required by the client, the time that the client began their relationship with Mercer Global Advisors, and other factors.

Clients invested in institutional mutual funds, accumulation units, and separate accounts pay a management fee, administration fee and other expenses, in addition to Mercer Global Advisors' advisory fees. Furthermore, certain clients may pay custody or trustee fees.

Mercer Global Advisors recommends, but does not direct, clients to use custodian TD Ameritrade Institutional or Charles Schwab & Co., Inc., as custodians of their assets. Mercer Global Advisors clients who use recommended custodians may receive Mercer Global Advisors-negotiated discounted commissions and/or other fees. Please see detailed information outlined in Item #14.



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

Mercer Global Advisors does not utilize a performance-based fee structure because of the potential conflict of interest. We believe that performance-based compensation creates incentive for an adviser to recommend an investment that may carry a higher degree of risk to the client. Fees are based on assets under management only.

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

Mercer Global Advisors provides investment advisory services to high-net-worth individuals, pension and profit sharing plans, annuity funds, corporations or other business entities, charitable/non-profit organizations and government entities, among others.

All clients are required to enter into an investment management agreement with us prior to us providing any services. In general, we prefer to manage accounts with a minimum of \$250K in assets; however, account minimums may be subject to negotiation.

Our employees are allowed to invest in the Mercer Global Advisors investment strategies. In essence, this qualifies them as clients. Our Code of Ethics and Personal Securities Transaction Policy requires employees to report investments in the mutual funds and fixed income portfolios managed by Mercer Advisors, as well as any outside investing activity.

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

### **Asset Optimization® Portfolios**

This program utilizes a strategy designed in accordance with a client's volatility tolerance to deliver the optimal mix of asset classes, using institutional-grade, no-load funds, accumulation units and/or separate accounts. The program reviews the existing portfolio(s) and structures/designs the new portfolio to reflect: (1) risk; (2) ERISA policy for qualified plans; and (3) implementation of the Investment Policy Guideline. The client is educated on investment strategy, and an investment game plan is established using an asset allocation investment strategy. Clients participating in this program may establish custodial accounts through a Mercer Global Advisors' recommended or other brokerage/custodial firm.

Modern Portfolio Theory ("MPT") deals with the basis for, and methodology of, diversifying investment portfolios to obtain the highest possible return for a given level of risk, or the lowest possible risk for a given return. The methodology combines assets whose returns are not highly correlated. The components which comprise MPT are: 1) "Expected Risk" as defined by the standard deviation of each asset class, 2) "Expected Return" of each asset class, and 3) correlation of each pair of asset classes. Mercer Global Advisors accomplishes this by combining several different asset classes including domestic and international stock and fixed-income securities. These assets are blended using the above components and methodology to formulate a portfolio aligned with each client's financial goals and risk tolerance.

Clients may utilize a combination of investment programs. Mercer Global Advisors uses select institutional funds, including funds from AQR Capital Management, Baird Advisors, Dimensional Fund Advisors (DFA), Morgan Stanley, and Scout Investments, for asset class investments. Portfolios are globally diversified to control the risk associated with traditional markets. The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. In alignment with a client's goals and objectives, we work with each client to develop asset allocation targets for major asset classes and sub-asset classes. Examples of major asset classes include equities, fixed income and alternatives. Examples of sub-asset classes within Equities include U.S. vs. International, Developed Markets vs. Emerging Markets, Large Cap vs. Small Cap, and Growth vs. Value. Examples of sub-asset classes within Real Estate include U.S. vs. International. Examples of sub-asset classes within Fixed Income include inflation indexed bonds vs. traditional bonds, cash, short- vs. intermediate-term, and U.S. vs. International. Examples of sub-asset classes within Alternatives include Real Estate Investment Trusts (REITs) and Managed Futures.

Continued.

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

### **Asset Optimization® Portfolios**

Continued.

Each client's aggregate accounts (including taxable, IRA, Roth, SEP, Simple accounts) are managed as a group. This is done because some sub-asset class are more tax efficient than others. Client accounts are reviewed on a quarterly basis. Each portfolio's actual asset allocation is compared to its targeted asset allocation. Portfolios are rebalanced back to established asset allocation targets when the acceptable variance has been exceeded, and the tax and transaction costs of rebalancing have been considered. Also, rebalancing may be conducted when asset flow into or out of an account causes imbalance to its overall asset allocation targets.

### **Tax-managed Separate Accounts**

This program's objective is to create a balanced and tax-efficient portfolio using an aggressive balance of tax-loss harvesting and asset swapping techniques to maximize tax-managed opportunities and benefits for our clients. This is a powerful investment and diversification strategy for high-net-worth individuals and for those with highly concentrated holdings.

### **Fixed Income Separate Accounts**

This program's objective is to build portfolios using investment grade fixed-income instruments (i.e. CDs, corporate bonds, U.S. Treasuries, tax free municipal bonds, zero-coupon bonds and commercial paper) within a multi-year ladder of maturity so that an equal percentage of the total portfolio matures each year.

We use the Mercer Global Advisors bond-trading desk that works with an extensive group of brokers to create mini-auctions for every bond purchased on behalf of our clients.

## Item 8 - Risk of Loss

All investment programs have certain risks that are borne by the investor. We will do our best in the management of all client assets; however, we cannot guarantee any level of performance or that clients will not experience a loss of account assets. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

**Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

Continued.

## Item 8 - Risk of Loss

Continued.

**Market Risk:** The price of a security, bond or mutual fund may drop in reaction to tangible and/or intangible events and/or conditions. This type of risk is caused by external factors, independent of a security's unique underlying circumstance(s). For example, political, economic and/or social conditions may trigger market events.

**Inflation Risk:** When any type of inflation exists, a dollar next year will not buy as much as a dollar today, because purchasing power is eroding at the rate of inflation.

**Currency Risk:** International investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

**Credit Risk:** The risk of loss caused by a counterparty's or debtor's failure to make a timely payment or by the change in value of a financial instrument based upon changes in default risk.

**Reinvestment Risk:** The risk that future proceeds from investments may require reinvestment at a potentially lower rate of return (i.e. interest rate). This relates primarily to fixed income securities.

**Business Risk:** The risk associated with a particular industry or company within an industry. For example, oil-drilling companies must find oil and then refine it – a lengthy process – before they are able to generate a profit. As such, they carry a higher risk of profitability than does an electric company, which generates its income from a steady stream of customers who purchase electricity regardless of the economic environment.

**Liquidity Risk:** Liquidity is the ability to convert an investment into cash readily. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, whereas real estate property is not.

**Financial Risk:** Excessive borrowing to finance business operations increases a company's risk of profitability, as the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## **Item 9 - Disclosure Information**

Mercer Global Advisors, as a firm, has no legal, financial or other “disciplinary” item(s) to report. Mercer Global Advisors is obligated to disclose any disciplinary event that would be material to a potential client when evaluating the firm to initiate a Client / Advisor relationship, or to continue a Client / Advisor relationship with the firm.

Please refer to the ADV, Part 2B (“Team Brochure”) for individual team member information.

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

### **Financial Industry Activities**

#### **Retirement Planning Services**

Third Party Administration (“**TPA**”) and Record-keeping services are available through Mercer Global Advisor’s Retirement Plan Services (“**MGA-RPS**”).

All new TPA clients with an existing retirement or pension plan will receive a comprehensive review of the current Plan(s) to ensure the following:

- Plan operation has been in accordance with the plan documents;
- Plan operation and documents are in compliance with all current federal regulations;
- Whether the existing plan documents can continue to be used by **MGA-RPS** or if new plan documents need to be prepared by MGA-RPS (all current plan documents will be re-stated to an MGA-RPS document when any amendments or re-statement is required);
- Plan design is appropriate to maximize the goals of the plan sponsor;
- Tax advantages for the plan sponsor and plan participants are maximized under the plan design.

All new TPA clients without an existing plan will receive a comprehensive analysis of your unique business demographics, financial resources, and core philosophies and design and implement a plan for the exclusive benefit of the plan sponsor and plan participants. Implementation of the plan includes the preparation of all Plan and Trust documents as required using MGA-RPS’s Internal Revenue Service’s pre-approved Prototype or Volume Submitter documents.

MGA-RPS TPA services includes all administrative functions to maintain the “Qualified” status of your plan(s) as detailed in the MGA-RPS Professional Services Agreement (“PSA”). In addition all TPA clients plan(s) design are reviewed annually ( with the completion of the annual administration and federal reporting) and any recommended plan design modifications will be conveyed to the plan sponsor and investment advisor.

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

Continued.

### **Financial Industry Activities**

Continued.

#### **Insurance Services**

Mercer Global Advisors Inc. refers clients to NextGen Risk Management Group, LLC ("NextGen") for any insurance product alternative needs. Mercer Advisors Inc., the parent company of Mercer Global Advisors Inc., is a 1% owner of NextGen. When a client elects to purchase an insurance product from NextGen, Mercer Advisors Inc. receives a fee and the referring Mercer Global Advisors Inc. employee may receive a commission. While neither Mercer Global Advisors nor Mercer Advisors conducts joint operations with NextGen, this may present a conflict of interest with Mercer Global Advisors' clients. Please see greater details outlined in Item #14.

### **Financial Affiliations**

Mercer Global Advisors recommends, but does not direct, clients to use custodian TD Ameritrade Institutional or Charles Schwab & Co., Inc., as custodians of their assets. Mercer Global Advisors clients who use recommended custodians may receive Mercer Global Advisors-negotiated discounted commissions and/or other fees. Mercer Global Advisors is under common control with a handful of Broker Dealers, Investment Companies and Investment Advisers. Mercer Global Advisors has no business dealings with such companies. Mercer Global Advisors does not conduct joint operations with such companies. As such, these companies present no potential conflict of interest with Mercer Global Advisors clients. Please see greater details outlined in Item #14.

## **Item 11 - Code of Ethics and Personal Securities Transactions**

Mercer Global Advisors has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. Mercer Global Advisors' Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and sets forth Mercer Global Advisors' practice of supervising the personal securities transactions of supervised persons with access to client information. Mercer Global Advisors requires that all individuals act in accordance with all applicable federal and state regulations governing registered investment advisory practices. Mercer Global Advisors' Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. Any individual not in observance of the above may be subject to disciplinary measures. Mercer Global Advisors will provide a complete copy of its Code of Ethics to any client, upon request. Requests shall be submitted to the Compliance Department at Mercer Global Advisors, 1801 East Cabrillo Boulevard, Santa Barbara, California 93108.

A copy of this Code and any amendments will be provided to each supervised person (as defined in The Investment Advisers Act of 1940) and employee of Mercer Global Advisors and its affiliated Companies. Each person must acknowledge, in writing, the receipt of said copies. A "supervised person" includes any partner, officer, director (or other person occupying a similar status or performing similar function), employee of an investment adviser or other person who provides investment advice on behalf of the investment adviser and is subject to the supervision and control of the investment adviser in receipt of said materials.

### **Other Conflicts of Interest**

Directors, officers and employees have a duty to act in the best interest of the Company and its shareholders at all times. As part of this duty, directors, officers and employees are prohibited from engaging in any transaction which involves an improper conflict of interest.

A "conflict of interest" exists when an individual's private interests interfere in any manner with the interests of the Company. A conflict situation can arise when a director, officer or employee takes actions or has interests that may make it difficult to perform his or her Company work objectively and/or effectively. A conflict of interest may also arise when a director, officer or employee, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company. Loans to, or guarantees of obligations of, employees and/or their family members may create conflicts of interest.

In nearly all instances, it is a conflict of interest for a Company employee to work simultaneously for a competitor, customer or supplier. Furthermore, employees are not allowed to work for a competitor as a consultant or board member. The firm's policy exists to avoid any direct or indirect business connection to our customers, suppliers or competitors, except on our behalf.



## Item 11 - Code of Ethics and Personal Securities Transactions

Continued.

### Personal Securities Transactions

For the purpose of our Code, "Personal Securities Transactions" include securities transactions for an employee's own account or transactions for other accounts in which the employee has "beneficial interest," unless the employee has no direct or indirect influence or control over the account or the transaction. "Beneficial interest" indicates an opportunity, whether direct or indirect, through any contract, arrangement, understanding, relationship or otherwise, to profit or share in any profit derived from, a transaction in the subject securities. An access person is deemed to have a beneficial interest in securities owned by members of his or her immediate family. Common examples of beneficial interest include joint accounts, spousal accounts, UTMA accounts, partnerships, trusts and controlling interests in corporations. Any uncertainty as to whether an access person has a beneficial interest in a security should be brought to the attention of the Chief Compliance Officer ("CCO"). "Immediate family" of an access person is defined as any of the following persons who reside in the same household as the Access Person:

child	grandparent	son-in-law
step-child	spouse	daughter-in-law
grand-child	sibling	brother-in-law
parent	mother-in-law	sister-in-law
step-parent	father-in-law	

"Immediate family" is inclusive of adoptive relationships and/or any other relationship (whether recognized by law, or not) which the CCO determines could lead to a possible conflict of interest, diversion of corporate opportunity or appearance of impropriety which this Code was devised to prevent.

If an employee has a substantial measure of influence or control over an account, but neither the employee nor his/her family has any direct or indirect beneficial interest (e.g., a trust for which they serve as trustee but are not a direct or indirect beneficiary), the rules relating to Personal Securities Transactions are not considered to be directly applicable. In this instance, the employee is not prohibited from engaging in Personal Securities Transactions with respect to such accounts, and reporting of such transactions (outlined below) is not required. In all transactions involving such accounts however, each employee must conform to the spirit of these rules and avoid any activity which could appear to conflict with the firm's investment advisory clients or with respect to the employee's position as a supervised employee of the firm.

Continued.



## **Item 11 - Code of Ethics and Personal Securities Transactions**

Continued.

### **Personal Securities Transactions - Reporting Requirements**

The Securities and Exchange Commission ("SEC") has proposed Rule 204A-1 under the Advisers Act that would require access persons of investment advisors to report their personal securities transactions and holdings. Rule 17j-1 of the Investment Company Act was adopted in 1980 and has required that advisers to investment companies have procedures in place that require access persons to submit periodic reports regarding their personal securities holdings and transactions.

Mercer Global Advisors has adopted policies under its Code that mirror many of the requirements under 17j-1. Mercer Global Advisors requires a record of all Personal Securities Transactions made by access persons to be made and kept available for inspection, and that these records are maintained on a monthly basis. To comply with this policy, every access person and members of his or her immediate family must allow the Compliance Staff to receive from any broker, dealer or bank that executes any Personal Securities Transaction, duplicate copies of statements for EACH brokerage account in which such access person or such immediate family member has a beneficial interest. Each month, the Compliance Staff will review the brokerage statements, together with the log of transactions in all client accounts, and will discuss any apparent issues first with the access person. In addition, access persons are required to present an Initial Statements of Holdings (upon first joining Mercer Global Advisors) and Annual Statements of holdings, as required by rule 17j-1.

## **Item 12 - Brokerage Practices**

Mercer Global Advisors has full discretion and trading authority (limited power(s) of attorney) on advisory accounts. Mercer Global Advisors has negotiated with brokers to obtain lower commission rates for client trades. Mercer Global Advisors cannot withdraw funds from client accounts, other than fees when authorized by Client. Mercer Global Advisors does not receive commissions of any kind. Mercer Global Advisors has authority to buy or sell securities on the client's behalf, as designated for the specific account.

Continued.

## Item 12 - Brokerage Practices

Continued.

The major factors considered in recommending a broker, trust company or insurance company as a custodian include the quality of service, responsiveness to Mercer Global Advisors and its clients, ability to execute transactions per special instructions, economic advantage and adherence to Mercer Global Advisors' stated investment philosophies. Mercer Global Advisors derives no commissions or fees from any broker, brokerage firm or custodian through which purchases are arranged or securities held. If a client directs Mercer Global Advisors to use a specific Broker-Dealer, Mercer Global Advisors may not be able to negotiate commissions and/or may not be able to obtain volume discounts or best execution. Mercer Global Advisors generally uses brokerage firms and other custodians that have negotiated lower transaction costs and other fees.

In management of fixed income accounts, Mercer Global Advisors frequently will aggregate multiple concurrent client orders into a block order for execution. Prior to placing such an aggregated order, Mercer Global Advisors prepares a written statement regarding the allocation of the order within various Mercer Global Advisors' accounts; the executed order is then allocated according to the written statement. If the aggregated order is not filled in its entirety, the partially filled order is allocated pro rata, based upon the written statement. If, subsequent to the order placement, the allocation must be changed for certain reasons (e.g., a client withdraws cash from an account scheduled to participate in the order), such change in allocation will be recorded in writing. By aggregating orders from separate clients, the mark up is typically lower, resulting in a lower price and therefore, a higher yield for the fixed income holdings.

### Trade Errors

There are two types of trade errors, those detected after the trade has settled and those detected prior to trade settlement. Mercer Global Advisors corrects all trade errors to ensure the client suffers no loss and remains unharmed. Trade errors detected after the trade has settled within a client account are categorized as "Client Account Trade Errors." For Client Account Trade Errors where Mercer Global Advisors is determined to be at fault or where no fault can be determined, Mercer Global Advisors will pay any losses resulting from the error. If the client is determined to be at fault, Mercer Global Advisors may, at its discretion, pay the loss or charge the loss (in whole or in part) to the client. Net gains incurred when correcting a Client Account Trade Error will be retained by the client. Trade errors detected prior to settlement within a client account are categorized as "Adviser Account Trade Errors." Mercer Global Advisors will correct Adviser Account Trade Errors, and enter any correcting trade into a separate error account. Net gains realized on a correcting trade will be retained by Mercer Global Advisors and net losses incurred on a correcting trade will be paid by Mercer Global Advisors. Net gains may be retained in the error account and used to offset future net losses.

## Item 12 - Brokerage Practices

Continued.

### **Broker Selection and Best Execution**

Obtaining the best trade execution is an important aspect of every trade that we place in a client account. Mercer Global Advisors uses a Best Execution Policy which helps to guide the selection of which broker(s) to use to execute trades and determines the reasonableness of their compensation based upon the scope and quality of a broker's services including execution capability, trading expertise, accuracy of execution, research, reputation and integrity, fairness in resolving disputes, financial responsibility and responsiveness. Mercer Global Advisors' traders use various trade execution management systems to ensure proper trade management, including fair order allocation and best execution. The Fixed Income traders typically execute their own trades with approved Vendors who provide closely monitored inventories of fixed income securities on a regular basis.

### **Soft Dollar Benefits**

Mercer Global Advisors Inc. participates in the TD Ameritrade Institutional Program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade"), member FINRA/SIPC/NFA. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers services to independent investment Advisors that include custody of securities, trade execution, clearance and settlement of transactions. Mercer Global Advisors receives some benefits from TD Ameritrade through its participation in the program. See Item 14 (Client Referrals and Other Compensation) for greater detail.

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

The design and implementation of a game plan for Economic Freedom® is created for all clients. Up to four reviews per year are conducted with each client to review their game plan for Economic Freedom and to make necessary adjustments, when appropriate.

Each Mercer Global Advisors strategic advisor is involved in a continuous and on-going monitoring of his/her client accounts to ensure that each security or asset allocation is suitable for the account, based upon information provided by the client. More frequent reviews may be triggered by material changes in variables including, but not limited to unique client circumstances, product underperformance, style change and/or market conditions. Annual rebalancing of the portfolio maintains the proper allocation of each asset class within the portfolio.

### **Review Triggers**

Other conditions that may trigger a review include changes in the securities laws, new investment information and/or changes in client goals and/or circumstances.

### **Regular Reports**

Clients receive direct custodian reporting on a monthly basis and from Mercer Global Advisors on a quarterly basis. These written reports include trade details, account balances, portfolio performance, dividends, contributions and withdrawals, fees assessed and charges. These reports will differ in presentation and information presented, but should be consistent regarding assets, contributions and withdrawals. Clients should always check to ensure that custodian reporting is consistent with reporting received from Mercer Global Advisors. Clients should contact Mercer Global Advisors' Compliance Department immediately if major inconsistencies appear in report(s) and/or reporting is not received. Contact information appears on the first page of this Brochure.

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

As disclosed under Item 12, Mercer Global Advisors participates in TD Ameritrade's institutional customer program. Mercer Global Advisors may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Mercer Global Advisors' participation in the program and the investment advice it provides to its Clients, although Mercer Global Advisors receives economic benefits through its participation in the program which generally are not available to TD Ameritrade retail investors.

Continued.

## Item 14 - Client Referrals and Other Compensation

Continued.

As disclosed under Item 12, Mercer Global Advisors participates in TD Ameritrade's institutional customer program. Mercer Global Advisors may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Mercer Global Advisors' participation in the program and the investment advice it provides to its Clients, although Mercer Global Advisors receives economic benefits through its participation in the program which generally are not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): duplicate Clients statements and confirmations; research-related products and tools; consulting services; access to a trading desk serving advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares within Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fee; access to select institutional money managers; discounts on compliance, marketing, research, technology and practice management products or services provided to Mercer Global Advisors by third party vendors. TD Ameritrade may also have paid for business consulting and/or professional services received by Mercer Global Advisors related persons and may pay or reimburse expenses (including travel, lodging, meals and entertainment expenses) for Mercer Global Advisors personnel to attend conferences and/or meetings relating to the program or to TD Ameritrade's advisors custody and brokerage services generally. Some of the products and services made available by TD Ameritrade through the program may benefit Mercer Global Advisors but may not benefit its client accounts. These products or services may assist Mercer Global Advisors in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Mercer Global Advisors manage and further develop its business enterprise. The benefits received by Mercer Global Advisors and/or its personnel through participation in the program are not dependent upon or tied to the number of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Mercer Global Advisors endeavors to place client interests first at all times. Clients should be made aware however, that the receipt of economic benefits by Mercer Global Advisors or its related persons in and of itself creates a potential conflict of interest and may influence indirectly its selection of TD Ameritrade for custody and brokerage services.

Mercer Global Advisors also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, the Additional Services include **AppCrown** integration and practice management services, **RedKite** compliance and technology services and **Orion Advisor Services, LLC** trading/rebalancing, portfolio management systems and performance reporting services. TD Ameritrade provides the Additional Services to Mercer Global Advisors in its sole discretion and at its own expense, and Mercer Global Advisors does not pay any fees to TD Ameritrade for the Additional Services. Mercer Global Advisors and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

## Item 14 - Client Referrals and Other Compensation

Continued.

Mercer Global Advisor's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to Mercer Global Advisors, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, Mercer Global Advisor's Client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with Mercer Global Advisors, in its discretion, provided certain conditions are met. Consequently, in order to continue to obtain Additional Services from TD Ameritrade, Mercer Global Advisors may have the incentive to recommend to its Clients that the assets under management by Mercer Global Advisors be held in custody with TD Ameritrade and to place transactions for Clients accounts with TD Ameritrade. Mercer Global Advisors receipt of Additional Services does not diminish its duty to act in the best interests of its Clients, including to seek best execution of trades for Clients accounts.

Mercer Global Advisors may receive client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect (the "referral program"). In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, Mercer Global Advisors may have been selected to participate in AdvisorDirect based upon the amount and profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with Mercer Global Advisors; there is no employee or agency relationship between them. TD Ameritrade has established the referral program as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD Ameritrade does not supervise Mercer Global Advisors and has no responsibility for its management of client portfolios, advice or other services. Mercer Global Advisors pays TD Ameritrade an on-going fee for each successful client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee paid to Mercer Global Advisors by the client ("Solicitation Fee"). Mercer Global Advisors will also pay TD Ameritrade the Solicitation Fee on any advisory fees received from any of a referred client's family members, including a spouse, child or any other immediate family member who resides with the referred client and hires Mercer Global Advisors on the recommendation of such referred client. Mercer Global Advisors will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD AMERITRADE to its clients. For information regarding additional or other fees paid directly or indirectly to TD Ameritrade, please refer to the TD Ameritrade AdvisorDirect Disclosure and Acknowledgement Form.

Mercer Global Advisors serves on the TD Ameritrade Institutional Operations Panel and the Institutional Advisor Panel. The Panels each consist of approximately twenty-four investment advisors who advise TD Ameritrade Institutional ("TDA Institutional") on issues relevant to the independent advisor and his/her experience with TD Ameritrade's service, technology, products and independent advisor community-at-large. The Panels meet in person on average three to four times per year and conduct periodic conference calls on an as-needed basis.



## Item 14 - Client Referrals and Other Compensation

Continued.

Investment advisors are appointed by TD Institutional sale, service and senior management to serve on the Panels for a three year term. An investment advisor may serve longer than three years if appointed to additional terms by TDA Institutional senior management. At times, Panel members are provided confidential information about TD Ameritrade Institutional initiatives. Panel members are required to sign a confidentiality agreement. TD Ameritrade, Inc. ("TD Ameritrade") does not compensate Panel members. However, TD Ameritrade pays or reimburses Mercer Global Advisors for travel, lodging and meal expenses incurred while attending Panel meetings. The benefits received by Mercer Global Advisors or its personnel by serving on the Panel are not dependent upon or tied to the number of brokerage transactions directed to TD Ameritrade. Clients should be made aware however, that the receipt of economic benefits by Mercer Global Advisors or its related persons in and of itself creates a potential conflict of interest and may influence indirectly its selection of TD Ameritrade for custody and brokerage services.

Mercer Global Advisors' participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisors who encourage clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to obtain client referrals from TD Ameritrade, Mercer Global Advisors may have an incentive to recommend to clients that the assets under management by Advisor be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, Mercer Global Advisors has agreed not to solicit clients referred through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when fiduciary obligations require it. Mercer Global Advisors' participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

Mercer Global Advisors receives client referrals from Charles Schwab & Co., Inc. ("Schwab") through Mercer Global Advisors participation in the Schwab Advisors Network<sup>®</sup> ("the Service"). The Service is designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of and unaffiliated with Mercer Global Advisors. Schwab does not supervise Mercer Global Advisors and has no responsibility for Mercer Global Advisors' management of clients' portfolios, advice or other services. Mercer Global Advisors pays Schwab fees to receive client referrals through the Service. Mercer Global Advisors' participation in the Service may raise potential conflicts of interest.

Mercer Global Advisors pays Schwab a Non-Schwab Custody Fee if custody of a referred client's account is not maintained by, or assets within the account are transferred from, Schwab. This Fee does not apply if the client was solely responsible for the decision to remove asset custody from Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees Mercer Global Advisors generally would pay in a single year. Thus, Mercer Global Advisors will have an incentive to recommend that client accounts be held in custody at Schwab.

## Item 14 - Client Referrals and Other Compensation

Continued.

The Participation and Non-Schwab Custody Fees will be based on assets in accounts of Mercer Global Advisors clients who were referred by Schwab and those referred clients' family members living in the same household. Thus, Mercer Global Advisors will have incentives to encourage household members of clients referred through the Service to maintain custody of their accounts and execute transactions at Schwab and to instruct Schwab to debit Mercer Global Advisors fees directly from the accounts.

Mercer Global Advisors pays Schwab a Participation Fee for all referred clients' accounts maintained in custody at Schwab and a Non-Schwab Custody Fee for all accounts maintained at, or transferred to, another custodian. The Participation Fee paid by Mercer Global Advisors is a percentage of the fees paid by the client to Mercer Global Advisors or a percentage of the value of the assets in the client's account, subject to a minimum Participation Fee. Mercer Global Advisors pays Schwab a Participation Fee for as long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to Mercer Global Advisors quarterly and may be increased, decreased or waived by Schwab at times. The Participation Fee is paid by Mercer Global Advisors, not by the client. Mercer Global Advisors has agreed not to charge clients referred through the Service any fees or costs greater than the fees or costs charged to clients with similar portfolios who were not referred through the Service.

For Mercer Global Advisors client accounts maintained in custody at Schwab, Schwab will not charge the client separately for custody, but will receive compensation from such clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab. Schwab also will receive a fee (generally lower than the applicable commission on executed trades) for clearance and settlement of trades executed through broker-dealers other than Schwab. Schwab's fees for trades executed at other broker-dealers are in addition to the other broker-dealer's fees. Thus, Mercer Global Advisors may have an incentive to cause trades to be executed through Schwab rather than another broker-dealer. Mercer Global Advisors nevertheless acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than trades for Mercer Global Advisors' other clients. Thus, trades for accounts custodied at Schwab may be executed at different times and/or different prices than trades for other accounts that are executed at other broker-dealers.

Mercer Global Advisors' parent company, Mercer Advisor Inc., has entered into an agreement with NextGen Risk Management Group, LLC ("NextGen") to offer insurance product alternatives to Mercer Global Advisors clients. NextGen specializes in offering insurance solutions for clients and their families. Product availability and coverage may vary by state. Mercer Advisors Inc., is a 1% owner of NextGen. When a client elects to purchase an insurance product from NextGen, Mercer Advisors Inc. receives a fee and the referring Mercer Global Advisors Inc. employee may receive a commission. While neither Mercer Global Advisors nor Mercer Advisors Inc., conducts joint operations with NextGen, this may present a conflict of interest with Mercer Global Advisors' clients.

Continued.



## Item 14 - Client Referrals and Other Compensation

Continued.

Mercer Global Advisors has been endorsed by the **California Podiatric Medical Association, Doctors Dental Services, Inc. (also known as Arizona Dental Association), Florida Medical Association, Illinois State Dental Society, Michigan Dental Association Investment and Financial Group, Michigan Optometric Association, Michigan State Medical Society (Physicians Service Group, Inc.), North Carolina Medical Society, Ohio Dental Services Corp, Inc., Washington State Dental Association and Wisconsin Dental Professional Services, Inc.**

As a result of these association endorsements, Mercer Global Advisors is permitted to solicit their respective members and in return, Mercer Global Advisors shares a portion of its fees with the association or with an entity related to the association to which the Mercer Global Advisors client is a member, in accordance with the agreement between Mercer Global Advisors and each of the associations. When required, Mercer Global Advisors pays fees in compliance with the Investment Advisers Act of 1940 Rule 206(4)-3. Mercer Global Advisors clients do not pay increased fees as a result of the association's endorsement. Mercer Global Advisors clients who are members of an association pay the same or lower fees than the non-association member.

Mercer Advisors Inc., Mercer Mastery Inc., and Mercer Corporate LLC are affiliated companies of Mercer Global Advisors Inc. Clients of these companies may be provided information about Mercer Global Advisors' seminars and programs. Cash payments are not made to these companies however, they may benefit indirectly from the affiliation.

Mercer Global Advisors' parent company, Mercer Advisors Inc., has entered into an agreement with My New Financial Advisor, Inc. ("MNFA") to provide leads for potential clients. MNFA, utilizing their comprehensive analysis reporting tool, 'FreeRetirementReport.com', provides Mercer Advisors with contact information for individuals who are interested in considering Mercer Advisors for their wealth management consulting needs. Mercer Advisors generally pays an amount per lead to MNFA. In addition to the payment per lead, Mercer Advisors provides additional compensation to MNFA in the event that a prospective client transfers funds to an account managed by Mercer Advisors. The amount of additional compensation paid to MNFA is up to \$5,000.00 per account and is dependent upon the size of the account transferred. Mercer Global Advisors' clients do not pay increased fees as a result of the association with MNFA.

Mercer Global Advisor's parent company, Mercer Advisors Inc. has entered into an agreement with WiserAdvisor.com to provide leads for potential clients. WiserAdvisor.com is a lead generation service that connects investors with financial advisors. Mercer Advisors pays an amount per lead to WiserAdvisor.com. Mercer Global Advisors' clients do not pay increased fees as a result of the association with WiserAdvisor.com.

## **Item 15 - Custody**

Mercer Global Advisors does not provide custodial services to its clients. Client assets are held with registered broker-dealers that are “qualified custodians.” Clients receive statements directly from the qualified custodian(s), at least quarterly. Clients are advised to review these statements carefully and compare the custodial records with the reports provided by Mercer Global Advisors. The information within Mercer Global Advisors’ reporting may vary slightly from custodial statements, based upon accounting procedures, reporting dates and/or valuation methodologies used for certain securities.

## **Item 16 - Investment Discretion**

Mercer Global Advisors has full discretion and trading authority (limited power(s) of attorney) on advisory accounts. Mercer Global Advisors has negotiated with brokers to obtain lower commission rates for client trades. Mercer Global Advisors cannot withdraw funds from client accounts, other than fees when authorized by Client. Mercer Global Advisors does not receive commissions of any kind. Mercer Global Advisors has authority to buy or sell securities on the client’s behalf, as designated for the specific account.

All accounts are subject to a written investment advisory agreement which describes our discretionary authority, any investment limitations, investment objectives, fees and other matters.

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

As a matter of firm policy and practice, Mercer Global Advisors Inc. does not accept the authority to and does not vote proxies. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in clients’ investment portfolios. Clients will receive applicable proxies directly from the issuer of securities held in clients’ investment Portfolios. Mercer Global Advisors Inc. however may provide advice to clients regarding clients’ voting of proxies.

Clients should note that Mercer Global Advisors Inc. will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the clients’ account(s), including but not limited to, the filing of “Proofs of Claim” in class action settlements. If desired, clients may direct Mercer Global Advisors Inc. to transmit copies of the class action notices to the client or third parties. Upon such directions, Mercer Global Advisors Inc. will make commercially reasonable efforts to forward such notices in a timely manner.

## **Item 18 - Financial Information**

Mercer Global Advisors has no financial conditions that would impair its ability to meet its contractual commitments to clients.

Pursuant to SEC regulations, a balance sheet is not required to be provided because Mercer Global Advisors does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

## **Item 18 - Business Continuity Plan**

### **General**

Mercer Global Advisors maintains electronic and hardcopy information assets that are essential to performing services for its clients. Similar to any other capital resources owned by the company, these resources are viewed as valuable assets over which the company has both rights and obligations to manage, protect and secure.

### **Disasters**

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados and/or flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and/or aircraft accident. Electronic files are backed up daily and archived offsite.

### **Alternate Offices**

Mercer Global Advisors maintains alternate offices to support ongoing operations in the event the main office is unavailable. It is the firm's intention to contact all clients promptly should a disaster force a move of operations to an alternate location.

### **Information Security**

Mercer Global Advisors maintains an information security program to reduce the risk that personal and confidential client information may be breached. Mercer Global Advisors employs the use of firewalls, virus scanners and other methods of securitization to ensure that client information is protected.

## **Item 18 - Privacy Notice**

### **Our Commitment:**

Mercer Global Advisors is committed to protecting the confidentiality and security of the information collected from its advisory clients. Mercer Global Advisors does not share client information with any unaffiliated third parties, except with client consent for the specific purposes described below.

### **Collection and Gathering of Information:**

Mercer Global Advisors limits use of the information gathered from clients to the minimum requirements set forth by regulatory obligations, and what is required to service a client account with the highest standards. Most client information is collected from an investment adviser when a new client account is established at Mercer Global Advisors. Mercer Global Advisors may use third party vendors, such as credit reporting bureaus, to verify information provided by a client, such as first and last name, address, date of birth and social security numbers/ tax identification numbers.

### **Protection of Your Information:**

Mercer Global Advisors' employees are committed and required to protect the confidentiality of client information. Employees may access client information only when necessary to perform their job functions. Mercer Global Advisors also maintains physical, electronic and procedural safeguards to help protect client information.

### **Disclosure of Information:**

Mercer Global Advisors may disclose any information to or as directed by your Advisor in the normal and necessary course of business, and/or when required by law. Client information may be disclosed in such circumstances as regulatory audits, to attorneys or judges as part of litigation, or law enforcement or other government agencies to help prevent, among other things, fraud and/or money laundering. Mercer Global Advisors also may provide information to its service providers, which enables them to provide services for Mercer Global Advisors or the client's investment adviser, for things such as reporting, effect transactions on client's behalf, or performing maintenance on client's account.

Continued.

## Item 18 - Privacy Notice

### **Disclosure of Information:**

Continued.

Outside companies providing services on behalf of Mercer Global Advisors, such as mail vendors, check printers or data processing companies, are each required to sign confidentiality agreements. By law, they may only use the information provided by Mercer Global Advisors to perform the job for which they have been contracted. Any violation of a confidentiality agreement is prosecutable by law. Other than the exceptions above, Mercer Global Advisors will not make any disclosures of client information to any other businesses or third parties who may want to offer their services to the client. Mercer Global Advisors does not sell client lists of any kind to catalog companies or telemarketers.

### **To Whom this Policy Applies:**

This policy applies to all current, prospective and former clients. Even clients who no longer maintain active accounts with Mercer Global Advisors are included in this Policy.

### **Access to and Correction of Information:**

Should a client wish to review any file containing personal client information, maintained by Mercer Global Advisors, he/she may contact his/her investment advisor.

### **Further Information:**

Mercer Global Advisors reserves the right to change this Privacy Policy at any time without prior notification. Please contact Mercer Global Advisors at (800) 258-1559 for additional information.

Mercer Global Advisors is required by law to deliver this Privacy Notice to all clients annually, in writing.

## Requirements for State-Registered Advisors

Not Applicable

## Brochure Supplements

Personnel Brochure Supplements (ADV, Part 2 B) are provided to each client by his/her dedicated Wealth Management Team.