

GOEPPER BURKHARDT

PRIVATE WEALTH MANAGEMENT

531 S. Main Street, Suite 303

Greenville, SC 29601

Phone (864) 370-3244

Toll Free 1-866-492-0191

Fax (864) 239-0760

www.gbpwm.com service@gbpwm.com

December 31, 2014

This brochure provides information about the qualifications and business practices of Goepper Burkhardt LLC. If you have any questions about the contents of this Brochure, please contact us. The information contained in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Goepper Burkhardt LLC is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Goepper Burkhardt LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure, dated December 31, 2014, is an update to the August 15, 2014 version previously circulated.

Material Changes since the Last Update

There have been no material changes since the August 15, 2014 update.

Our brochure may be requested, at no charge, by contacting Bland Burkhardt at (864) 370-3244 or bland@gbpwm.com .

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Item 4 - Advisory Business

Firm Description. Goepper Burkhardt LLC (hereafter referred to as GB) was founded in 2003. The firm is registered with the U.S. Securities and Exchange Commission as a Registered Investment Adviser. GB provides portfolio management for individuals, families, charities and retirement plans. GB also counsels portfolio management clients on non-investment financial issues. The firm's compensation is solely from fees paid directly by clients. The firm does not receive commissions based on the client's purchase of financial products. No referral fees are paid or accepted. Assets under the direct management of GB are held in custody at Schwab Institutional and Jefferson National. No benefits are received from Schwab Institutional or Jefferson National based on securities transactions. We may recommend other professionals (e.g., lawyers, accountants, etc.) at the request of the client. Other professionals are engaged directly by the client on an as-needed basis even when recommended by GB. Conflicts of interest are disclosed to the client and will be managed in the best interests of the client.

Partners/Advisors. GB has two partners/advisors: W. Dant Goepper and J. Bland Burkhardt III who are located in Greenville, SC.

Primary Service. GB's primary service is portfolio management. Portfolios are tailored to each client's individual situation. Client goals and objectives are clarified in meetings and are used to determine the course of action for each individual client. The goals and objectives for each client are documented in our client files. Clients may impose restrictions on investing in certain securities or types of securities. Clients are advised that it is their responsibility to promptly notify GB when there is a material change in their financial situation or with their objectives for the purpose of reviewing, evaluating, or revising previous portfolio recommendations. In performing its portfolio management service, GB is not required to verify information received from the client or from the client's other professional advisors (e.g. attorneys, accountants, etc.)

Secondary Service. GB's secondary service is financial counseling on non-investment financial issues. Financial counseling is not the same thing as comprehensive personal financial planning in which practitioners prepare lengthy written reports that include numerous financial projections. Rather, financial counseling is the process of talking Clients through the advantages and disadvantages of various non-investment financial issues. In performing its counseling service, GB is not required to verify information received from the client or from the client's other professional advisors (e.g. attorneys, accountants, etc.)

Managed Assets. As of December 31, 2014 GB has approximately \$147,000,000 in assets-under-management for approximately 105 clients. Most assets are managed on a discretionary basis.

Item 5 - Fees and Compensation

Description. Portfolio management fees are based on a percentage of assets-under-management, a monthly flat-fee, or a combination of both. Fees are negotiable depending upon the amount of assets-under-management and the complexity of the services rendered.

Fee Billing. Portfolio management fees are billed monthly in arrears. Client fees are debited from the client's custodial accounts at Schwab Institutional.

Other Fees. GB has selected Schwab Institutional as its broker/custodian (see Brokerage Practices on page 7). Schwab Institutional charges transaction fees on all stocks and bonds and on many mutual funds and exchange traded funds. At Schwab Institutional, Clients can elect to pay their transaction fees or to have GB pay transaction fees for them. There are advantages and disadvantages to each arrangement. For example, when clients pay their transaction fees, they may incur higher trading expenses during turbulent markets when advisors tend to trade more often. On the other hand, when advisors pay transaction fees for clients, they may not trade as freely and they may develop a bias toward no-transaction fee securities and low-transaction-fee securities. If the client elects to have GB pay transactions fees on their behalf, the SEC may deem this to be a "wrap account", which is described in Schedule H on pages 18, 19 and 20. Mutual funds and exchange traded funds charge internal fees for their services which are in addition to the fees paid to advisors. GB may charge hourly fees when counseling clients who do not have substantially all of their portfolio assets under management with GB.

GB takes into account with the goal of minimizing mutual fund internal expense ratios, deferred sales charges, transfer fees, wire transfer and electronic fund transfer fees. However, these fees are in addition to the GB portfolio management and financial counseling fee.

Commissions on the Sale of Financial Products. The firm's compensation is solely from fees paid directly by clients i.e. the firm does not receive commissions on the sale of financial products.

Item 6 – Performance-Based Fees and Side-By-Side Management

GB does not charge performance-based fees, which are fees based on a share of capital gains or capital appreciation of the assets of a client's account. GB does not advise or manage any funds (i.e., hedge, mutual), alongside client accounts, which may be referred to as "side-by-side" management.

Item 7 – Types of Clients

GB provides portfolio management and financial counseling services to individuals, high net worth individuals, foundations, retirement plans, profit-sharing plans, trusts, estates, and charitable organizations. The vast majority of these arrangements are discretionary, and GB selects the investments and trades on the clients behalf without prior consultation with the client.

GB usually requires a minimum account size of \$500,000. However, we also use other metrics including income, savings rate, and assets to make certain exceptions. GB prefers to partner with clients who are serious about accomplishing their goals rather than an inflexible focus on a certain account size.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Method of Analysis. GB uses fundamental analysis to select securities. GB's main sources of analytical data are Morningstar, Schwab Institutional, Vining Sparks, SEC filings, prospectuses and company annual reports.

Investment Strategies. In order to control the risks associated with individual markets and with individual securities, portfolios are usually allocated over multiple asset classes and are usually diversified within asset classes. GB may adopt an active or a passive approach when selecting securities for asset classes. The investment strategy for specific clients is based upon their investment time horizon, risk tolerance, asset allocation parameters, investment restrictions, cash flow requirements, etc. These items are recorded in a written client Investment Policy Guidelines statement which may be changed by the client at any time. We strive for tax efficiency and will help clients work out of low-cost-basis positions.

Risk of Loss. All investments have risks that are borne by investors. GB clients face multiple risks including loss-of-principal risk, market risk, asset class risk, sector and industry risk, company risk, fiscal and monetary policy risk, credit risk, interest rate risk, inflation risk, currency risk, regulatory risk and liquidity risk.

Item 9 - Disciplinary Information

Legal and Disciplinary. The firm and its employees have not been involved in legal or disciplinary events related to past or present activities.

Item 10 – Other Financial Industry Activities and Affiliations

GB does not have activities or affiliations with any related person that are material to its advisory business.

Item 11 - Code of Ethics and Personal Trading

Code of Ethics. GB is a fiduciary and is committed to following a Code of Ethics policy that fosters a high standard of business and personal conduct for the firm and its employees.

Our Code of Ethics key points include putting the clients' interest first, objectivity, confidentiality, regulatory compliance and professionalism. The firm will provide a copy of our Code of Ethics to any client or prospective client upon request.

Personal Trading. GB employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Chief Compliance Officer J. Bland Burkhardt III reviews personal trades to insure that employees' trading is not based on inside information and that clients of the firm receive preferential treatment. Personal trades are not of a significant enough value to affect the securities markets. All partners and employees of the firm are required to have their personal securities in custody at Schwab Institutional or to sign a quarterly personal securities transaction report which is kept on file.

Item 12 - Brokerage Practices

Selected Broker/Custodian. GB has selected Schwab Institutional to be its' broker/ custodian. The selection was based on the proven integrity and financial responsibility of the firm; the execution of orders at reasonable commission rates; and, the quality of client service. GB does not receive fees or commissions from this arrangement. GB may benefit from the electronic delivery of client information, electronic trading platforms and other services provided by Schwab Institutional. GB may also benefit from other services provided by Schwab Institutional, such as research, continuing education, and practice management advice. These benefits are standard in a relationship with a custodian and are not in return for client recommendations or transactions. We regularly review the execution of trades which is documented in our "Policies & Procedures Manual". Transaction fees are reviewed on an annual basis. We do not receive any portion of the Schwab Institutional transaction fees.

Soft Dollars. GB does not receive soft dollars from Schwab Institutional.

Directed Brokerage. GB may direct individual bond trades to Vining Sparks, a bond broker/dealer serving institutional clients; bonds are then delivered to Schwab Institutional for custody. GB regularly reviews Vining Sparks' trades and transaction fees. We do not receive any portion of their transaction fees. GB may direct variable annuity trades to Jefferson National, a

no-load, low-cost annuity provider. We regularly review Jefferson National's trades and internal transaction fees.

Item 13 - Review of Accounts

In person portfolio reviews are performed by W. Dant Goepper and J. Bland Burkhardt III. Reviews may be triggered by a client request, by changes in market conditions, by new information about an investment, by changes in tax laws, and/or by other important changes. The frequency of account reviews is negotiated with each client. Account reviews tend to be performed more frequently during volatile market conditions

Item 14 – Client Referrals and Other Compensation

Incoming referrals may come from current clients, attorneys, accountants and other sources. The firm does not pay for incoming referrals. Outgoing referrals may be sent to other professionals, attorneys, accountants, etc. GB does not accept referral fees or any other form of remuneration from other professionals when making referrals.

Item 15 - Custody

All assets are held in custody at Schwab Institutional and Jefferson National, which provide periodic account statements directly to clients. Clients are encouraged to carefully review the statements provided by Schwab Institutional and Jefferson National.

Item 16 - Investment Discretion

GB has discretionary authority to manage portfolios on behalf of clients. We have the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. Discretionary authority facilitates placing trades in clients' accounts on their behalf so that we may promptly implement the investment policy that they have approved. Clients are provided the opportunity to review and discuss our security selection process prior to the implementation of our selections. Clients must sign a limited power of attorney before GB can assume discretionary authority.

Item 17 - Voting Client Securities

GB does not vote proxies on behalf of clients. However, GB is available to discuss proxy issues with clients.

Item 18 - Financial Information

GB does not have financial impairments that would preclude the firm from meeting its commitments to clients. A balance sheet is not required to be provided to clients because GB does not serve as a custodian for client funds or securities and does not require prepayment of fees.

GOEPPER BURKHARDT

PRIVATE WEALTH MANAGEMENT

Brochure Supplement

Form ADV Part 2 B

This brochure supplements the Goepper Burkhardt
(Hereafter GB) firm brochure. You should have received a
copy of that brochure.

If you did not receive our firm brochure or if you have any questions about the contents of this
supplement, please contact us at:

Goepper Burkhardt Private Wealth Management

531 S. Main Street, Suite 303, Greenville, SC 29601

Local phone 370-3244 Toll Free 1-866-492-0191 Fax (864) 239-0760

service@gbpwm.com www.gbpwm.com

Brochure Supplement Part 2B of Form ADV

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Item 1 - Experience, Education and Business Standards

GB requires employees who render investment advice to 1) have 15 years or more experience in financial services; 2) hold, or be pursuing, one of the following professional designations (in alphabetical order): Certified Financial Planner®, Certified Public Accountant, Chartered Financial Analyst or Chartered Wealth Manager®; 3) subscribe to the company's Code of Ethics.

Item 2 - Professional Certifications and Designations

GB employees have earned certifications and designations that are required to be explained in further detail.

Certified Financial Planner™. CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and

Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field.

Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

Certified Public Accountant. Licensing as a Certified Public Accountant in South Carolina means meeting several state regulated requirements.

Education. South Carolina requires a CPA candidate to have a certain amount of education.

A candidate needs to have a total of 150 semester hours of completed coursework and have earned a bachelor's degree. These 150 hours must include at least 36 hours of accounting courses that cover financial and managerial accounting, taxation and auditing, and 36 hours of business courses, including macro or microeconomics, finance, business law, management, computer science and marketing.

Testing. To be eligible for licensing, a candidate must pass all four parts of the CPA exam with a score of 75 or higher. Those four parts are: audit, financial accounting, regulation and general business. In addition to the general CPA exam, South Carolina requires applicants to take a business ethics course and pass an ethics test with a score of 90 or higher.

Experience. South Carolina has an experience requirement to obtain a CPA license. An applicant must work for a licensed CPA for a period of one year, or 2,080 hours, performing work he or she would do in a public accounting firm. If an applicant works only part time on accounting duties, only the time spent on the accounting duties would count toward the experience requirement. An applicant may also fulfill the requirement by showing at least five years of experience teaching accounting at a college or university that is recognized by the South Carolina Board of Accountancy. A combination of on-the-job experience and teaching may be used to satisfy the CPA requirements.

Personal Financial Specialist. A PFS candidate must hold a valid and unrevoked CPA license issued by a legally constituted state authority. The CPA license establishes the ethical and professional foundation for the PFS Credential.

Education. A PFS Candidate must earn a minimum of 80 hours of personal financial planning education within the five year period preceding the date of the PFS application. The education must be in the 9 areas that make up the PFS Body of Knowledge. Alternative sources include a combination of professional CPE, approved courses at an accredited university or college, or presenting and authoring on financial planning subjects.

Experience. The PFS Candidate must have 2 years of full-time business or teaching experience (or 3,000 hours equivalent) in personal financial planning within the five year period preceding the date of the PFS application.

Testing. The PFS Candidate must successfully pass a PFP-related exam. Successful completion of the following examinations will satisfy the examination requirements for the PFS Credential: Certified Financial Planner® (CFP) and Chartered Financial Consultant (ChFC).

Chartered Wealth Manager®. The Chartered Wealth Manager® professional designation is sponsored by the American Academy of Financial Management (AAFM). It is a voluntary designation e.g. no federal or state law or regulation requires wealth management practitioners to hold the Chartered Wealth Manager® designation.

To attain the right to use the Chartered Wealth Manager® designation an individual must have three or more years of experience as a wealth management practitioner and have completed one or more of the following requirements:

- Have a law degree from an accredited law school.
- Have a master's degree in finance, accounting or law.
- Have successfully completed the courses approved by the AAFM, including courses in: Investment Science, Portfolio Management, Tax Planning, Estate and Trust Planning, Retirement Planning, Private Banking

In order to maintain the designation, Chartered Wealth Manager® designees must complete 30 hours every two years in approved continuing education and must abide by the Chartered Wealth Manager® code of ethics.

Item 3 - Supervised Personnel

W. Dant Goepper: DOB 4/17/1946

Experience: He has 45 years of experience in financial services. Prior to GB, he was the Executive Vice-President and Chief Investment Officer of Trust Company of the South, a South Carolina trust bank. Prior to Trust Company of the South, he was President of Goepper Investment Advisors, Inc., a SEC Registered Investment Advisor.

Education: He studied English language education at East Carolina (in those days a teacher's college) and the College of Teachers in London. He earned teaching certifications in English as a Second Language and English as a Foreign Language. He is currently studying for a Graduate Diploma in Education at the College of Teachers, located at the Institute of Education at the University of London. In 1970 he began working in financial services. Over a number of years he became certified in personal financial planning (the College for Financial Planning); retirement counseling (Texas Tech University's Foundation for Retirement Education); fiduciary investment auditing (the University of Pittsburgh); and wealth management (American Academy of Financial Services).,

Designation: Chartered Wealth Manager®

Disciplinary Information: None

Supervision: His compliance related activities are supervised by J. Bland Burkhardt III, Chief Compliance Officer.

Outside Activities: He teaches retirement investing and financial planning for the Osher Life Long Learning Institute at Furman University in Greenville, SC and Clemson University in Clemson, SC. He is also a pro-bono English as a Second Language teacher for the Greenville Literacy Association.

Other: No reportable additional business activities or compensation.

J. Bland Burkhardt III: DOB 10/25/1966

Experience: He has 21 years of experience in financial services. Prior to GB, he was the Chief Financial Officer of Trust Company of the South, a South Carolina trust bank. Prior to Trust Company of the South, he was the Chief Financial Officer for The Delta Group, the country's largest privately-held healthcare information services company. Before that, he was a CPA consultant at KPMG, a big four accounting firm.

Education: He attended Wake Forest University where he earned a Bachelor of Science from the School of Business and Accountancy and a Master of Business Administration from the Babcock Graduate School of Management.

Designations: Certified Financial Planner®, Certified Public Accountant, and Personal Financial Specialist (the American Institute of CPAs).

Disciplinary Information: None

Supervision: His compliance related activities are supervised by W. Dant Goepper.

Outside Activities: He is a past Chairman of the St. Mary's Golf Classic and Gala, a board member of Girls Golf at Furman and is a member of the AICPA. He also teaches retirement investing and financial planning for the Osher Life Long Learning Institute at Furman University in Greenville, SC and Clemson University in Clemson, SC.

Other: No reportable additional business activities or compensation.

Business Continuity Plan

GB has a business continuity plan in place to mitigate and recover from natural disasters, internet outages and the loss of services of key people. Alternate work locations are identified to support ongoing operations in the event the main office is unavailable. Cloud storage is used as a natural disaster-proof backup.

It is our intention to contact all clients within three days of a disaster that dictates moving our office to an alternate location. GB has an agreement between the partners to support GB in the event of the death, disability or retirement of the partners.

Privacy Notice

GB is committed to maintaining the confidentiality and security of the personal information that is entrusted to us. GB maintains an information security program to reduce the risk that personal and confidential information may be breached. We maintain a secure office to ensure that our clients' information is not placed at unreasonable risk. We employ a firewall and secure data encryption techniques and authentication procedures in our computer environment. Nonpublic information that we collect from our clients may include information about personal finances, information about health to the extent that it is needed for the investment planning process and information about transactions between clients and third parties. We use this information to help our clients meet their personal financial goals. With our clients' permission, we will disclose limited information to attorneys, accountants, and other professionals with whom they have established a relationship. Clients may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. With client permission, we store a limited amount of information with Schwab Institutional, Jefferson National, Morningstar, Big Brain Works, Emoney, and Moneytree. These software providers store some client information on their servers, which is referred to as "cloud storage". We do not provide personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to personal information, including financial service companies, consultants and auditors. Federal and state securities regulators may review our personal records as permitted by law. Personally identifiable information will be maintained while still a client of GB and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed. We will notify our clients in advance if our privacy policy is expected to change. We are required by law to deliver this Privacy Notice to our clients annually, in writing.

Schedule H: the GB Wrap Fee Program

This brochure provides information about the GB Wrap Fee Program. This information should be considered by prospective Clients before becoming a Client in the program. This information has not been approved or verified by any governmental authority.

Introduction. GB is an investment adviser registered with the Securities and Exchange Commission. We offer portfolio management under a “wrap fee program”, where advice, custody and brokerage services are provided for one monthly fee and we also offer portfolio management under a “managed account” where custody and brokerage services are paid separately by the client.

Wrap Fee Program. We are the sponsors of the GB Wrap Fee Program which is designed to provide clients with portfolio management tailored to their unique financial situation. Our advisers primarily build portfolios using open-end mutual funds and exchange-traded funds and secondarily using individual stocks and bonds. Investment holdings are tailored to each Client’s Investment Policy Guidelines i.e. a written description of the client’s investment time horizon, risk tolerance, portfolio benchmark, investment restrictions, asset allocation parameters, cash flow requirements, etc.

Prospective Client Preliminary Portfolio Review. We prepare a Preliminary Portfolio Review for prospective Clients in which we analyze the prospective Client’s existing portfolio and discuss a hypothetical portfolio that may be suitable. The prospective Client is then asked to study our Preliminary Portfolio Review and other related information and make a determination of whether or not the prospective Client wishes to retain our services.

Custody Services and Brokerage. Schwab Institutional is our broker/custodian. Schwab maintains custody of our Client assets; provides record keeping of all account transactions; and provides the Client with monthly statements showing investment performance, a listing of the assets held in the client’s account, and a detail of all transactions in the Client’s account, including payment of any fees to us. Clients who desire to do so may obtain internet access to their account information. We monitor the services and costs of Schwab Institutional and will recommend a change if appropriate. We do not accept soft dollars from Schwab Institutional. Our Wrap Fee Program usually includes all transaction fees. However, there are exceptions: when transaction costs are charged by Schwab and have to be reimbursed by us to a Client; when a Client transfers a portfolio of securities to Schwab and some or all of the securities have to be liquidated before we can begin to implement the Client’s new strategy; when a Client directs us to purchase securities other than those recommended by us; when redemption fees are incurred due to Clients directing us to sell mutual funds that impose a short-term trading penalty; when a

Client terminates our relationship and instructs us to liquidate their portfolio rather than transferring their portfolio “in kind” to a new custodian; and, when a Client instructs us to invest in separate accounts which incur additional fees for manager due diligence and related platform costs.

Fees and Expenses. Client fees are based on the amount of assets under management, a flat monthly fee, or a combination of both. Fees are negotiable based on the amount of assets under management and the complexity of the services rendered. Fees are payable monthly and are calculated based on the Client’s account balance on the last business day of the previous month. The account balance is multiplied by the annual fee and divided by 12. Fees are paid to us directly by Schwab Institutional as authorized in the Client Service Agreement executed between the client and GB. Mutual funds and exchange-traded funds charge internal expenses that are disclosed in the fund’s prospectus. Such expenses are not additional charges paid directly by the Client but are deducted by the fund out of fund assets and reflected in the value of the mutual fund’s shares.

Other Fee Information. The fees and expenses that a Client pays may be more or less than that paid by other Clients, depending on the size of the Client’s account and the types of investments selected by the client. The fees and expenses paid to us by a Client may be more or less than if the client purchased the relevant services separately. The relative cost of obtaining services through us rather than by purchasing them separately will depend on such factors as the frequency and size of trades of Client assets and the size of the Client’s assets. Other parties offer services similar to ours, some of which may be more or less expensive.

Securities Selection. We design portfolios primarily using open-end mutual funds and exchange-traded funds and secondarily using individual stocks and bonds. When selecting securities, we rely on research from a number of outside firms, including Morningstar, Schwab Institutional and Vining Sparks. In selecting mutual funds and exchange-traded funds, we use Morningstar’s proprietary mutual fund software and Morningstar’s analysts to help us reduce the universe of approximately 27,000 funds to the 60-70 funds that we use to build our portfolios. In making our selections, we assess consistency of portfolio holdings with the stated investment style; portfolio performance against benchmarks relevant to the portfolio in question; and various factors of investment methodology (how securities are selected, what factors trigger securities sales, how sectors are weighted, etc.). We may recommend selling a mutual fund or exchange-traded fund based on consistent under-performance compared to appropriate peer groups and benchmarks, consistent failure to adhere to stated investment style, changes in the investment personnel, and statistical deviations such as materially increased volatility. In selecting exchange-traded funds, we also look for funds that are large enough to provide trading liquidity. When selecting individual stocks, we start with research from Morningstar’s proprietary database on approximately 1,600 companies. In the initial screening process we look for companies that

have a “sustainable competitive advantage”. After the initial screening process, we will be left with a universe of approximately 200-300 candidates. We use Morningstar’s calculation of fair value to select the best candidates. We accomplish this through a comparison of the company’s fair value to the current market price. The current market price must be far enough below Morningstar’s estimate of fair value to provide a margin of safety. When selecting individual bonds, we use research from Vining Sparks. We use their research to select government bonds, corporate bonds and/or municipal bonds for our client accounts. From time-to-time, we will keep “legacy securities” in our accounts i.e. securities that the Client has told us not to sell due to low-cost basis issues, family sentimental issues, etc.

Account Reviews. We meet face-to-face with Clients throughout the year to review their portfolios and to discuss related financial issues. In the reviews, Clients advise us of any changes in their Investment Policy Guidelines and any other relevant changes in their circumstances. In addition, we review every Client account every month to make sure we are in compliance with the Client’s investment policy guidelines.

Proxies. As a rule, we do not vote proxies. However, we will consult with clients on proxy issues.

Other Services. GB offers financial counseling to our portfolio management clients, however, this service is not provided to all Clients since not all Clients desire such a service.