

**Item 1: Cover Page  
Part 2A of Form ADV: Firm Brochure  
October 2018**



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[www.SeasideWealth.com](http://www.SeasideWealth.com)**

**Firm Contact:  
Bradley J. Lineberger  
Chief Compliance Officer**

This brochure provides information about the qualifications and business practices of Seaside Wealth Management, Inc. If clients have any questions about the contents of this brochure, please contact us at (760) 730-8120 or [brad@seasidewealth.com](mailto:brad@seasidewealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority. Additional information about our firm is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Our firm is a registered investment adviser. Please note that the use of the term "registered investment adviser" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise clients for more information on the qualifications of our firm and our employees.

## Item 2: Material Changes

Seaside Wealth Management, Inc. is required to make clients aware of information that has changed since the last annual update to the Firm Brochure ("Brochure") and that may be important to them. Clients can then determine whether to review the brochure in its entirety or to contact us with questions about the changes.

Since our annual amendment on February 24, 2018, our firm has the following material changes to disclose:

- We no longer utilize the services of LWI Financial, Inc.

### Item 3: Table of Contents

Item 1: Cover Page .....	1
Item 2: Material Changes .....	2
Item 3: Table of Contents .....	3
Item 4: Advisory Business .....	4
Item 5: Fees & Compensation .....	5
Item 6: Performance-Based Fees & Side-By-Side Management .....	7
Item 7: Types of Clients & Account Requirements .....	7
Item 8: Methods of Analysis, Investment Strategies & Risk of Loss .....	7
Item 9: Disciplinary Information .....	7
Item 10: Other Financial Industry Activities & Affiliations .....	7
Item 11: Code of Ethics, Participation or Interest in .....	8
Item 12: Brokerage Practices .....	9
Item 13: Review of Accounts or Financial Plans .....	11
Item 14: Client Referrals & Other Compensation .....	12
Item 15: Custody .....	12
Item 16: Investment Discretion .....	13
Item 17: Voting Client Securities .....	14
Item 18: Financial Information .....	14

## Item 4: Advisory Business

Our firm is dedicated to providing individuals and other types of clients with financial planning and consulting services. Our firm is an S-Corporation formed in the State of California. Our firm has been in business since 2011 and as a registered investment adviser since 2015 and is wholly owned by Bradley Lineberger.

### **Types of Advisory Services Offered**

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#### **Asset Management:**

##### Asset Management:

As part of our Asset Management service, a portfolio is created, consisting of individual stocks, bonds, exchange traded funds ("ETFs"), options, mutual funds and other public and private securities or investments. The client's individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Portfolios will be designed to meet a particular investment goal, determined to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, portfolios are continuously and regularly monitored, and if necessary, rebalanced based upon the client's individual needs, stated goals and objectives.

#### **Financial Planning & Consulting:**

We provide a variety of standalone financial planning and consulting services to clients for the management of financial resources based upon an analysis of current situation, goals, and objectives. Financial planning services will typically involve preparing a financial plan or rendering a financial consultation for clients based on the client's financial goals and objectives. This planning or consulting may encompass Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Cost Segregation Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, or Business and Personal Financial Planning.

Written financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. Implementation of the recommendations will be at the discretion of the client. Our firm provides clients with a summary of their financial situation, and observations for financial planning engagements. Financial consultations are not typically accompanied by a written summary of observations and recommendations, as the process is less formal than our planning service. Assuming that all the information and documents requested from the client are provided promptly, plans or consultations are typically completed within six (6) months of the client signing a contract with our firm.

#### **Third Party Money Manager:**

In rare cases, our firm utilizes the sub-advisory services of a third party investment advisory firm or individual advisor to aid in the implementation of an investment portfolio designed by our firm. Before selecting a firm or individual, our firm will ensure that the chosen party is properly licensed or registered. Once a client's asset allocation strategy is established, we utilize the services of Betterment, LLC ("Betterment") for the management of client accounts. Our firm will periodically review Betterment's reports provided to the client at least annually. Our firm will contact clients from time to time in order to review their financial situation and objectives; communicate information to Betterment as warranted; and, assist the client in understanding and evaluating the services provided by

Betterment. Clients will be expected to notify our firm of any changes in their financial situation, investment objectives, or account restrictions that could affect their financial standing.

### **Tailoring of Advisory Services**

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Our firm offers individualized investment advice to our Asset Management clients. General investment advice will be offered to our Financial Planning & Consulting clients. Each Asset Management client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

### **Participation in Wrap Fee Programs**

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Our firm does not offer a wrap fee program.

### **Regulatory Assets Under Management**

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As of December 2017, our firm has \$143,500,000 in non-discretionary assets.

## **Item 5: Fees & Compensation**

### **Compensation for Our Advisory Services**

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#### **Asset Management:**

<b>Assets Under Management</b>	<b>Annual Percentage of Assets Charge</b>
For the first amount from \$0 to \$500,000	1.25%
For the next amount above \$500,000 to \$1,000,000	1.10%
For the next amount above \$1,000,000 to \$2,000,000	1.00%
For the next amount above \$2,000,000 to \$5,000,000	0.75%
For the next amount above \$5,000,000 to Above	0.50%

Total fees to be assessed will be outlined in the advisory agreement to be signed by the client. Annualized fees are billed on a pro-rata basis quarterly in advance based on the total value of the assets in the Client's portfolio(s) on the last day of the previous quarter. Additional deposits of funds and/or securities into the portfolio will be subject to the same billing procedures and will be charged pro-rata based on the number of days remaining in the quarter. Fees will be deducted from client account(s). In rare cases, our firm will agree to direct bill clients.

#### **Financial Planning & Consulting:**

Our firm charges on an hourly or flat fee basis for financial planning and consulting services. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of our engagement with the client. The maximum hourly fee to be charged will not exceed \$250. Flat fees will not exceed \$10,000. Our firm requires a retainer of 50% of the ultimate financial planning or consulting fee at the time of signing. The remainder of the fee will be directly billed to the client and due within 30 days of a financial plan being delivered or consultation rendered. Our firm will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 months.

**Betterment Asset Management:**

Client will pay all advisory fees directly to the Betterment, LLC ("Asset Manager"), as outlined in the Asset Manager's agreement and ADV Part 2A. The annual fee that you will be charged is negotiable and will not exceed 1.25% of assets under management. A portion of this fee will be paid to our firm and will be outlined in the Betterment Management Agreement to be signed by the client. The total annual fee that you will be charged will be prorated and billed on a quarterly basis in arrears, based on the Client's average daily account balance for the prior quarter.

The billing procedures for this service are chosen by the Asset Manager. The total fee to be charged, as well as the billing cycle, will be detailed in the Asset Manager's ADV Part 2A and separate advisory agreement to be signed by the client.

**Other Types of Fees & Expenses**

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Clients will not incur transaction charges for trades executed in their accounts for the first 6 months of Asset Management service provided by our firm. Transaction fees charged after the first 6 months are separate from our firm's advisory fees and will be disclosed by the chosen custodian. Clients may also pay charges imposed directly by a mutual fund, index fund, or exchange traded fund, which shall be disclosed in the fund's prospectus (i.e., fund management fees, initial or deferred sales charges, mutual fund sales loads, 12b-1 fees, surrender charges, variable annuity fees, IRA and qualified retirement plan fees, and other fund expenses). Our firm does not receive a portion of these fees.

**Termination & Refunds**

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Either party may terminate the signed advisory agreement in writing at any time. Upon notice of termination a pro-rata refund of the unearned portion of the advisory fees charged in advance at the beginning of the quarter will be processed.

Clients may terminate their Financial Planning agreement at any time before the delivery of a financial plan by providing written notice. For purposes of calculating refunds, all work performed by us up to the point of termination shall be calculated at the hourly fee currently in effect. Clients will receive a pro-rata refund of unearned fees based on the time and effort expended by our firm.

**Commissionable Securities Sales**

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Representatives of our firm are registered representatives of Purshe Kaplan Sterling Investments, Inc. ("PKS"), member FINRA/SIPC. As such they are able to accept compensation for the sale of securities or other investment products, including distribution or service ("trail") fees from the sale of mutual funds. Clients should be aware that the practice of accepting commissions for the sale of securities presents a conflict of interest and gives our firm and/or our representatives an incentive to recommend investment products based on the compensation received. Our firm generally addresses commissionable sales conflicts that arise when explaining to clients these sales create an incentive to recommend based on the compensation to be earned and/or when recommending commissionable mutual funds, explaining that "no-load" funds are also available. Our firm does not prohibit clients from purchasing recommended investment products through other unaffiliated brokers or agents.

## **Item 6: Performance-Based Fees & Side-By-Side Management**

Our firm does not charge performance-based fees.

## **Item 7: Types of Clients & Account Requirements**

Our firm has the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Corporations, Limited Liability Companies and/or Other Business Types

Since our firm only offers fee-only financial planning services, we do not require any minimum account balance.

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

### **Methods of Analysis**

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We use the following methods of analysis in formulating our investment advice and/or managing client assets:

- Fundamental;

For our financial planning services, we use a Financial Planning Association-style approach to analysis. Using professional financial planning software, proprietary spreadsheets, and accumulated experience, we analyze the information clients provide to determine their current lifestyle income, savings rates, and estimated lifestyle needs during retirement. We make educated estimates of asset rates of return, inflation rates, and other relevant metrics to determine the present and future values of people's goals.

### **Investment Strategies We Use**

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We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

- Long Term Purchases (Securities Held At Least a Year);

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

## **Item 10: Other Financial Industry Activities & Affiliations**

Representatives of our firm are registered representatives of PKS, member FINRA/SIPC, and licensed insurance agents. As a result of these transactions, they receive normal and customary commissions. A conflict of interest exists as these commissionable securities sales create an incentive to recommend products based on the compensation earned. To mitigate this potential conflict, our firm will act in the client's best interest.

Our firm is not registered, nor does it have an application pending to register, as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person

of the foregoing entities. In addition, our firm does not have any material business relationships with another investment adviser.

Please see Item 4 above for more information about the selection of outside managers. The compensation paid to our firm by outside managers may vary, and thus, creates a conflict of interest in recommending a manager who shares a larger portion of its advisory fees over another manager. Prior to referring clients to outside managers, our firm will ensure that they are licensed or notice filed with the respective authorities. A potential conflict of interest in utilizing outside advisors may be an incentive to us in selecting a particular advisor over another in the form of fees or services. In order to minimize this conflict our firm will make our recommendations/selections in the best interest of our clients.

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

As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is the underlying principle for our firm's Code of Ethics, which includes procedures for personal securities transaction and insider trading. Our firm requires all representatives to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment with our firm, and at least annually thereafter, all representatives of our firm will acknowledge receipt, understanding and compliance with our firm's Code of Ethics. Our firm and representatives must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Our firm recognizes that the personal investment transactions of our representatives demands the application of a Code of Ethics with high standards and requires that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, our firm also believes that if investment goals are similar for clients and for our representatives, it is logical, and even desirable, that there be common ownership of some securities. In order to prevent conflicts of interest, our firm has established procedures for transactions effected by our representatives for their personal accounts<sup>1</sup>. In order to monitor compliance with our personal trading policy, our firm has pre-clearance requirements and a quarterly securities transaction reporting system for all of our representatives.

Neither our firm nor a related person recommends, buys or sells for client accounts, securities in which our firm or a related person has a material financial interest without prior disclosure to the client.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

Likewise, related persons of our firm buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the

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<sup>1</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.



same securities prior to buying or selling for our clients in the same day. If related persons' accounts are included in a block trade, our related persons will always trade personal accounts last.

### **Item 12: Brokerage Practices**

Client assets must be maintained by a qualified custodian. Our firm seeks to recommend a custodian who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. The factors considered, among others, are these:

- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Financial condition
- Business reputation
- Quality of services

With this in consideration, our firm has an arrangement with Fidelity Brokerage Services LLC, Charles Schwab & Co., Inc. and TD Ameritrade, Inc. (including Pershing, collectively "Qualified Custodians"). The Qualified Custodians offer services to independent investment advisers which includes custody of securities, trade execution, clearance and settlement of transactions. The Qualified Custodians are able to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. The Qualified Custodians do not charge client accounts separately for custodial services. Client accounts will be charged transaction fees, commissions or other fees on trades that are executed or settle into the client's custodial account. Transaction fees are generally discounted from customary retail commission rates. This benefits clients because the overall fee paid is often lower than would be otherwise.

Additionally, our firm requires that clients using our Betterment services use MTG, LLC dba Betterment Securities ("Betterment Securities"), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Betterment Securities. Betterment Securities will hold your assets in a brokerage account and buy and sell securities when we and/or you instruct them to. While we require that you use Betterment Securities as custodian/broker, you will decide whether to do so and will open your account with Betterment Securities by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so. If you do not wish to place your assets with Betterment Securities, then we cannot manage your account on Betterment for Advisors. Depending on the chosen Qualified Custodian, Clients may pay a transaction fee or commission that is higher or lower than the two unchosen Qualified Custodians to effect the same transaction. 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 the Qualified Custodians' services.

For our clients' accounts that Betterment Securities maintains, Betterment Securities generally does not charge you separately for custody/brokerage services, but is compensated as part of the Betterment for Advisors (defined below) platform fee charged for a suite of platform services, including custody, brokerage, sub-advisory services provided by Betterment and access to the Betterment for Advisors

platform. The platform fee is an asset-based fee charged as a percentage of assets in your Betterment account. Clients utilizing the Betterment for Advisors platform may pay a higher aggregate fee than if the investment management, brokerage and other platform services are purchased separately. Nonetheless, for those Clients participating in the Betterment for Advisors platform, we have determined that having Betterment Securities execute trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors.

#### Services available to us via Betterment for Advisors

Betterment Securities serves as broker dealer to Betterment for Advisors, an investment and advice platform serving independent investment advisory firms like us (“Betterment for Advisors”). Betterment for Advisors also makes available various support services which may not be available to Betterment’s retail customers. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Betterment for Advisors’ support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of Betterment for Advisors’ support services:

1. **SERVICES THAT BENEFIT YOU.** Betterment for Advisors includes access to a range of investment products, execution of securities transactions, and custody of client assets through Betterment Securities. Betterment Securities’ services described in this paragraph generally benefit you and your account.
2. **SERVICES THAT MAY NOT DIRECTLY BENEFIT YOU.** Betterment for Advisors also makes available to us other products and services that benefit us, but may not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts, such as software and technology that may:
  - Assist with back-office functions, recordkeeping, and client reporting of our clients’ accounts.
  - Provide access to client account data (such as duplicate trade confirmations and account statements).
  - Provide pricing and other market data.
  - Assist with back-office functions, recordkeeping, and client reporting.
3. **SERVICES THAT GENERALLY BENEFIT ONLY US.** By using Betterment for Advisors, we will be offered other services intended to help us manage and further develop our business enterprise. These services include:
  - Educational conferences and events.
  - Consulting on technology, compliance, legal, and business needs.
  - Publications and conferences on practice management and business succession.

#### Our interest in Betterment Securities’ Services

The availability of these services from Betterment for Advisors benefits us because we do not have to produce or purchase them. In addition, we don’t have to pay for Betterment Securities’ services. These services may be contingent upon us committing a certain amount of business to Betterment Securities in assets in custody. We believe that our selection of Betterment Securities as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Betterment Securities’ services (see “How we select brokers/custodians”) and not Betterment for Advisors and Betterment Securities’ services that benefit only us.

## **Soft Dollars**

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Our firm does not receive soft dollars in excess of what is allowed by Section 28(e) of the Securities Exchange Act of 1934. The safe harbor research products and services obtained by our firm will generally be used to service all of our clients but not necessarily all at any one particular time.

## **Client Brokerage Commissions**

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Betterment nor the Qualified Custodians make client brokerage commissions generated by client transactions available for our firm's use.

## **Client Transactions in Return for Soft Dollars**

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Our firm does not direct client transactions to a particular broker-dealer in return for soft dollar benefits.

## **Special Considerations for ERISA Clients**

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A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, our firm will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

## **Client-Directed Brokerage**

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Our firm does not allow client-directed brokerage.

## **Aggregation of Purchase or Sale**

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Our firm provides investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when our firm believes that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, our firm attempts to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

## **Item 13: Review of Accounts or Financial Plans**

Mr. Lineberger reviews accounts on at least an annual basis for our Asset Management clients. The nature of these reviews is to learn whether client accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Our firm does not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when our Asset Management clients are contacted.

Financial Planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. We do not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc. If a review is requested, Mr. Lineberger will conduct the review. Financial Planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately contract with us for a post-financial plan meeting or update to their initial written financial plan.

#### **Item 14: Client Referrals & Other Compensation**

In an effort to keep our clients informed as to the services we offer and the various financial products we utilize, our firm occasionally sponsors events in conjunction with our product providers. These events are educational in nature, and are not dependent upon the use of any specific products. While a conflict of interest may exist given that these events are at least partially funded by product sponsors, all funds received from the sponsors are used for the education of our clients, and we will always adhere to our fiduciary duties in selecting appropriate investments for our clients.

Our firm pays referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with relevant state statutes and rules. Such referral fee represents a share of our investment advisory fee charged to our clients. This arrangement will not result in higher costs to the referred client. In this regard, our firm maintains Solicitors Agreements in compliance with relevant state statutes and rules and applicable state and federal laws. All clients referred by Solicitors to our firm will be given full written disclosure describing the terms and fee arrangements between our firm and Solicitor(s). In cases where state law requires licensure of solicitors, our firm ensures that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If our firm is paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

We receive a non-economic benefit from Betterment for Advisors and Betterment Securities in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Betterment Securities. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12 Brokerage Practices). The availability to us of Betterment for Advisors and Betterment Securities' products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

Neither our firm nor Mr. Lineberger receives any economic benefit for providing financial planning and consulting services to our clients. For the purpose of this item, economic benefits include any sales awards or other prizes. All additional compensation and conflicts of interest have been described within Item 10 of this Brochure.

#### **Item 15: Custody**

All of our clients receive account statements directly from their qualified custodians at least quarterly upon opening of an account. If our firm decides to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm. Clients are encouraged to raise any questions with us about the custody, safety or security of their assets and our custodial recommendations.

## **Standing Letters of Authorization**

### **For Assets Custodied at Charles Schwab and TD Ameritrade:**

The SEC issued a no-action letter ("Letter") with respect to the Rule 206(4)-2 ("Custody Rule") under the Investment Advisers Act of 1940 ("Advisers Act"). The letter provided guidance on the Custody Rule as well as clarified that an adviser who has the power to disburse client funds to a third party under a standing letter of instruction ("SLOA") is deemed to have custody. As such, our firm has adopted the following safeguards in conjunction with the custodian.:

- The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
- The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer.
- The client has the ability to terminate or change the instruction to the client's qualified custodian.
- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
- The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

### **For Assets Custodied at Fidelity**

Our firm has adopted the following safeguarding procedures in conjunction with Fidelity:

- Fidelity's forms, used to establish a standing letter of authorization, include the name and account number on the receiving account and must be signed by the client.
- Fidelity's SLOA forms currently require client's signature.
- Fidelity performs verification on all SLOA forms and sends a transfer of notice to the client promptly following the transaction.
- Clients always have the ability to terminate (or amend) an SLOA in writing.
- Our firm has no authority, or ability, to amend the third party designated on a standing instruction.
- Our firm maintains records showing the third party is not a related party of our firm or located at our firm.
- Fidelity notifies the client in writing when a new standing instruction is set up. Clients also receive an annual mailing reconfirming the existence of the standing instruction.

## **Item 16: Investment Discretion**

Clients have the option of providing our firm with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, our firm is authorized to execute securities transactions, determine which securities are bought and sold, and the total amount to be bought and sold. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with our firm's written acknowledgement.

### **Item 17: Voting Client Securities**

Our firm does not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, our firm will forward them to the appropriate client and ask the party who sent them to mail them directly to the client in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

Outside asset managers selected or recommended by our firm may vote proxies for clients. Therefore, except in the event of an outside manager votes proxies, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Therefore (except for proxies that may be voted by an outside manager), our firm and/or the client shall instruct the qualified custodian to forward to copies of all proxies and shareholder communications relating to the client's investment assets.

### **Item 18: Financial Information**

Our firm is not required to provide financial information in this Brochure because our firm does not require the prepayment of more than \$1,200 in fees and six or more months in advance, and our firm does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

Our firm has never been the subject of a bankruptcy proceeding.