

WEALTH MANAGEMENT PROGRAM

Sponsored by



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This brochure provides information about the qualifications and business practices of Blue Water Advisors LLC (hereinafter “**BWA**” or the “Firm”). If you have any questions about the contents of this brochure, please contact the Firm at this telephone number listed above. 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 the Firm is available on the SEC’s website at www.adviserinfo.sec.gov. The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

Item 2. Material Changes

In this Item, BWA is required to discuss any material changes that have been made to the brochure since the last annual amendment. As this brochure has been prepared in connection with the Firm's initial application for investment adviser registration, there are no such material changes to disclose.

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Item 4. Advisory Business

The Wealth Management Program (the “Program”) is an investment advisory program sponsored by BWA, which began conducting investment advisory business in July 2014 and is principally owned by Max Haspel. BWA also conducts business through a d/b/a of the Firm named the New Canaan Group/BWA.

BWA offers a variety of advisory services, which include wealth management, financial planning, investment consulting, and portfolio management services. As this document has been prepared in connection with BWA’s initial launch, the Firm does not have any assets under management to report as of the date of this filing. While this brochure generally describes the business of BWA, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on BWA’s behalf and is subject to the Firm’s supervision or control.

Description of the Program

The Program is offered as a wrap fee program, which provides clients with the ability to trade in certain investment products without incurring separate brokerage commissions or transaction charges. Prior to receiving services through the Program, clients are required to enter into a written agreement with BWA setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”). Clients must also open a new securities brokerage account and complete a new account agreement with Charles Schwab & Co., Inc. (“Schwab”), TD AMERITRADE Institutional (“TD”), or another broker-dealer BWA approves under the Program (collectively “Financial Institutions”).

At the onset of the relationship, clients work with the Firm to document their individual investment objectives, time horizon and/or risk tolerance, as well as any other factors pertinent to their specific financial situations (*e.g.*, liquidity, cash flow needs, etc.). After an analysis of the relevant information, BWA assists its clients in developing an appropriate strategy for managing their assets and financial affairs. Under the Program, BWA manages client portfolios on a non-discretionary basis by allocating assets in accordance with the investment strategy described at length in Item 6 (below).

Fees for Participation in the Program

Wealth management services are generally offered through the Program on a fee basis, meaning that clients pay a single annualized fee based upon assets under management. This management fee generally ranges up to 125 basis points (1.25%) in accordance with the following fee schedule:

PORTFOLIO VALUE	FEE RATE
Up to \$1,000,000	1.25%
\$1,000,001 - \$5,000,000	1.00%
\$5,000,001 - \$10,000,000	0.75%
\$10,000,001 - \$20,000,000	0.65%
Above \$20,000,000	0.55%

The annual fee is prorated and charged quarterly, in advance, based upon the gross market value of the assets being managed by BWA on the last day of the previous billing period. As explained below, client relationships are generally subject to a minimum annual fee of \$3,750 per quarter.

If assets are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets may be adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a *pro rata* basis. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

Additionally, for asset management services the Firm provides with respect to certain client holdings (*e.g.*, held-away assets, accommodation accounts, alternative investments, etc.), BWA may negotiate a fee rate that differs from the range set forth above.

Fee Comparison

As referenced above, a portion of the fees paid to BWA are used to cover the securities brokerage commissions and transactional costs attributed to the management of its clients' portfolios. Services provided through the Program may cost clients more or less than purchasing these services separately. The number of transactions made in clients' accounts, as well as the commissions charged for each transaction, determines the relative cost of the Program versus paying for execution on a per transaction basis and paying a separate fee for advisory services. The Program Fees may also be higher or lower than fees charged by other sponsors of comparable investment advisory programs. Clients are also advised that due to the nature of the wrap fee arrangement, there may be an incentive for BWA not to trade in client accounts since trading costs and transactional fees are absorbed directly by the Firm.

Fee Discretion

BWA, in its sole discretion, may negotiate to waive or charge a lesser or greater fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of

assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

Direct Fee Debit

Clients generally provide BWA with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients, not less than quarterly, detailing all account transactions, including any amounts paid to BWA.

Account Additions and Withdrawals

Clients may make additions to and withdrawals from their account at any time, subject to BWA's right to terminate an account. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to BWA, subject to the usual and customary securities settlement procedures. However, BWA designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. BWA may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

Other Fees and Charges

Clients may incur certain charges imposed by third parties in addition to the Program Fee. These additional charges may include, but are not limited to, charges imposed directly by a mutual fund or exchange-traded fund ("ETF") in the account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, fees associated with alternative assets classes, ticket charges for client-directed trades, odd-lot differentials, transfer taxes, custody fees, wire transfer and electronic fund fees, and other applicable fees and taxes on brokerage accounts and securities transactions. Additionally, for certain held-away assets outside the Firm's management, BWA may elect to charge a separate fee to provide various advisory, administrative and consolidated reporting functions as an accommodation to clients.

Compensation for Recommending the Program

BWA has no internal arrangements in place whereby persons recommending the Program are entitled to receive additional compensation as a result of clients' participation. A person recommending the Program will not earn more compensation than he or she would otherwise receive if a client elected another investment management format.

Item 5. Account Requirements and Types of Clients

Minimum Management Fee

As a condition for starting and maintaining a new management relationship, BWA generally imposes a minimum quarterly fee of \$3,750. This minimum fee may cause clients with smaller portfolios to incur an effective fee rate that is higher than the Firm's stated fee schedule. BWA may, in its sole discretion, elect to waive its minimum fee based upon certain criteria, including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and pro bono activities.

Types of Clients

BWA offers services to individuals, endowments, trusts, estates, charitable organizations, pension and profit sharing plans, corporations and business entities.

Item 6. Portfolio Manager Selection and Evaluation

Wealth Management Services

BWA manages client investment portfolios on a non-discretionary basis. BWA primarily allocates client assets among various mutual funds, exchange-traded funds ("ETFs") and independent separate account managers ("Independent Managers") in accordance with their stated investment objectives.

Where appropriate, the Firm may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage BWA to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance, annuity contracts, qualified tuition plans (*i.e.*, 529 plans) and other held-away assets. In these situations,

BWA directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider. The Firm does not, however, charge an additional advisory fee where its Supervised Persons receive brokerage related compensation.

BWA tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. BWA consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify BWA if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if BWA determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

Wealth Management, Financial Planning and Consulting Services

BWA offers clients a broad range of advanced wealth management, financial planning and consulting services under a wealth management engagement, which may include any or all of the following functions:

- Investment Consulting
- Manager Due Diligence
- Financial Reporting
- Distribution Planning
- Insurance Planning
- Trust and Estate Planning
- Charitable Giving
- Business Planning
- Cash Flow Forecasting
- Tax Planning

In performing these services, BWA is not required to verify any information received from the client or from the client's other professionals (*e.g.*, attorneys, accountants, etc.,) and is expressly authorized to rely on such information. BWA may recommend clients engage the Firm for additional related services, its Supervised Persons in their individual capacities as insurance agents or registered representatives of a broker-dealer and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest may exist if clients engage BWA or its affiliates to provide additional services for compensation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by BWA under a financial planning or consulting engagement. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising BWA's recommendations and/or services.

Side-by-Side Management

BWA does not provide any services for a performance-based fee (*i.e.*, a fee based on a share of capital gains or capital appreciation of a client's assets).

Selection of Independent Managers

As mentioned above, BWA may select certain Independent Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

BWA evaluates a variety of information about Independent Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. BWA also takes into consideration each Independent Manager's management style, returns, reputation, reporting, pricing and research capabilities, among other factors.

BWA continues to provide services relative to the non-discretionary selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. BWA seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

Methods of Analysis and Investment Strategies

BWA generally utilizes a combination of fundamental, technical and cyclical analytical metrics and investment strategies for managing client assets.

Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or manager. For BWA, this process typically involves an analysis of a manager or fund's investment professionals, investment strategies, past performance, reputation and expenses. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a fund or manager may be good, evolving market conditions may negatively impact the security.

Technical analysis involves the examination of past market data rather than specific issuer information in determining the recommendations made to clients. Technical analysis may involve the use of mathematically based indicators and charts, such as moving averages and price correlations, to identify market patterns and trends which may be based on investor sentiment rather than fundamentals. A substantial risk in relying upon technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that BWA will be able to accurately predict such a reoccurrence.

Cyclical analysis is similar to technical analysis in that it involves the assessment of market conditions at a macro (market, economy or asset class) or micro (manager or fund) level, rather than focusing on the overall fundamental analysis of the health of the particular fund or manager that BWA is recommending. The risks with cyclical analysis are similar to those of technical analysis.

Risk of Loss

Market Risks

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly.

Mutual Funds, ETFs and other Investment Companies

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (*e.g.*, sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs.

However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Independent Managers

As stated above, BWA may select certain Independent Managers to manage a portion of its clients' assets. In these situations, BWA continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, BWA generally may not have the ability to supervise the Independent Managers on a day-to-day basis.

Master Limited Partnerships (MLPs)

Master Limited Partnerships ("MLPs") are collective investment vehicles, the partnership interests of which are publicly traded on national securities exchanges. MLPs invest primarily in companies within the energy sector that engage in qualifying lines of business, such as natural resource production and mineral refinement. MLPs are therefore subject to the underlying volatility of the energy industry and may be adversely affected by changes to supply and demand, regional instability, currency spreads, inflation and interest rate fluctuations, among other such factors. In addition, MLPs operate as pass-through tax entities, meaning that investors are liable for their pro rata share of the partnership taxes, regardless of the types of accounts where the interests are held.

Options

Options allow investors to buy or sell a security at a contracted "strike" price at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (i.e., limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

Real Estate Investment Trusts (REITs)

BWA may recommend an investment in, or allocate assets among, various real estate investment trusts ("REITs"), the shares of which exist in the form of either publicly traded or privately placed securities. REITs are collective investment vehicles with portfolios comprised primarily of real estate and mortgage related holdings. Many REITs hold heavy concentrations of investments tied to commercial and/or residential developments, which inherently subject REIT investors to the risks associated with a downturn

in the real estate market. Investments linked to certain regions that experience greater volatility in the local real estate market may give rise to large fluctuations in the value of the vehicle's shares. Mortgage related holdings may give rise to additional concerns pertaining to interest rates, inflation, liquidity and counterparty risk.

Exchange-Traded Notes (ETNs)

BWA may recommend an investment in, or allocate assets among, various exchange-traded notes ("ETNs"). ETNs are unsecured debt securities which are listed on securities exchanges and transacted at negotiated prices in the secondary market. ETNs are designed to track the performance of a corresponding benchmark. An ETN is essentially a contract between an issuer and the ETN holder, whereby the issuer, upon maturity, agrees to pay an amount relative to the returns of the underlying benchmark. In addition to the risks associated with the specific benchmark, ETN holders are also subject to various counterparty concerns. In this respect, the value of an ETN may be adversely impacted by a downgrade to the issuer's credit rating and/or an unwillingness or inability of the issuer to perform its contractual obligations.

Proxy Voting Procedures

BWA does not accept the authority to vote clients' securities (*i.e.*, proxies) on their behalves. Clients receive proxies directly from the Financial Institutions where their assets are custodied and may contact the Firm using the information on the cover of this brochure with questions about such solicitations.

Item 7. Client Information Provided to Portfolio Managers

Clients participating in the Program generally grant BWA the authority to discuss certain non-public information with the Independent Managers engaged to manage their accounts. Depending upon the specific arrangement, the Firm may be authorized to disclose various personal information including, without limitation: names, phone numbers, addresses, social security numbers, tax identification numbers and account numbers. BWA may also share certain information related to its clients' financial positions and investment objectives in an effort to ensure that the Independent Managers' investment decisions remain aligned with its clients' best interests. This information is communicated on an initial and ongoing basis, or as otherwise necessary to the management of its clients' portfolios.

Item 8. Client Contact with Portfolio Managers

Clients can generally contact the Independent Managers managing their portfolios through BWA by providing the Firm with written request and identification of the questions or issues to be discussed with the Independent Managers. After receiving the client's written request, BWA, at its sole discretion, may contact the Independent Managers for the client or arrange for the Independent Managers and the client to communicate directly.

Item 9. Additional Information

Disciplinary Information

BWA has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management.

Registered Representatives of a Broker/Dealer

Certain of the Firm's Supervised Persons are registered representatives of AXA Advisors, LLC ("AXA") and may provide clients with securities brokerage services under a separate commission-based arrangement. Such Supervised Persons may be entitled to a portion of the brokerage commissions paid to AXA, as well as a share of any ongoing distribution or service (trail) fees from the sale of mutual funds.

Licensed Insurance Agents

Several of the Firm's Supervised Persons are licensed insurance agents and may offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that BWA recommends the purchase of insurance products where its Supervised Persons may be entitled to insurance commissions or other additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

Subadvisory Services

Haspel Capital Management is a d/b/a of the Firm that offers other financial institutions access to various subadvisory services and model portfolios on a fee basis. These services may be substantially similar to the services provided by BWA and the fees associated with these services may differ depending upon client relationship.

Code of Ethics

BWA and its associated persons are permitted to buy or sell securities that it also recommends to clients consistent with BWA's policies and procedures. BWA has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws (the "Code of Ethics"). In accordance with applicable laws, rules and regulations, its Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by BWA or any of its associated persons. The Code of Ethics also requires that certain of BWA's personnel (called "Access Persons") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

Unless specifically permitted in BWA's Code of Ethics, none of BWA's Access Persons may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Person) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of BWA's clients. When BWA is purchasing or considering for purchase any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when BWA is selling or considering the sale of any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact BWA to request a copy of its Code of Ethics.

Account Reviews

BWA monitors client portfolios on a continuous and ongoing basis while regular account reviews are conducted on at least a quarterly basis. Such reviews are conducted by a Principal and/or investment adviser representative of the Firm. All investment advisory clients are encouraged to discuss their needs, goals and objectives with BWA and to keep the Firm informed of any changes thereto. The Firm contacts ongoing investment advisory clients at least annually to review its previous services, recommendations and/or to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Account Statements and General Reports

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from BWA and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from BWA or an outside service provider.

Client Referrals

In the event a client is introduced to BWA by either an unaffiliated or an affiliated solicitor, the Firm may pay that solicitor a referral fee in accordance with applicable state securities laws. Unless otherwise disclosed, any such referral fee is paid solely from BWA's investment management fee and does not result in any additional charge to the client. If the client is introduced to the Firm by an unaffiliated solicitor, the solicitor is required to provide the client with BWA's written brochure(s) and a copy of a solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement. Any affiliated solicitor of BWA is required to disclose the nature of his or her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of the Firm's written brochure(s) at the time of the solicitation.

Receipt of Economic Benefit

BWA may receive without cost from Schwab, TD or other Financial Institutions computer software, related systems support, and research, which allow BWA to better monitor, manage and report on client accounts maintained therein. BWA may receive the software and related support without cost because the Firm renders investment management services to clients that maintain assets at those Financial Institutions. BWA may receive the following benefits from TD and/or Schwab through the institutional programs:

- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts;
- Access to an electronic communication network for client order entry and account information; and
- The ability to deduct advisory fees directly from client accounts.

TD may additionally provide the Firm with discounts on compliance, marketing, research, technology, practice management products or services provided to the Firm by third party vendors, and may fund business consulting and professional services received by BWA's related persons. The Firm receives certain additional economic benefits ("Additional Services") from TD that may or may not be offered to any other independent investment advisers participating in the institutional program. Specifically, the Additional Services include Tamarac. TD provides the Additional Services to BWA in its sole discretion and at its own expense, and BWA does not pay any fees to TD for the Additional Services. BWA and TD have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

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

BWA participates in the institutional advisor program (the “Program”) offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA (“TD Ameritrade”), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. BWA receives some benefits from TD Ameritrade through its participation in the Program.

In addition to the conflicts of interest set forth above, some of the products and services made available by Schwab and TD may benefit BWA but not its clients. These products or services may assist BWA in managing and administering client accounts, including accounts not maintained at Schwab or TD. Other services made available by Schwab and TD are intended to help BWA manage and further develop its business enterprise. The benefits received by BWA’s participation in the institutional programs offered by Schwab and TD do not depend on the amount of brokerage transactions directed to those Financial Institutions. Further, there is no direct link between BWA’s participation in the institutional programs and the investment advice the Firm gives to its clients, although BWA receives economic benefits that are typically not available to retail investors.

The software, research and related systems support may benefit BWA, but not its clients directly. In fulfilling its duties to its clients, BWA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that BWA’s receipt of economic benefits from a Financial Institution create a conflict of interest since these benefits may influence the Firm’s choice of one Financial Institution over another that does not furnish similar software, systems support or services.

Financial Information

BWA is not required to disclose any financial information pursuant to this Item due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.