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Akron, OH 44333  
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## Form ADV Part 2A Firm Brochure

*Dated August 16, 2017*

This brochure provides information about the qualifications and business practices of Kohmann Bosshard Financial Services, LLC. If you have any questions about the contents of this brochure, please contact us at (330) 666-6886 or via email directly to our office administrator at [laura@kohmannbosshard.com](mailto:laura@kohmannbosshard.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or any state securities authority. Kohmann Bosshard Financial Services, 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 that you may use to determine whether to hire or retain them. Additional information about Kohmann Bosshard Financial Services, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**WWW.KOHMANNBOSSHARD.COM**

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Investment Advisory Services offered through Kohmann Bosshard Financial Services, LLC, SEC Registered Investment Advisors. Securities offered through Valmark Securities, Inc. Member FINRA, SIPC. 130 Springside Dr, Suite 300, Akron, Ohio 44333-2431, 1-800-765-5201. Kohmann Bosshard Financial Services is a separate entity from Valmark Securities, Inc.

## ITEM 2: MATERIAL CHANGES

On July 28, 2010, the United States Securities and Exchange Commission published "Amendments to Form ADV" which amends the disclosure document that we provide to clients as required by SEC Rules. This Form ADV Part 2A ("brochure") dated August 16, 2017 is a new document prepared per the SEC's new requirements and rules. It updates the last brochure dated January 30, 2016.

Since then, we have modified:

- Updated AUM values
- Removed Otto Bosshard

In the future, this item will discuss only specific material changes that are made to the brochure to provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

Pursuant to SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent brochures annually and within 120 days of the close of our business' fiscal year. We may further provide you with a new brochure and other ongoing disclosure information about material changes as necessary, without charge.

Our brochure may be requested anytime by contacting your personal investment adviser representative or by contacting Kohmann Bosshard Financial Services, LLC at 330-666-6886.

Additional information about Kohmann Bosshard Financial Services, LLC is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Kohmann Bosshard Financial Services, LLC who are registered, or are required to be registered, as investment adviser representatives of Kohmann Bosshard Financial Services, LLC.

# TABLE OF CONTENTS

<b>ITEM 2: MATERIAL CHANGES</b>	<b>2</b>
<b>ITEM 4: ADVISORY BUSINESS</b>	<b>5</b>
A. DESCRIPTION OF THE ADVISORY FIRM	
B. TYPES OF ADVISORY SERVICES	
i. Investment Management Services	
ii. Selection of Other Advisers	
iii. Consultation Services	
iv. Schwab Institutional Intelligent Portfolios	
v. Financial Planning Services	
C. CLIENT TAILORED SERVICES AND CLIENT IMPOSED RESTRICTIONS	
D. ASSETS UNDER MANAGEMENT	
<b>ITEM 5: FEES, COMPENSATION AND TERMINATION OF SERVICES</b>	<b>10</b>
A. FEE SCHEDULES	
i. Advisory Fees for Investment Management Services	
ii. Selection of Independent Managers	
iii. Fees for Consultation Services	
iv. Schwab Institutional Intelligent Portfolios	
v. Financial Planning Services	
B. PAYMENT OF FEES	
i. Investment Management Services	
ii. Selection of Independent Managers	
iii. Consultation Services	
iv. Financial Planning Services	
C. CLIENTS ARE RESPONSIBLE FOR FEES ASSOCIATED WITH INVESTING	
D. OTHER COMPENSATION FOR THE SALE OF SECURITIES OR OR OTHER INVESTMENT PRODUCTS TO CLIENTS	
<b>ITEM 6: PERFORMANCE-BASED FEES</b>	<b>14</b>
<b>ITEM 7: TYPES OF CLIENTS AND MINIMUM CONDITIONS</b>	<b>14</b>
<b>ITEM 8: METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS</b>	<b>14</b>
A. METHODS OF ANALYSIS AND INVESTMENT STRATEGIES	
B. MATERIAL RISKS INVOLVES	
C. RISKS OF SPECIFIC SECURITIES UTILIZED	
<b>ITEM 9: DISCIPLINARY INFORMATION</b>	<b>16</b>
<b>ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS</b>	<b>16</b>
<b>ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING</b>	<b>16</b>
A. CODE OF ETHICS	
B. RECOMMENDATIONS INVOLVING MATERIAL FINANCIAL INTERESTS	

C. INVESTING PERSONAL MONIES IN THE SAME SECURITIES AS CLIENTS	
D. TRADING SECURITIES AT/AROUND THE SAME TIME AS CLIENTS' SECURITIES	
<b>ITEM 12: BROKERAGE PRACTICES .....</b>	<b>18</b>
A. FACTORS USED TO SELECT CUSTODIANS AND/OR BROKER/DEALERS	
i. Research and Other Soft Dollar Benefits	
ii. Brokerage for Client Referrals	
iii. Clients Directing Which Broker/Dealer/Custodian to Use	
B. AGGREGATION (BLOCK TRADING FOR MULTIPLE CLIENT ACCOUNTS)	
<b>ITEM 13: REVIEW OF ACCOUNTS .....</b>	<b>21</b>
A. FREQUENCY AND NATURE OF PERIODIC REVIEWS AND WHO CONDUCTS THE REVIEWS	
i. Investment Management Services	
ii. Consultation Services	
iii. Financial Planning Services	
B. REVIEWERS	
C. FACTORS THAT WILL TRIGGER NON-PERIODIC REVIEWS OF CLIENT ACCOUNTS	
D. CONTENT AND FREQUENCY OF REGULAR REPORTS PROVIDED TO CLIENTS	
<b>ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION .....</b>	<b>22</b>
A. ECONOMIC BENEFITS PROVIDED BY THIRD PARTIES FOR ADVICE RENDERED TO CLIENTS (INCLUDES SALES AWARDS OR OTHER PRIZES)	
B. COMPENSATION TO NON-ADVISORY PERSONNEL FOR CLIENT REFERRALS	
<b>ITEM 15: CUSTODY .....</b>	<b>23</b>
<b>ITEM 16: INVESTMENT DISCRETION .....</b>	<b>23</b>
<b>ITEM 17: VOTING CLIENT SECURITIES (PROXIES).....</b>	<b>23</b>
<b>ITEM 18: FINANCIAL INFORMATION .....</b>	<b>24</b>

## ITEM 4: ADVISORY BUSINESS

### A. DESCRIPTION OF THE ADVISORY FIRM

Kohmann Bosshard Financial Services, LLC, ("Kohmann Bosshard", or "Adviser"), formerly known as Bosshard Investment Management Co., LLC has been a Registered Investment Adviser since 2006. The firm has no affiliates, is headquartered and maintains its offices in Akron, OH. Since inception, the firm has maintained its registration with the United States Securities and Exchange Commission ("SEC") and its notice filing in Ohio. After six years of SEC registration, in 2012, Bosshard Investment Management, LLC registered with the State of Ohio as a Registered Investment Adviser. In 2014, Bosshard Investment Management, LLC registered with the SEC as required when assets under management increased to \$100 million. In 2015 Dean Kohmann purchased a majority interest in Bosshard Investment Management, LLC. The firm subsequently filed with the Ohio Secretary of State and the SEC to change the name and the firm continues to serve clients under the new name. The Adviser may provide services to residents of other states under each state's registration exemptions, if applicable. Alternatively, the Adviser will file notice in other states when necessary.

### B. TYPES OF ADVISORY SERVICES

#### i. Investment Management Services

Kohmann Bosshard offers professional fee-based investment advisory services. The term "fee-based" means that Kohmann Bosshard is compensated only in the form of investment advisory fees paid by clients. Depending upon the nature of services desired, the Adviser offers its services on a fee basis which may include fixed fees as well as fees based upon assets under management.

While not the primary focus of their business, certain advisors are also Registered Representatives of an unaffiliated broker/dealer firm; ValMark Securities, Inc. As such, they may offer securities brokerage services under a commission arrangement.

Kohmann Bosshard is not a broker/dealer or a custodial firm. Therefore, Kohmann Bosshard does not execute securities transactions or custody assets. Any transactions in securities will be executed by an unaffiliated custodial firm of clients' choosing.

Kohmann Bosshard's services are primarily provided to high net worth individuals, pension and profit sharing plans, trusts and estates and charitable organizations, corporations or other business entities, and occasionally to associations or groups. This ADV 2A Brochure provides disclosure relating to the Adviser's services, fees, and other material information. Please read it carefully and if questions should arise, please contact Dean Kohmann or the Chief Compliance Officer of Kohmann Bosshard.

Kohmann Bosshard offers Investment Management Services that provide for ongoing and continuous advice and services. The Adviser also offers Services related to the Selection of Independent Managers and Consultation Services on a limited basis.

Kohmann Bosshard is committed to helping its clients build, manage, and preserve their wealth, and to aid in helping clients to achieve their stated financial goals. Kohmann Bosshard may offer a complimentary initial consultation to discuss services available, to give a prospective client the opportunity to review services desired, and to determine the possibility of a potential Client-Adviser relationship. Services begin only after the client and Adviser formalize the relationship with a properly executed Client Agreement.

After the formal engagement, the Adviser and client will share in a data gathering and discovery process to determine the client's needs, goals, intentions, time horizons, risk tolerance and investment objectives, based upon information provided by the client and the nature of services requested. The client and Adviser may complete an investment policy statement or similar document.

Investment Management Services are ongoing in nature and provide for continuous advice and services. In the delivery of initial and ongoing services, the Adviser will include a review of the overall aspects of a client's current financial situation and consider both long and short-term objectives, or as directed by

the client. The Adviser can also tailor services to focus only on certain portfolio components, depending upon the client's wishes and/or the nature of the engagement.

While Kohmann Bosshard will typically recommend investments in exchange traded funds, it may assist the client with other investments such as: mutual funds, individual securities, and other investments. Depending on the needs of a client, the Adviser may evaluate or offer advice on U.S. Government securities, tax-exempt municipal bonds, and other fixed-income securities. The Adviser will construct a diversified portfolio of investments that are within its realm of expertise. Additionally, if requested and based upon information provided by the client, Kohmann Bosshard can prepare an evaluation of existing portfolio investments and provide recommendations for other investments as deemed appropriate.

The Adviser may agree to provide general consultation regarding any other investment product that may be held by the client at the start of the advisory relationship but will not manage these investments unless specifically noted in the Client Agreement. In some cases, services will be limited to Consultation only, to provide a review of the offering document for the appropriateness of the investment, and may not provide ongoing investment management services (such as is the case for partnerships, hedge funds, lease investments, etc.).

Services and investment recommendations in connection to assets invested in corporate retirement plans are limited to those offered within the plan and via the plan's contracted service providers.

Where an existing portfolio has been designed by the client or another party, Kohmann Bosshard can provide recommendations for ongoing management, re-design, adjustments or re-balancing.

Clients engaging in investment advisory services must play an active role. The Adviser requires the client to participate in the formation of the investment plan, investment advice and recommendations.

After an analysis and data-gathering process and depending upon the nature of services desired, Kohmann Bosshard may prepare reviews, analysis, asset allocation recommendations, and may recommend specific investments. The Adviser's asset allocation services and rebalancing services are provided to clients invested in exchange traded funds and other assets, as outlined in the designed investment strategies.

The ongoing Investment Management Services provided are based upon unique individual needs as stated by the client. Kohmann Bosshard will allocate the client's assets among various investments, taking into consideration the overall risk tolerance and objectives of the client. The Adviser may utilize its own predesigned model for the portfolio or custom design one specifically. However, in every case, clients will receive individualized advice.

Once the managed portfolio has been implemented, Kohmann Bosshard provides continuous monitoring, recommendations and investment advice as outlined in the engagement for services. The ongoing investment management services are based upon the investment strategy agreed upon.

Clients can delegate limited discretionary authority to the Adviser, if desired. In providing ongoing investment management services, the Adviser will manage investor funds in accordance with an investment strategy selected by the client and the Adviser will remain available for ongoing advice and recommendations. Kohmann Bosshard will monitor the portfolio in accordance with directives provided. The Adviser's investment management services are continuous in nature and therefore are ongoing until terminated by either party.

Ongoing services require that clients maintain contact with Kohmann Bosshard. While frequent contact is desired, clients should meet with Kohmann Bosshard no less than annually (either telephonically or in person). However, clients are obligated to promptly notify the Adviser of any changes in the client's personal situation, lifestyle situation, needs, and financial condition that may alter the client's goals and objectives and to provide the Adviser with the opportunity to review investment strategies to help ensure that investment strategies continued to be structured appropriately, based upon what we know

about our clients. Clients may call the office at any time during normal business hours to discuss the client's portfolio, financial situation or investment needs directly with the client's Advisory Representative.

Certain clients may desire to place or keep certain assets within their account(s) that are selected by the client and are not the subject of investment advice by Adviser. These are "self-directed" assets. The Adviser will have no responsibility to manage any "self-directed" assets in client accounts and the Adviser accepts no liability to those clients about any loss relating to the "self-directed" assets. In such cases, the Adviser has/will not pass on the suitability of self-directed assets. Should the Adviser ever assist clients with self-directed implementation it may do so only as a value-added service at the client's request. The Adviser will therefore not manage this facet of the client's portfolio unless specifically agreed in writing.

## **ii. Selection of Other Advisers**

Kohmann Bosshard may recommend that certain clients authorize the active discretionary management of all or a portion of their assets by independent investment manager(s) either directly or through a wrap fee program ("Independent Manager(s)"), based upon the stated investment objectives of the client. The terms and conditions under which the client shall engage the Independent Manager(s) shall be set forth in separate written agreements between (1) the client and the Adviser and (2) the client and the designated Independent Manager(s) and/or wrap fee program sponsor.

Factors that Kohmann Bosshard will generally consider in recommending Independent Manager(s) include the client's stated investment objective(s), the Manager's style of management, performance, reputation, financial strength, reporting, pricing, and research. Kohmann Bosshard is limited to utilizing only service providers approved for use by Kohmann Bosshard's unaffiliated supervising broker/dealer.

The Investment Management fees charged by the designated Independent Manager(s), together with the fees charged by a wrap fee program sponsor and corresponding designated broker-dealer/custodian of the client's assets, may be exclusive of, and in addition to, Kohmann Bosshard's Investment Management fee.

Kohmann Bosshard does not sponsor a wrap program and may refer clients to ValMark's investment management wrap program, The Optimized Portfolio System ("TOPS™"). ValMark Adviser's is the sponsor of TOPS™. TOPS™ is a goal-based asset allocation program, which seeks to provide a return that is commensurate with the risk associated with their models. The portfolios of TOPS™ invest, primarily, in exchange-traded funds ("ETFs").

Clients are welcome but are never obligated to utilize TOPS™. Should clients participate in this program, Advisory Representatives receive normal investment management fees from ValMark Adviser's as outlined in the ValMark Adviser's ADV Part 2A Brochure and as discussed in the TOPS™ Wrap Fee Brochure.

In addition to Kohmann Bosshard's ADV Part 2A and applicable 2B brochures, clients can also expect to receive the written disclosure statements of the designated Independent Manager(s) and wrap fee program sponsor (if applicable) as required by securities rules and regulations.

Certain Independent Manager(s) may impose more restrictive account requirements and varying billing practices than the Adviser. In such instances, the Adviser may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Manager(s) or wrap fee program sponsor.

The selected Independent Manager is responsible for portfolio management, portfolio reporting services, best execution review, quarterly reporting, trade error resolution, custodial reconciliations, and implementation of trades within their respective programs.

## **iii. Consultation Services**

Consultation services are dependent upon the nature and scope of services to be provided. Consulting services are mainly provided to companies whereby the Adviser may provide consulting services to the company's investment committees. Consultation services are available on a fixed fee basis.

The Adviser can provide analysis and consultation relating to comprehensive areas of interest or need, or the Adviser's services may be focused on certain financial or investment considerations at the request of the client. Where services are limited in scope, the client must understand that the Adviser cannot take the client's total financial issues and concerns into consideration due to the limited nature of services.

The services to be provided and the fee arrangement will be based upon the circumstances and needs of the client as presented to the Adviser. When providing plan-related services, the advice and recommendations are limited to plan offerings.

The Adviser may follow a course of discovery (data-gathering), analysis and recommendations, pertaining to one or more of the following considerations or needs as identified by the client. Kohmann Bosshard gathers information as provided by the client through personal interviews to address the requested services. Kohmann Bosshard may suggest the client work closely with the client's attorney, accountant, investment committee, insurance agent, third-party consultants selected by the client, and the client's custodian. Implementation of any advice or recommendations, in whole or in part, is entirely at the client's discretion via the service provider of the client's choice. The Adviser will not have any form of limited discretion to execute transactions.

#### **iv. Schwab Institutional Intelligent Portfolios**

We provide portfolio management services through Institutional Intelligent Portfolios™, an automated, online investment management platform for use by independent investment advisors and sponsored by Schwab Wealth Investment Advisory, Inc. (the "Program" and "SWIA," respectively). Through the Program, we offer clients a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange traded funds ("ETFs") and a cash allocation. The client may instruct us to exclude up to three ETFs from their portfolio. The client's portfolio is held in a brokerage account opened by the client at SWIA's affiliate, Charles Schwab & Co., Inc. ("CS&Co"). We are independent of and not owned by, affiliated with, or sponsored or supervised by SWIA, CS&Co or their affiliates (together, "Schwab"). The Program is described in the Schwab Wealth Investment Advisory, Inc. Institutional Intelligent Portfolios™ Disclosure Brochure (the "Program Disclosure Brochure"), which is delivered to clients by SWIA during the online enrollment process.

We, and not Schwab, are the client's investment advisor and primary point of contact with respect to the Program. We are solely responsible, and Schwab is not responsible, for determining the appropriateness of the Program for the client, choosing a suitable investment strategy and portfolio for the client's investment needs and goals, and managing that portfolio on an ongoing basis. SWIA's role is limited to delivering the Program Disclosure Brochure to clients and administering the Program so that it operates as described in the Program Disclosure Brochure.

We have contracted with SWIA to provide us with the technology platform and related trading and account management services for the Program. This platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the "System"). The System includes an online questionnaire that helps us determine the client's investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that we will recommend a portfolio via the System in response to the client's answers to the online questionnaire. The client may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but we then make the final decision and select a portfolio based on all the information we have about the client. The System also includes an automated investment engine through which we manage the client's portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).



We do not receive a portion of a wrap fee for our services to clients through the Program. Clients do not pay fees to SWIA about the Program, but we charge clients a fee for our services as described below under Item 5 Fees and Compensation. Our fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to CS&Co as part of the Program. Schwab does receive other revenues about the Program, as described in the Program Disclosure Brochure.

We do not pay SWIA fees for its services in the Program so long as we maintain \$100 million in client assets in accounts at CS&Co that are not enrolled in the Program. If we do not meet this condition, then we pay SWIA an annual fee of 0.10% (10 basis points) on the value of our clients' assets in the Program. This fee arrangement gives us an incentive to recommend or require that our clients with accounts not enrolled in the Program be maintained with CS&Co.

#### **v. Financial Planning Services**

In addition to fee based asset management, Kohmann Bosshard also provides comprehensive fee based planning services and or consulting services to its clients. Financial planning is a process that focuses on ascertaining a client's financial goals and then developing a plan to help the client achieve those goals. A written financial plan is created by Kohmann Bosshard to carry a client from his or her present financial position to the attainment of financial goals. Since no two clients are alike, the plan must be designed for the individual, with Kohmann Bosshard's recommended strategies tailored to each client's needs, abilities, and financial goals. Consulting is a professional service and can involve any discussion between the client and Kohmann Bosshard about the client's financial position.

In performing these services, Kohmann Bosshard will work with clients to understand their current financial situation, their financial goals and dreams, as well as their understanding of, and comfort with, various financial strategies and/or products. Based upon the information obtained from the client, Kohmann Bosshard will work closely with the client to develop a comprehensive written financial plan or advice that may include specific advice in one or more of the following topic areas:

1. General Financial Planning
2. Estate Planning
3. Succession Planning
4. Education Planning
5. Charitable Planning
6. Life Insurance Analysis
7. 529 & College Savings Plans
8. Retirement Plan Analysis, including reviews of individual 401(k) Plans, 403(b) Plans, and IRAs
9. Group Plan Analysis, including but not limited to Pension Plans, Profit Sharing Plans, Keogh Plans

Kohmann Bosshard's recommendations to the client may include specific financial and investment strategies as well as specific product recommendations, including equity, fixed income and insurance products.

#### **C. CLIENT TAILORED SERVICES AND CLIENT IMPOSED RESTRICTIONS**

Kohmann Bosshard recognizes that each client is unique and therefore the Adviser focuses on providing individualized services. The Adviser can tailor services to focus only on certain portfolio components, depending upon the client's wishes and/or the nature of the engagement. However, where client services or information are limited, clients must understand that comprehensive financial and/or investment needs and objectives may not be fully considered due to the client's option to receive limited services, the lack of information received, and/or client disclosure.

The Adviser and client will share in a data gathering and discovery process to determine the client's stated needs, goals, intentions, time horizons, risk tolerance and investment objectives, based upon information provided by the client and depending upon the nature of services requested. The client and Adviser may complete a risk

assessment, investment policy statement or similar document, depending upon the nature of services to be provided.

Clients are welcome to set parameters on the Adviser's limited discretionary authority in writing as to types of investments and amounts purchased or sold. Clients may also impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs and these directives will be set forth in writing in the client's Investment Policy Statement or similar document.

Where clients retain authority to implement recommendations, they are welcome to do so in whole or in part via the financial services provider(s) of their choice.

Clients may make additions to and withdrawals from their account at any time.

Additions may be in cash or securities if the Adviser reserves the right to liquidate any transferred securities, or decline to accept securities into a client's account. The Adviser may consult with its clients about the options and ramifications of transferring securities when provided pre-notification of the client's intentions. In such cases, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

Clients may withdraw account assets on notice to the Adviser, subject to the usual and customary securities settlement procedures. The Adviser reserves the right to terminate services based upon withdrawals since Kohmann Bosshard normally designs its portfolios as long-term investments and asset withdrawals may impair the achievement of a client's investment objectives.

Clients may choose to make self-directed securities transactions which are investments that are not reviewed and/or not recommended by the Adviser. In such cases, the Adviser has not passed on the suitability of said investments and while the Adviser may assist with client-directed implementation as a value-added service at the client's request, the Adviser will not manage these types of investments unless agreed in writing.

#### D. ASSETS UNDER MANAGEMENT

Discretionary assets under management as of 8-16-2017 were: \$154,875,081.

### ITEM 5: FEES, COMPENSATION AND TERMINATION OF SERVICES

#### A. FEE SCHEDULES

Kohmann Bosshard is only compensated for advisory services by a percentage of assets under management or fixed fees (which are dependent upon the nature and scope of a Consultation Services engagement).

##### i. Advisory fees for Investment Management Services

Advisory fees for Investment Management Services are agreed upon at the time of engagement and typically range between 0.42% and 0.75% annually.

The Adviser's fees are charged quarterly in arrears and are based upon the market value of the portfolio, set forth by the client's custodian, as of the last market day of the relevant calendar month. The timing of the billing will be agreed upon at engagement. Where services are initiated at any time other than the beginning of a calendar quarter, advisory fees will be pro-rated.

The Adviser reserves the right to modify fees (higher or lower) at the time of engagement, depending upon the nature of the engagement, complexity of services, time to be incurred, for pre-existing relationships, or other special situations and at the Adviser's discretion. The Adviser reserves the right to re-evaluate fees at any time through the engagement and where fees are scheduled to increase due to changes in services, complexities, additional consultation needs, or other reasons, and the Adviser will provide 30 days' notice to the client. Clients are welcome to terminate services at any time. The Adviser may also agree to waive fees (all or for a specified period) for family members, certain pre-existing relationships, charitable organizations, or religious foundations.

In the event the client should request additional services outside the scope of the Investment Management Agreement, the Adviser's fixed rate project services may apply. The Adviser would notify the client when additional fees will apply, before engaging in additional efforts.

A client may terminate any advisory agreement for Investment Management services without penalty (full refund or no fees due) within 5 business days of signing the Agreement if the Adviser's ADV Part 2A was not delivered prior to engagement. Alternatively, Management Services are ongoing until the client receives notice of termination or renewal. Either party may terminate the agreement by providing written notice. The Adviser will issue an invoice for partial services if services are terminated prior to the end of a billing period.

## **ii. Selection of Independent Managers**

Fees associated with the unaffiliated Independent Managers are based upon the assets under management within the Independent Manager's investment or wrap fee program. The investment management fees charged by the designated Independent Manager(s), together with the fees charged by the wrap fee program sponsor and corresponding designated broker-dealer/custodian of the client's assets, may be exclusive of, or in addition to, the Adviser's investment advisory fee set forth above. Clients may incur additional fees than those charged by the Adviser, the designated Independent Manager(s), wrap fee program sponsor (if applicable), and corresponding broker-dealer and custodian.

Kohmann Bosshard shall continue to render advisory services to the client relative to the ongoing monitoring and review of account performance for which the Adviser shall receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated Independent Manager(s). The market value of the portfolio is determined by the custodial firm holding the assets.

The Advisor's fee shall be invoiced quarterly as coordinated through the Client's selected Independent Manager. Either party may terminate the agreement for Investment Management Services associated with the investments within these management programs by written notice to the other(s) as outlined in the program's client agreement.

## **iii. Fees for Consultation Services**

Fees for Consultation Services are determined at the time of engagement based upon the time and effort required and/or the nature and complexity of services. The Adviser's Consultation services which are invoiced on a fixed project rate usually range from \$500 per meeting and/or \$10,000 or more for annual engagements. The hourly and project fees will be agreed upon at the time of engagement and the project fee may be modified depending upon the nature and complexity of services to be provided. Kohmann Bosshard may request a retainer of ½ of the project fee, and in such cases, the project balance is due upon the conclusion of services.

Any long-term retainer engagements will be invoiced quarterly in arrears. Therefore, the Adviser does not have constructive custody issues that arise when an Adviser accepts fees more than \$1200 and for services six months or more in advance.

In the event the client's financial or investment condition should change during the course of the engagement, such that new analysis and advice are needed, there may be additional hourly fees. In each case, the client would be advised if additional fees will apply.

## **iv. Schwab Institutional Intelligent Portfolios**

As described in Item 4 Advisory Business, clients do not pay fees to SWIA or brokerage commissions or other fees to CS&Co as part of the Program. Schwab does receive other revenues in connection with the Program, as described in the Program Disclosure Brochure. Brokerage arrangements are further described below in Item 12 Brokerage Practices.

## **v. Financial Planning Services**

Kohmann Bosshard has several fee structures for the financial planning services set forth above. The specific fee structure utilized in any given situation shall be fully discussed with the client and disclosed in the investment advisory agreement which the client signs with Kohmann Bosshard prior to the commencement of any services. Some of the possible fee structures are:

**Hourly Fees:** Kohmann Bosshard may charge an hourly fee for services which may vary depending upon the needs of the client and the complexity of the plan/consulting. The exact hourly rate, as well as the work to be performed, will be specifically disclosed in the investment advisory agreement and agreed to by the client.

**Negotiated Flat Fee:** Kohmann Bosshard may charge a flat fee for its services typically ranging from \$250 to \$50,000 or more depending on the needs of the client and the complexity of the plan/consulting. The flat fee negotiated between Kohmann Bosshard and the client, as well as the work to be performed, will be specifically disclosed in the investment advisory agreement and agreed to by the client.

For financial planning engagements, a portion of the planning fee may be due and payable at the time the investment advisory agreement is signed with the balance of the fee due as portions of the plan are completed and delivered to the client. Kohmann Bosshard clients will not be charged more than an initial fee of \$1,200 for any financial or estate plan that is expected to exceed 6 months for completion, nor will they be charged in advance for any subsequent portion of a planning engagement.

The investment advisory agreement by and between Kohmann Bosshard and the client may be canceled at any time by providing written notice to the other party of their desire to cancel the agreement. In the event that the client wishes to cancel the planning or consulting services prior to any services being performed by Kohmann Bosshard, any advance payments shall be fully refunded to the client upon request. If the client cancels the agreement after Kohmann Bosshard has begun the services requested in the agreement, the client shall be charged for the services completed in a manner to be determined by Kohmann Bosshard in the circumstances and the remainder of any advance payments, if any, shall be refunded to the client.

## B. PAYMENT OF FEES

### i. Investment Management Services

Unless otherwise agreed in writing, Investment Management fees are payable quarterly in arrears. Payment of Investment Management fees may be made directly to the Adviser or through a debit directly to the client's account by the qualified custodian holding the client's funds and securities. The Adviser follows the following criteria when payment is made via a qualified custodian as required by the United States Securities and Exchange Commission's Investment Advisers Act of 1940:

- (1) The client provides written authorization permitting the fees to be paid directly from the client's account held by the independent qualified custodian and the authorization is limited to withdrawing contractually agreed upon Investment Adviser fees;
- (2) The client will directly receive regular (monthly or quarterly) reports from the qualified custodian which reflect the Adviser's fee deduction;
- (3) The frequency of fee withdrawal shall be specified in the written authorization/agreement;
- (4) The custodian of the account shall be advised in writing of the limitation on the Adviser's access to the account and;
- (5) The client shall be able to terminate the written billing authorization or agreement at any time.

- ii. **It is important to note that custodial firms** do not verify advisory fees. Therefore, clients should review their custodial statements carefully. If a client should have any questions or concerns about an advisory fee deduction, they should promptly contact Kohmann Bosshard.

If at any time during the engagement, the client fails to receive the regular statements produced by the custodian, it is important for the client to promptly notify Kohmann Bosshard and the custodial firm.

If the designated account(s) do not contain sufficient funds to pay advisory fees, the client can leave standing orders to deduct fees via other accounts. In the absence of alternate instructions, the Adviser will issue an invoice for advisory fees to the client and payment is expected within 10 days of the invoice date.

### **iii. Selection of Independent Managers**

Fees associated with the Selection of Independent Managers are payable quarterly and as outlined in the Agreement for services executed with the Independent Manager. Payment to the Adviser of Investment Management fees within these programs are normally implemented through custodial deductions.

### **iv. Consultation Services**

Consultation fees are invoiced and paid directly by the client.

### **v. Financial Planning Services**

Financial planning fees are invoiced and paid either directly by the client or are included as a service as part of the AUM fees.

## **C. CLIENTS ARE RESPONSIBLE FOR FEES ASSOCIATED WITH INVESTING**

Clients are responsible for the payment of all third-party fees associated with investing. Clients may pay transaction and brokerage commission to their broker/dealer or other service providers (Financial Institution[s]) as well as any fees associated with their accounts (e.g., account opening, maintenance, transfer, termination, wire transfer, retirement plan, trust fees, and all such applicable third party fees, deferred sales charges, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

All fees paid to the Adviser for advisory services are separate from the fees and expenses charged to shareholders of ETF's or mutual fund shares by mutual fund companies or by the investment Adviser managing a portfolio. If a mutual fund previously purchased by or selected by a client should impose a sales charge, a client may pay an initial or deferred sales charge. A complete explanation of the expenses charged by a mutual fund is contained in the respective mutual fund prospectus.

Clients are encouraged to read each fund prospectus and securities offering document before investing. Kohmann Bosshard does not receive any portion of these investment-related fees. Clients should read all disclosure documents before investing. The Adviser's fee is also separate and in addition to any fees charged by unaffiliated Independent Managers or wrap fee programs that may be recommended.

As previously disclosed, portfolio additions may be in cash or securities provided the Adviser reserves the right to liquidate any transferred securities, or decline to accept securities into a client's account. The Adviser may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

## **D. OTHER COMPENSATION FOR THE SALE OF SECURITIES OR OTHER INVESTMENT PRODUCTS TO CLIENTS**

Certain Kohmann Bosshard IARs are also registered representatives of ValMark Securities, Inc., a registered broker-dealer and as such they may affect securities transactions through ValMark on behalf of their clients. In such instances, the related persons may receive commissions, markups, markdowns or 12b-1 fees for any securities transactions placed through ValMark. Clients are advised that they are not required to place securities transactions through ValMark and may use any broker-dealer they desire. For securities transactions placed through ValMark, commissions for securities paid pursuant to a prospectus will be the same. However, commissions or fees for other securities transactions may be higher or lower if placed through ValMark than if placed through another broker-

dealer. Furthermore, all securities transactions made on behalf of a Client and placed through ValMark are reviewed and approved by ValMark supervisory principals as required by FINRA.

#### **ITEM 6: PERFORMANCE-BASED FEES**

Kohmann Bosshard's fees associated with services are not "performance based" (based upon a share of capital gains or capital appreciation, or performance, for any portion of funds under an advisory contract). The fees noted herein represent fees for advisory services only.

#### **ITEM 7: TYPES OF CLIENTS AND MINIMUM CONDITIONS**

Kohmann Bosshard is available to provide advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

If an account is subject to the Employee Retirement Income Security Act of 1974, as amended, ("ERISA"), the Adviser acknowledges that Adviser is a fiduciary within the meaning of the Act and the ERISA Client is a named fiduciary with respect to the control or management of the assets in the account. In each instance, the Client will agree to obtain and maintain a bond satisfying the requirements of Section 412 of ERISA and to include the Adviser and the Adviser's principals, agents, and employees under those insured under that bond and will deliver to the Adviser a copy of the governing plan documents. If the Account assets for which the Adviser provides services represent only a portion of the assets of an employee benefit plan, Client will remain responsible for determining an appropriate overall diversification policy for the assets of such plan.

Kohmann Bosshard does not require a minimum relationship size for clients seeking Investment Management Services.

Recommended Independent Managers may impose minimum standards for accounts or fees as outlined in their program disclosures.

The Adviser reserves the right to decline to provide Investment Management services to any person or firm in its sole discretion and for any reason.

Clients eligible to enroll in Schwab's Institutional Intelligent Portfolios, include individuals, IRAs and revocable living trusts. Clients that are organizations (such as corporations and partnerships) or government entities, and clients that are subject to the Employee Retirement Income Security Act of 1974, are not eligible for the Program. The minimum investment required to open an account in the Program is \$5,000. The Program Disclosure Brochure describes related minimum required account balances for maintenance of the account, automatic rebalancing, and tax-loss harvesting.

#### **ITEM 8: METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

##### **A. METHODS OF ANALYSIS AND INVESTMENT STRATEGIES**

The Adviser believes each client presents a unique set of goals, values, interests, objectives, time horizons and challenges. Kohmann Bosshard provides individualized Investment Management Services to its clients. The Adviser can provide advisory services for portfolios ranging from conservative to aggressive, each designed to meet the varying needs of and within the direction set forth by the investors. The Adviser selects the portfolio or Independent Manager program best suited to their individual needs after clients have defined their objectives, risk tolerance and time horizons and the selection is approved by the client.

The Adviser attempts to measure an investor's risk tolerance, time horizon, goals and objectives through an interview and data-gathering process to determine an investment plan or portfolio to best fit the investor's profile. Client participation and the client's delivery of accurate and complete information are critical to the Adviser's process. Investment strategies may be based upon several concepts and determined by the type of investor, based upon information provided to the Adviser. Services are customized for each individual client. The Adviser's security analysis methods are based on the Adviser's research and the belief in "Efficient Market Theory" and "Strategic Asset Allocation".

The Adviser may recommend the services of itself, its Advisory Representatives in their individual capacities as investment managers and registered securities representatives, and other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if the Adviser recommends its own services. Any professional referrals (i.e., insurance agents/firms, accounting professionals, legal professionals, etc.) are solely a courtesy and the Adviser receives no direct or indirect compensation because of referrals. The client is welcome but is never under any obligation to act upon any of the recommendations made by the Adviser under a consulting engagement and/or engage the services of any such recommended professional, including the Adviser itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of the Adviser's recommendations.

Kohmann Bosshard provides very individualized Investment Management Services. Kohmann Bosshard provides advisory services for portfolios designed to meet the varying needs of investors. The Adviser selects the portfolio best suited to their individual needs after clients have defined their objectives, risk tolerance and time horizons and the selection is approved by the client.

Investment strategies may be based upon several concepts and determined by the type of investor. The concept of asset allocation or spreading investments among many asset classes (domestic stocks, foreign stocks, large cap stocks, small cap stocks, corporate bonds, and government securities) is generally in the forefront of our strategies. At its core, asset allocation seeks to achieve the most efficient diversification of assets, to help lessen risk and achieve the client's objectives. Since risk reduction is a key element to long-term investment success, asset allocation principles are a key part of the Adviser's overall approach in preparing advice for clients.

The Adviser seeks to minimize trading costs and the impact of investments on taxes. To this end, the Adviser generally sets target ranges for the percentage of assets in each asset class. These ranges are not intended to attempt to time the market, but instead to provide flexibility to reduce trading activity and taxable income. Within each asset class, the Adviser will typically seek to construct broadly diversified portfolios using exchange traded funds (ETFs) or low-cost mutual funds.

Portfolio holdings or recommendations are generally judged by (managers' or investments') experience, expenses, track record and performance of like-kind investments. The Adviser will actively manage each portfolio. Investors should expect to remain fully invested within the ranges of their selected asset allocation plan always unless restated by the client.

Independent Managers who may provide services to the Adviser's clients are responsible for providing investment management, portfolio reporting, best execution and trade error correction within their respective programs. While the Adviser makes every effort to consider tax consequences, the sale of investments may cause taxable gain(s) or loss(es) to the client. Clients are welcome to consult their independent personal tax adviser about tax consequences resulting from transactions or any investment held in their account.

## B. MATERIAL RISKS INVOLVED

Kohmann Bosshard takes the general position that long-term investors with diversified portfolios have a better chance of higher returns because it is difficult to accurately predict the movement of the stock and bond markets.

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

Investments in individual stocks can be risky. Some risks can be controlled and some risks can be guarded against but no investment strategy can carry guarantees from loss. Certain market risks cannot be controlled, such as market or economic conditions. Certain strategies may be employed to adjust portfolios or the Adviser and client may agree to hold the portfolio's course. Kohmann Bosshard designs portfolio strategies for the long-term, unless otherwise specifically requested in writing. Therefore, Kohmann Bosshard does not attempt to time the market.

Investments in ETFs and mutual funds bears a risk of investment loss. Clients who invest should also be prepared to bear a loss of investment proceeds.

There are certain risks involved in investing in all types of bonds: Government, Municipal, and Corporate. The following is an overview of the types of bond risks that one should consider: Interest rate risk; reinvestment risk;

inflation risk; market risk, selection risk, timing risk, and price risk. Additional risks for some government agency, corporate and municipal bonds may include: Legislative risk (a change in the tax code could affect the value of taxable or tax-exempt interest income); Call risk (some corporate, municipal and agency) bonds have a "call provision" entitling their issuers to redeem them at a specified price on a date prior to maturity. Declining interest rates may accelerate the redemption of a callable bond, causing an investor's principal to be returned sooner than expected. In that scenario, investors may have to reinvest the principal at the lower interest rates.

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that all clients should be prepared to bear.

Schwab's Institutional Intelligent Portfolio Disclosure Brochure includes a discussion of various risks associated with the Program, including the risks of investing in ETFs, as well as risks related to the underlying securities in which ETFs invest. In addition, the Program Disclosure Brochure also discusses market/systemic risks, asset allocation/strategy/diversification risks, investment strategy risks, trading/liquidity risks, and large investment risks.

#### **ITEM 9: DISCIPLINARY INFORMATION**

Neither Kohmann Bosshard, nor any of our employees, has had any civil or criminal actions brought against them. Neither Kohmann Bosshard, nor any of our employees, has had any administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority. Neither Kohmann Bosshard, nor any of our employees, has had any proceedings before a self-regulatory organization.

#### **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Dean Kohmann is a Registered Representative of ValMark Securities, Inc. ("ValMark Securities"). Dean is also an insurance agent affiliated with Executive Insurance Agency. He may suggest that clients place transactional business through ValMark Securities and/or Executive Insurance Agency. If client transactions are executed through ValMark Securities or Executive Insurance Agency, Dean may receive normal commissions, thus a conflict of interest exists between our interests and that of our clients. Clients are under no obligation to purchase products we may recommend through the Adviser, ValMark Securities or Executive Insurance Agency.

Dean also services as a business consultant to the executives of ValMark Securities and is paid for his consulting work.

Clients who open brokerage accounts with unaffiliated third parties may incur other fees such as retirement plan administrative fees, deferred sales charges, 12b-1 fees and other mutual fund fees as described in the Prospectus of each fund. This also applies to programs that may maintain cash balances in money market funds. In addition, some mutual funds may pay annual distribution charges, the aforementioned "12b-1 fees" which come from fund assets, and thus, indirectly from client assets. Since those Advisory Representatives who are Registered Representatives of a broker/dealer may receive a commission on load funds, this may represent incentive to recommend load funds in favor of funds without a load.

As discussed in the Advisory Services section of this Brochure, the Adviser may recommend that clients authorize the active discretionary management of all or a portion of their assets by and/or among certain Independent Manager(s), based upon the stated investment objectives of the client.

When selecting an Independent Manager for a client, the Adviser undertakes a review of the Independent Manager(s) such as its disclosure statement and/or material supplied by the Independent Manager(s). The Adviser may also utilize third party information for information about the Independent Manager's investment strategies, past performance and risk results to the extent available.

Clients are welcome but are never under any obligation to utilize any service provider that may be recommended.



## ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

### A. CODE OF ETHICS

Kohmann Bosshard takes the issue of regulatory compliance seriously and is committed to maintain compliance with federal and applicable state securities laws. Additionally, Kohmann Bosshard has a position of public trust and it is our goal to maintain that trust; provide excellent service, good investment performance; and advice that is suitable. Kohmann Bosshard places great value on ethical conduct. Therefore, the goal of our internal policies is to challenge our staff to live up not only to the letter of the law, but also to the ideals set forth by the Adviser.

Clients may be familiar with the roles fiduciaries play in various legal situations and in certain industries. As a Registered Investment Adviser, Kohmann Bosshard is a fiduciary to each client. As fiduciaries, Investment Advisors owe their clients several specific duties.

According to the SEC, an Investment Adviser's fiduciary duties include:

- Providing advice that is suitable;
- Providing full disclosure of material facts and potential conflicts of interest (such that the client has complete and honest disclosure to make an informed decision about services of the Adviser and about investment recommendations);
- The utmost and exclusive loyalty and good faith;
- Best execution of transactions under the available circumstances;
- The Adviser's reasonable care to avoid ever misleading clients;
- Only acting in the best interests of clients.

It is Kohmann Bosshard's policy to protect the interests of each of the Adviser's clients and to place the clients' interests first and foremost in each situation. Kohmann Bosshard abides by honest and ethical business practices to include, but is not limited to:

- The Adviser will not induce trading in client accounts that is excessive in size or frequency in view of the financial resources and character of the account.
- Kohmann Bosshard will make investment decisions with reasonable grounds to believe that the decisions are suitable for the client based on information furnished by the customer and we will document suitability.
- Kohmann Bosshard and Advisory Representatives will not borrow money from clients.
- Kohmann Bosshard will not recommend the purchase of a security without the reasonable belief that the security is registered, or the security or transaction is exempt from registration in states where we provide investment advice and based upon information the Adviser receives.
- The Adviser will not recommend that the client place an order to purchase or sell a security through a broker/dealer or agent, or engage the services of a broker/dealer that is not licensed, based upon information available to the Adviser.
- Access persons of Kohmann Bosshard will report all required personal securities transactions to the Chief Compliance Officer as required by the SEC. Reportable trades for this Adviser include all but the following exceptions:
  - ✓ Transactions effected pursuant to an automatic investment plan;
  - ✓ Securities held in accounts over which the access person has no direct or indirect influence or control, including;
    - o Transactions and holdings in direct obligations of the Government of the United States;
    - o Money market instruments — bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments;
    - o Shares of money market funds;
    - o Transactions and holdings in shares of mutual funds are not reportable, since the Adviser does not have a material relationship with an investment company which would otherwise require reporting;

- o Transactions in units of a unit investment trust are not reportable if the unit investment trust is invested exclusively in unaffiliated mutual funds.

All applicable securities rules and regulations will be strictly enforced. Kohmann Bosshard will not permit and has instituted controls against insider trading.

Advisory Representatives and administrative personnel who do not follow the Adviser's Code of Ethics or who in any way violate securities rules and regulations, or who fail to report known or suspected violations will be disciplined or terminated, depending upon severity. Such persons could also face action by the SEC and/or state securities regulators.

Clients are welcome to request a copy of the Adviser's Code of Ethics by contacting the Adviser's office. The Adviser emphasizes the unrestricted right of clients to decline to implement any advice rendered, in whole or part. Where the Adviser is granted discretionary authority of the client's accounts, clients are welcome to set investment parameters and/or limitations in writing and such direction is followed until such time the client's instructions are amended in writing.

#### B. RECOMMENDATIONS INVOLVING MATERIAL FINANCIAL INTERESTS

Kohmann Bosshard does not recommend that clients buy or sell any security in which any of Kohmann Bosshard's related persons have a material financial interest other than cases where the representatives may have similar holdings due to similar investment plans (as noted in the next section) or in the case of securities sales, where the interest is limited to sales commissions.

#### C. INVESTING PERSONAL MONIES IN THE SAME SECURITIES AS CLIENTS

Kohmann Bosshard and/or individuals associated with Kohmann Bosshard may have similar investment goals and objectives and as a result the interests of the Adviser or related persons' accounts may coincide with (or be different from) the interests of clients' accounts; however, at no time will the Adviser or any related person receive an added benefit or advantage over clients with respect to these transactions. In every case, the interests of clients will always be placed ahead of the Adviser and its staff.

The Adviser has established written policies and procedures for staff persons who may invest personal monies. The Investment Adviser will not permit insider trading and has established written policies and procedures pertaining to insider trading and other duties. All applicable rules of the Investment Advisers Act of 1940 (the "Act") will be strictly enforced.

#### D. TRADING SECURITIES AT/AROUND THE SAME TIME AS CLIENTS' SECURITIES

The Adviser has established written policies and procedures for staff persons ("access persons") who may invest personal monies. Kohmann Bosshard and its Advisory Representatives acknowledge the Adviser's fiduciary responsibility to place the investment needs of clients ahead of the Adviser and its staff. The interests of clients are held in the highest regard. At no time, will the Adviser or any related person receive an added benefit or advantage over clients with respect to these transactions. The Adviser and its associated persons will not place itself able to have added benefit because of advice given to clients.

The staff of Kohmann Bosshard shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, because of his or her employment unless the information is also available to the investing public on reasonable inquiry.

### ITEM 12: BROKERAGE PRACTICES

#### A. FACTORS USED TO SELECT CUSTODIANS AND/OR BROKER/DEALERS

Kohmann Bosshard recommends the services of Charles Schwab & Co. ("Schwab"), Inc. for its advisory transactions. The Advisory Representatives of Kohmann Bosshard are not registered representatives of Schwab.

Kohmann Bosshard participates in the Schwab Institutional service program. Schwab Institutional is a division of Charles Schwab & Co. and provides back office and other services to independent investment advisers. To date, Schwab serves more independent Registered Investment Advisers than any other custodial firm in the nation.

Except as provided for in any applicable wrap fee program, the brokerage commissions and/or transaction fees charged by Schwab or any other designated broker-dealer are exclusive of and in addition to the Adviser's fee. An Adviser's duty to provide best execution for its clients means that the Adviser must seek to execute client transactions so that the client's total cost or proceeds in each transaction is the most favorable under the circumstances, although the Adviser may consider a variety of factors in making this determination. Kohmann Bosshard recognizes its duty to obtain best price and execution for its clients under the circumstances available. The Adviser believes that excellent customer service and trade execution available through its preferred services provider is superior to most non-service oriented and Internet-based brokers that may otherwise be available to the public. The Adviser's recommended service provider features a broad line of products and services that may be suitable to many types of investors with varying investable assets.

The decision to utilize Schwab is based on several criteria which include:

- Quality of overall execution services provided;
- Promptness of execution;
- Creditworthiness, financial condition, and business reputation;
- Research (if any) provided;
- Promptness and accuracy of reports on execution;
- Ability and willingness to correct errors;
- Promptness and accuracy of confirmation statements;
- Ability to access various market centers;
- The broker-dealer's facilities and technology;
- The market where the security trades;
- Any expertise in executing trades for the particular type of security;
- Access to exchange traded funds and mutual funds without transaction charges and other securities at nominal transaction charges;
- Reliability of the broker-dealer;
- Ability to use ECNs to gain liquidity, price improvement, lower commission rates and anonymity;
- Operational capabilities

Schwab provides Kohmann Bosshard with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment Advisers such as Kohmann Bosshard on an unsolicited basis, and at no charge to them so long as the Adviser maintains the minimum level of managed assets at Schwab Institutional, and are not otherwise contingent upon Adviser committing to Schwab any specific amount of business (assets in custody or trading). Schwab's services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Schwab generally does not charge separately for custody but is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

The commissions paid by the Adviser's clients shall comply with the Adviser's duty to obtain "best execution." However, a client may pay a commission that is higher than another qualified broker-dealer might charge to affect the same transaction where the Adviser determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker dealer's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while the Adviser will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

Kohmann Bosshard recognizes its duty to obtain best price and execution for its clients under the circumstances available. The decision to recommend the preferred service providers is based upon the customer service provided to investors and the services available to the Adviser and providing such recommendation is consistent with the Adviser's fiduciary duty to the client. The Adviser believes that excellent customer service and trade execution

available through its preferred services provider is superior to most non-service oriented and internet-based brokers that may otherwise be available to the public.

#### **i. Research and Other Soft Dollar Benefits**

Kohmann Bosshard does not make it a practice to accept or participate in soft dollar benefits if offered by brokerage firms.

However, certain research, trading software and related systems support is available to the Advisor from Schwab. This may benefit the Adviser, but not its clients directly. In fulfilling its duties to its clients, the Adviser endeavors always to put the interests of its clients first. Clients should be aware, however, that the Adviser's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence the Adviser's choice of broker/dealer over another broker/dealer that does not furnish similar software, systems support, or services.

Schwab may also provide the Adviser with other services intended to help the Adviser manage and further develop its business enterprise. These services may include general consulting, publications and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab may make available, arrange and/or pay for these types of services to the Adviser by independent third parties.

While as a fiduciary, the Adviser endeavors to act in its clients' best interests. Kohmann Bosshard's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to Kohmann Bosshard because of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

#### **ii. Brokerage for Client Referrals**

Kohmann Bosshard receives no referrals from a broker/dealer or third party in exchange for using that broker/dealer or third party.

In addition to our portfolio management and other services, the Schwab Institutional Intelligent Portfolio Program includes the brokerage services of CS&Co, a broker-dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC. While clients are required to use CS&Co as custodian/broker to enroll in the Program, the client decides whether to do so and opens its account with CS&Co by entering an account agreement directly with CS&Co. We do not open the account for the client. If the client does not wish to place his or her assets with CS&Co, then we cannot manage the client's account through the Program. As described in the Program Disclosure Brochure, SWIA may aggregate purchase and sale orders for ETFs across accounts enrolled in the Program, including both accounts for our clients and accounts for clients of other independent investment advisory firms using the Program.

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. Through Schwab Advisor Services, CS&Co provides us and our clients, both those enrolled in the Program and our clients not enrolled in the Program, with access to its institutional brokerage services – trading, custody, reporting and related services – many of which are not typically available to CS&Co retail customers. CS&Co also makes available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. CS&Co's support services described below are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. The availability to us of CS&Co's products and services is not based on us giving investment advice, such as buying securities for our clients. Here is a more detailed description of CS&Co's support services:

CS&Co's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. CS&Co's services described in this paragraph generally benefit the client and the client's account.

CS&Co also makes available to us other products and services that benefit us but may not directly benefit the client or its account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at CS&Co. In addition to investment research, CS&Co also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping and client reporting. CS&Co also offers other services intended to help us manage and further develop our business enterprise. These services include:
  - ✓ educational conferences and events
  - ✓ technology, compliance, legal, and business consulting;
  - ✓ publications and conferences on practice management and business succession; and
  - ✓ access to employee benefits providers, human capital consultants and insurance providers.

CS&Co may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. CS&Co may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. CS&Co may also provide us with other benefits such as occasional business entertainment of our personnel.

The availability of services from CS&Co benefits us because we do not have to produce or purchase them. We don't have to pay for these services, and they are not contingent upon us committing any specific amount of business to CS&Co in trading commissions or assets in custody. With respect to the Program, as described above under Item 4 Advisory Business, we do not pay SWIA fees for its services in connection with the Program so long as we maintain \$100 Million in client assets in accounts at CS&Co that are not enrolled in the Program. Considering our arrangements with Schwab, we may have an incentive to require that our clients maintain their accounts with CS&Co based on our interest in receiving Schwab's services that benefit our business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of transactions. This is a potential conflict of interest. We believe, however, that our selection of CS&Co as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality and price of CS&Co's services and not Schwab's services that benefit only us. We have adopted policies and procedures designed to ensure that our use of Schwab's services is appropriate for each of our clients.

## **ITEM 13: REVIEW OF ACCOUNTS**

### **A. FREQUENCY AND NATURE OF PERIODIC REVIEWS AND WHO CONDUCTS THE REVIEWS**

#### **i. Investment Management Services**

Kohmann Bosshard's Investment Management Services involve continuous and ongoing services including frequent monitoring and internal review of portfolio assets. The timing of reviews is guided by the client's stated objectives or at the Adviser's discretion. The underlying assets of client portfolios are generally reviewed internally on a monthly or quarterly basis, but reviews of underlying assets may occur as often as daily, with the frequency relative to the types of holdings. Individual portfolio reviews may also occur at the time of significant new deposits or withdrawals, during substantial changes in market conditions, at the Adviser's discretion, at a stated client's request, or per the interval agreed upon at the time of engagement. Reviews entail analysis of securities, asset allocation, sensitivity to various markets, investment results and other factors as determined by the reviewers.

Kohmann Bosshard requests that clients meet with the Adviser at least annually, but as previously noted, clients are obligated to immediately inform the Adviser of any material changes in their financial, personal, or investment situation which could require an immediate review/revision of the client's investment plan.

## **ii. Consultation Services**

Consultation Services are generally project based pursuant and to the terms of the Client Agreement will automatically terminate upon the delivery of services. While the advice provided may include the recommendation of follow-up services or annual reviews, the client is welcome to secure any additional services under a new or amended Agreement, if desired. Alternatively, for ongoing annual services, reviews will be dependent upon the nature of services, the scope of the engagement and will be agreed in writing.

## **iii. Financial Planning Service**

If you receive financial planning advice on an ongoing basis the plan is also reviewed generally at least annually for adherence to goals. Reviews of your financial plan cover progress toward financial independence, anticipated distributions toward family legacy goals, anticipated distributions for social capital or charitable goals, as well as your other goals. In addition, accounts will be reviewed upon notice of changes in your circumstances as described above.

## **B. REVIEWERS**

Reviews are conducted by Kohmann Bosshard Investment Advisor Representatives, including Dean Kohmann.

## **C. FACTORS THAT WILL TRIGGER NON-PERIODIC REVIEWS OF CLIENT ACCOUNTS**

The timing of internal portfolio reviews may also be guided by the underlying assets of the portfolio, individual circumstances as reasonably known by the Adviser, market conditions and the request of the client.

Reviews may also be triggered by material market, economic or political events. Reviews are likely to be triggered by reported changes in the client's financial situation (which may include but are not limited to: termination of employment, physical relocation, inheritance or retirement).

## **D. CONTENT AND FREQUENCY OF REGULAR REPORTS PROVIDED TO CLIENTS**

Clients receive confirmation statements for all transactions from Schwab. Clients also receive monthly and/or quarterly statements from Schwab. The Adviser prepares quarterly summary reports for investment management clients.

## **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

### **A. ECONOMIC BENEFITS PROVIDED BY THIRD PARTIES FOR ADVICE RENDERED TO CLIENTS**

Kohmann Bosshard is a fee-based Registered Investment Adviser and does not receive any economic benefit directly from any third party in connection with advice rendered to Kohmann Bosshard clients.

However, certain research, trading software and related systems support is available to the Advisor from Schwab. This may benefit the Adviser, but not its clients directly. In fulfilling its duties to its clients, the Adviser endeavors always to put the interests of its clients first. Clients should be aware, however, that the Adviser's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence the Adviser's choice of broker/dealer over another broker/dealer that does not furnish similar software, systems support, or services.

Schwab may also provide the Adviser with other services intended to help the Adviser manage and further develop its business enterprise. These services may include general consulting, publications and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab may make available, arrange and/or pay for these types of services to the Adviser by independent third parties.

As previously disclosed, certain Advisory Representatives are Registered Representatives of ValMark Securities, Inc. and Executive Insurance Agency. Representatives may suggest that clients place transactional business through ValMark Securities and/or Executive Insurance Agency. If client transactions are executed through ValMark Securities or Executive Insurance Agency, Advisory Representatives may receive normal commissions, thus a conflict of interest exists between our interests and that of our clients. Clients are under no obligation to purchase products we may recommend through the Adviser, ValMark Securities, or Executive Insurance Agency.

#### **B. COMPENSATION TO NON-ADVISORY PERSONNEL FOR CLIENT REFERRALS**

Kohmann Bosshard does not directly or indirectly compensate any person who is not part of Kohmann Bosshard's advisory personnel in connection with advisory services.

#### **ITEM 15: CUSTODY**

Kohmann Bosshard does not take custody of client accounts (funds or securities) at any time. Custody of clients' accounts is held at Schwab, Member FINRA, NYSE, SIPC, or the client's selected custodial firm. Clients will receive regular and customary account statements from the custodian and should carefully review those statements.

In all cases, clients have a direct and beneficial interest in their securities (individual ownership), rather than an undivided interest in a pool of securities. Execution of transactions and custody of client funds and securities are services provided by the client's selected brokerage/custodial services provider(s).

The Adviser will only have access to custodial accounts to implement trades via written authorization and to deduct Investment Management fees and only with the appropriate client authorization. In each instance where fee deduction occurs, it is important that clients receive custodial statements directly. If clients find that statements are not being received directly, they must promptly contact Kohmann Bosshard and their custodial firm.

#### **ITEM 16: INVESTMENT DISCRETION**

Clients engaging the Adviser for Investment Management Services can leave standing instructions with the Adviser to refrain from investing industries, invest in limited amounts of securities and to re-balance portfolios (also termed as "limited discretion").

With the client's authorization as provided in the custodial account forms and the Adviser's Client Agreement, Kohmann Bosshard will maintain limited discretionary trading authority to execute securities transactions in the investor's portfolio within investor's designated investment objectives, to include the securities to be bought and sold, and the amount of securities to be bought and sold. Kohmann Bosshard will never have full power of attorney nor will the Adviser ever have authority to withdraw funds or to take custody of investor funds or securities other than the ability to deduct advisory fees via investor's qualified custodian and only with client authorization.

The Adviser also may render non-discretionary Investment Management services to its clients relative to:

(1) variable life/annuity products that they may own, and/or (2) their individual accounts held through employer-sponsored retirement plans. In so doing, the Adviser either directs or recommends the allocation of client assets among the various mutual fund subdivisions that comprise the variable life/annuity product or the retirement plan. The client assets shall be maintained at either the specific insurance company that issued the variable life/annuity product which is owned by the client, or at the custodian designated by the sponsor of the client's retirement plan. Investments and service providers relative to Plan offerings are limited to only those available through the respective Plans and are determined by the Plan Sponsor(s).

#### **ITEM 17: VOTING CLIENT SECURITIES (PROXIES)**

Clients retain the authority to vote proxies. The Adviser requests that investors ensure that proxy ballots are mailed directly to each investor or an authorized third party. The Adviser will not act with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies.

As described in the Schwab Institutional Intelligent Portfolio Program Disclosure Brochure, clients enrolled in the Program designate SWIA to vote proxies for the ETFs held in their accounts. We have directed SWIA to process proxy votes and corporate actions through and in accordance with the policies and recommendations of a third-

party proxy voting service provider retained by SWIA for this purpose. Additional information about this arrangement is available in the Program Disclosure Brochure. Clients who do not wish to designate SWIA to vote proxies may retain the ability to vote proxies themselves by signing a special CS&Co form available from us.

#### **ITEM 18: FINANCIAL INFORMATION**

Kohmann Bosshard does not require nor solicit prepayment of more than \$1200 in fees per client, six months or more in advance of services and therefore is not required to include a balance sheet with this brochure. Neither Kohmann Bosshard nor its management have any financial conditions, including bankruptcies past or present, that are likely to reasonably impair the Adviser's ability to meet contractual commitments to clients.