

# Bill Losey Retirement Solutions, LLC

## Form ADV Part 2A

### Client Brochure

This brochure provides information about the qualifications and business practices of Bill Losey Retirement Solutions, LLC. If you have any questions about the contents of this brochure, please contact us at (518) 855-4065 or by email at: [bill@myretirementsuccess.com](mailto:bill@myretirementsuccess.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Bill Losey Retirement Solutions, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Bill Losey Retirement Solutions, LLC's CRD number is: 140731

2158 State Route 29  
Greenwich, NY 12834  
(518) 855-4065  
[www.MyRetirementSuccess.com](http://www.MyRetirementSuccess.com)  
[www.BillLosey.com](http://www.BillLosey.com)  
[bill@myretirementsuccess.com](mailto:bill@myretirementsuccess.com)

Registration does not imply a certain level of skill or training.

Version Date: February 12, 2015

## Item 2: Material Changes

This Item of the Brochure discusses only specific material changes that are made to the Brochure and provides clients with a summary of such changes. The previous version of our Brochure was dated January 21, 2015. There are no material changes in this Brochure.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Bill Losey, Managing Member, at (518) 855-4065

## Item 3: Table of Contents

### Table of Contents

Item 2: Material Changes.....	i
Item 3: Table of Contents.....	ii
Item 4: Advisory Business.....	1
A. Description of the Advisory Firm.....	1
B. Types of Advisory Services.....	1
Investment Supervisory Services.....	1
Financial Planning.....	1
Services Limited to Specific Types of Investments.....	1
C. Client Tailored Services and Client Imposed Restrictions.....	4
D. Wrap Fee Programs.....	4
E. Amounts Under Management.....	4
Item 5: Fees and Compensation.....	5
A. Fee Schedule.....	5
Investment Supervisory Services Fees.....	5
Financial Planning Fees.....	5
Fixed Fees.....	5
B. Payment of Fees.....	6
Payment of Investment Supervisory Fees.....	6
Payment of Financial Planning Fees.....	6
C. Clients Are Responsible For Third Party Fees.....	6
D. Prepayment of Fees.....	6
E. Outside Compensation For the Sale of Securities to Clients.....	7
Item 6: Performance-Based Fees and Side-By-Side Management.....	7
Item 7: Types of Clients.....	7
Minimum Account Size.....	7
Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss.....	7
A. Methods of Analysis and Investment Strategies.....	7
Charting analysis.....	7
Fundamental analysis.....	7
Technical analysis.....	7
Cyclical analysis.....	7
B. Material Risks Involved.....	8
C. Risks of Specific Securities Utilized.....	8
Item 9: Disciplinary Information.....	9
Item 10: Other Financial Industry Activities and Affiliations.....	9

A.	Registration as a Broker/Dealer or Broker/Dealer Representative.....	9
B.	Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor .....	9
C.	Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests .....	9
D.	Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections .....	10
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....		10
A.	Code of Ethics .....	10
B.	Recommendations Involving Material Financial Interests .....	10
C.	Investing Personal Money in the Same Securities as Clients.....	10
D.	Trading Securities At/ Around the Same Time as Clients' Securities.....	11
Item 12: Brokerage Practices .....		11
A.	Factors Used to Select Custodians and/or Broker/Dealers .....	11
1.	Research and Other Soft-Dollar Benefits.....	11
2.	Brokerage for Client Referrals .....	11
3.	Clients Directing Which Broker/Dealer/Custodian to Use .....	11
B.	Aggregating (Block) Trading for Multiple Client Accounts .....	12
Item 13: Reviews of Accounts .....		12
A.	Frequency and Nature of Periodic Reviews and Who Makes Those Reviews.....	12
B.	Factors That Will Trigger a Non-Periodic Review of Client Accounts.....	12
C.	Content and Frequency of Regular Reports Provided to Clients.....	12
Item 14: Client Referrals and Other Compensation.....		13
A.	Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes) .....	13
B.	Compensation to Non -Advisory Personnel for Client Referrals.....	13
Item 15: Custody.....		14
Item 16: Investment Discretion.....		14
Item 17: Voting Client Securities (Proxy Voting).....		14
Item 18: Financial Information.....		14
A.	Balance Sheet.....	14
B.	Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients .....	14
C.	Bankruptcy Petitions in Previous Ten Years .....	14

## Item 4: Advisory Business

### A. Description of the Advisory Firm

This firm has been in business since July 12, 2005, and the principal owner is William A. Losey III.

### B. Types of Advisory Services

Bill Losey Retirement Solutions, LLC (hereinafter "BLRS") offers the following services to advisory clients:

#### Investment Supervisory Services

BLRS offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. BLRS creates an Investment Plan for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment plan
- Asset selection
- Regular portfolio monitoring

BLRS evaluates the current investments of each client with respect to their risk tolerance levels and time horizon.

#### SEI Asset Management Program:

BLRS manages client portfolios through the SEI Asset Management Program (the "Program") sponsored by SEI Investments Management Corporation ("SIMC"). In this program, SIMC provides advisory services to the BLRS (but not to the client) involving the structure and design of asset allocation portfolios typically comprised solely of mutual funds advised by SIMC. SIMC also advises BLRS with respect to reallocation and rebalancing of investments within such asset allocation programs.

The Program is designed as followed:

1. Determine the investor's risk profile and investment objectives. BLRS determines the investor's investment objectives, investment time horizon, and risk profile by means of an interview process and the completion of a questionnaire. This

process will help BLRS review the client's situation and enable BLRS to recommend an initial asset allocation based on the client's specific needs and goals.

2. Set a relevant asset allocation policy for the investor. The investor chooses one of many mutual fund asset allocation models. The investor may also purchase the individual mutual funds without choosing one of the asset allocation models. If the investor so chooses, automatic rebalancing to model allocation and recommended model allocation changes will not be available. BLRS, will, if appropriate, suggest modifications to these models to more adequately address the client's individual needs. The client may place reasonable restrictions on the nature of the funds held in the portfolio or the allocation among the various classes, and BLRS will assist the client in understanding and evaluating the potential impact of these restrictions on the model portfolios.
3. Diversify among asset classes and styles. The investment managers of the underlying mutual funds are selected by SIMC. SIMC utilizes institutional investment management firms. The managers are monitored by SIMC to ensure that their investment styles and performance remain consistent with the objectives of the mutual funds.
4. Rebalance the investor's portfolio. Rebalancing maintains the proper allocation to each asset class in the model. Rebalancing occurs automatically if the underlying mutual funds deviate from the prescribed quarterly allocation by greater than a 2% variance. For the tax-managed models, the variance is 3%. Rebalancing occurs quarterly with no transaction fees.
5. Report results. SEI Private Trust Company (a subsidiary of SEI Investments Company) acts as the transfer agent and custodian for the investor's account. SEI Private Trust Company provides reporting services including consolidated quarterly statements, quarterly performance reports, and year-end tax reports.

Accounts will be monitored quarterly and, when appropriate, BLRS will suggest a reallocation of the portfolio based on changing economic conditions or changes in the client's individual circumstances. BLRS will manage advisory accounts on a non-discretionary basis.

As economic or market changes occur, SIMC will make a quarterly review of its model allocations and may recommend changes in these model allocations to BLRS. SIMC will automatically reallocate all client holdings in model portfolios unless instructed to do otherwise by BLRS. If BLRS does not contact SIMC prior to the first Friday of the month following the end of each calendar quarter, SIMC will take BLRS' silence as a direction from BLRS to make the recommended reallocations. SIMC will not make any ongoing

recommendations concerning portfolios which deviate from SIMC's models ("custom portfolios"); BLRS is responsible for all reviews and must instruct SIMC to make any changes to such portfolios.

Clients may also instruct SIMC to automatically rebalance the client's account if the allocation among the underlying mutual funds deviates from the prescribed quarterly allocation by greater than a 2% variance. For the tax-managed models, the variance is 3%. Rebalancing occurs quarterly, with no transaction fees.

Should the client's individual situation change, the client should notify BLRS, who will assist the client in revising the current portfolio and/or reevaluate their financial situation to determine if a different model portfolio would be appropriate to the client's new situation.

BLRS may invest in various types of investments within the SEI Asset Management Program platform including mutual funds, exchange traded funds individual equities, bonds and other investment products.

## Financial Planning

Financial plans and financial planning may include, but are not limited to: investment planning, life insurance; tax concerns; retirement planning; college planning; and debt/credit planning. These services are based on fixed fees and the final fee structure is documented in Exhibit II of the Financial Planning Agreement. For new clients hourly consulting is offered for a fee of \$350 to \$500 per hour with a one hour minimum. Half day consulting is offered for \$1,500.

## Seminars

BLRS sponsors educational seminars on various investment topics including financial planning topics. The seminars will provide participants with discussions on asset allocation strategies, estate and retirement planning, and general educational topics.

The Retire in a Weekend Retreat is offered for a fee of \$2,500. The Retire in a Weekend is a practical weekend of hands-on instruction and consulting delivered over 1 day, to help clients plan for retirement. This seminar typically includes coverage of various retirement planning topics, including, but not limited to, Defining & Creating Your Retirement, Assessing the Costs, Evaluating Sources of Income, Investing for your Future, Protecting Your Health & Wealth, Retirement Plan Distributions and Managing Your Estate.

## Services Limited to Specific Types of Investments

BLRS limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, hedge funds, third party money managers, REITs, insurance products including annuities, private placements, government securities. BLRS may use other securities as well to help diversify a portfolio when applicable.

### C. Client Tailored Services and Client Imposed Restrictions

BLRS offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent BLRS from properly servicing the client account, or if the restrictions would require BLRS to deviate from its standard suite of services, BLRS reserves the right to end the relationship.

### D. Wrap Fee Programs

BLRS does not participate in any wrap fee programs.

### E. Amounts Under Management

BLRS has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0.00	\$35,431,000	2/10/2015



## Item 5: Fees and Compensation

### A. Fee Schedule

#### Investment Supervisory Services Fees

Total Assets Under Management	Annual Fee
First \$1,000,000	1.00%
Next \$1,000,000	0.85%
Next \$2,000,000	0.75%
Next \$3,000,000 and Above	0.50%

These fees are negotiable and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid quarterly in arrears, and clients may terminate their contracts with thirty days' written notice. Because fees are charged in arrears, no refund policy is necessary. Clients may terminate their accounts without penalty within 5 business days of signing the advisory contract.

Advisory fees are withdrawn directly from the client's accounts with client written authorization.

#### Financial Planning Fees

##### Fixed Fees

Depending upon the complexity of the situation and the needs of the client, the rate for creating client financial plans is between \$500 and \$10,000. Fees are paid fifty percent in advance, but never more than six months in advance, with the remainder due upon presentation of the plan. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Hourly consulting is offered for a fee of \$350 to \$500 per hour with a one hour minimum. Half day consulting is offered for \$1,500 and our weekend retreat is \$2,500. Clients may terminate their contracts without penalty within five business days of signing the contract.

## B. Payment of Fees

### Payment of Investment Supervisory Fees

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid quarterly in arrears. If authorized by the client, SEI Private Trust Company will directly debit BLRS' advisory fee from the client's custodial account. SEI Private Trust Company will forward the fee to BLRS. SEI Private Trust Company will receive certain fees and expenses charged by mutual funds to their shareholders, as well as administrative/custodial fees for servicing the account.

### Payment of Financial Planning Fees

Fixed Financial Planning fees are paid via check or credit card fifty percent in advance, but never more than six months in advance, with the remainder due upon presentation of the plan. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

## C. Clients Are Responsible For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, mutual fund fees, transaction fees, brokerage commissions, etc.) and other related costs and expenses which shall be incurred. Clients may incur certain charges imposed by custodians, brokers, third party investment managers and other third parties such as fees charged by managers, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. These fees will generally include a management fee and other fund expenses. Such charges, fees and commissions are exclusive of and in addition to BLRS' fee, and BLRS shall not receive any portion of these commissions, fees and costs. Those fees are separate and distinct from the fees and expenses charged by BLRS. Please see Item 12 of this brochure regarding broker/custodian.

## D. Prepayment of Fees

BLRS collects fees in advance and in arrears. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be returned within fourteen days to the client via check.

## E. Outside Compensation For the Sale of Securities to Clients

Neither BLRS nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

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

BLRS does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## Item 7: Types of Clients

BLRS generally provides investment advice and/or management supervisory services to the following Types of Clients:

- Individuals
- High-Net-Worth Individuals

### Minimum Account Size

There is an account minimum, \$250,000, which may be waived by BLRS, based on the needs of the client and the complexity of the situation.

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

### A. Methods of Analysis and Investment Strategies

BLRS's methods of analysis include charting analysis, fundamental analysis, technical analysis, and cyclical analysis.

Charting analysis involves the use of patterns in performance charts. BLRS uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data; primarily price and volume.

Cyclical analysis involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

## **B. Material Risks Involved**

BLRS utilizes Long Term Purchases and Short Term Purchases Strategies.

BLRS utilizes investment strategies that are designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

## **C. Risks of Specific Securities Utilized**

BLRS generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

All investments present the risk of loss of principal – the risk that the value of securities (mutual funds, ETFs, equities and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

The mutual funds and ETFs utilized by BLRS may include Funds invested in domestic and international equities, including preferred equities and Real Estate Investment Trust (REITs), corporate and government fixed income securities and commodities, including gold. Equity securities may include large capitalization, medium capitalization and small capitalization stocks. Investing in securities involves risk of loss that clients should be prepared to bear. The prices of the common stocks, other securities or commodities held by the Funds may decline (and the Fund price may in turn decline) in response to certain events taking place around the world, including those directly involving the issuers whose securities are owned by the Funds; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; governmental or governmental agency responses to economic conditions; and currency, interest rate and commodity price fluctuations..

Certain Funds utilized by BLRS may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility, as more fully described in the respective Fund

prospectus. These risks may be greater with investments in developing countries.

Certain Funds utilized by BLRS may invest in lower rated fixed income securities. Funds invested in lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher rated bonds. The return of principal for the bond holdings in Funds is not guaranteed. Fund shares are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

More information about the risks of any particular market sector can be reviewed in representative mutual fund prospectus.

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

## Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

## Item 10: Other Financial Industry Activities and Affiliations

### A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither BLRS nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

### B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither BLRS nor its representatives are registered as a FCM, CPO, or CTA.

### C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

William A. Losey III is a licensed insurance agent. From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. William A. Losey III will receive a commission if a client purchases life insurance, long-term care insurance, and/or an annuity although this normally represents less than 5% of all annual revenues

generated by BLRS. Any commission to be received will be disclosed to the client at the time of purchase. BLRS always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of BLRS in their capacity as an insurance agent.

#### D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections

BLRS does not utilize nor select other advisors or third party managers. All assets are managed by BLRS management.

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

#### A. Code of Ethics

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients or prospective clients may request a copy of our Code of Ethics from management.

#### B. Recommendations Involving Material Financial Interests

BLRS does not recommend that clients buy or sell any security in which a related person to BLRS has a material financial interest.

#### C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of BLRS may buy or sell securities for themselves that they also recommend to clients. BLRS will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold. It is the expressed policy of BLRS that no person employed by the firm shall prefer his or her own interest to that of an advisory client.

#### D. Trading Securities At/Around the Same Time as Clients' Securities

Individuals associated with BLRS may buy or sell securities for their personal accounts identical or different than those recommended to clients. It is the expressed policy of BLRS that no person employed by the firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on investment decisions of advisory clients.

### Item 12: Brokerage Practices

#### A. Factors Used to Select Custodians and/or Broker/Dealers

The Custodian was chosen based on their relatively low transaction fees and access to mutual funds and ETFs. BLRS will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

In order to be eligible for the SEI Management Program, clients are required to use SEI Investment Distribution Co., a FINRA member broker/dealer, for the placement of all trades. Therefore, BLRS, through its recommendation of the SEI Management Programs, is recommending SEI Investment Distribution Co. as the broker/dealer to be used. As BLRS will not request or accept discretionary authority to determine the broker/dealer to be used or the commission rates to be paid in these situations, clients must direct BLRS to utilize SEI Investment Distribution Co. In directing the use of a particular broker or dealer, it should be understood that BLRS will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. Not all investment advisers require clients to direct the use of specific brokers. SEI Private Trust Company acts as the transfer agent and custodian for SEI Management Program accounts. BLRS' client accounts are required to be maintained at SEI Private Trust Company in order to participate in the SEI Management Program.

#### 1. Research and Other Soft-Dollar Benefits

BLRS receives no research, product, or service other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

#### 2. Brokerage for Client Referrals

BLRS receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### 3. Clients Directing Which Broker/Dealer/Custodian to Use

BLRS allows clients to direct brokerage. BLRS may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients money because without the ability to direct brokerage BLRS may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices.

#### B. Aggregating (Block) Trading for Multiple Client Accounts

BLRS maintains the ability to block trade purchases across accounts. While block trading may benefit clients by purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

## Item 13: Reviews of Accounts

#### A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed monthly or quarterly only by William A. Losey III, Managing Member. William A. Losey III is the chief advisor and is instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at IA are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by William A. Losey III, Managing Member. There is only one level of review and that is the total review conducted to create the financial plan.

#### B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

#### C. Content and Frequency of Regular Reports Provided to Clients

Each client will receive annually or quarterly a written report detailing the clients account which will come from the custodian.

Clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.



## Item 14: Client Referrals and Other Compensation

### A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

BLRS does not receive any economic benefit, directly or indirectly from any third party for advice rendered to BLRS clients.

As indicated under the disclosure for Item 12, BLRS utilizes the services of SEI Investment Distribution Co. in conjunction with the SEI Management Programs. Through this combination of services, BLRS receives direct access to real-time client accounts, electronic download of trades, balances and positions, and the ability to directly debit client fees. BLRS receives software and services that may not be available to other investment advisers who do not participate in the SEI Management Programs.

### B. Compensation to Non –Advisory Personnel for Client Referrals

BLRS does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## Item 15: Custody

BLRS does not take custody of client accounts at any time. Custody of client's accounts is held primarily at the Custodian. Clients will receive account statements at least quarterly from the custodian and should carefully review those statements.

## Item 16: Investment Discretion

BLRS does not have discretion over client accounts at any time.

## Item 17: Voting Client Securities (Proxy Voting)

BLRS will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## Item 18: Financial Information

### A. Balance Sheet

BLRS does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither BLRS nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### C. Bankruptcy Petitions in Previous Ten Years

BLRS has not been the subject of a bankruptcy petition in the last ten years.