

**Beck Bode Wealth Management, LLC  
d/b/a: MacDonald Wealth Management, LLC**

Local Office: 200 Chauncy Street | Suite 210  
Mansfield, MA | 02048

Main Office: 858 Washington Street, Suite 100, Dedham, MA 02026

**Telephone: 617-209-2224**

[www.beckbodewealth.com](http://www.beckbodewealth.com)

August 30, 2018

**FORM ADV PART 2A  
BROCHURE**

This brochure provides information about the qualifications and business practices of Beck Bode Wealth Management, LLC d/b/a MacDonald Wealth Management, LLC. If you have any questions about the contents of this brochure, contact us at 617-209-2224. Benjamin Beck is our Chief Compliance Officer and can be reached via e-mail at [benjamin.beck@beckbodewealth.com](mailto:benjamin.beck@beckbodewealth.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 Beck Bode Wealth Management, LLC d/b/a MacDonald Wealth Management, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Beck Bode Wealth Management, LLC d/b/a MacDonald Wealth Management, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## Item 2 Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last Annual Updating Amendment dated March 10, 2017 we made no material changes to report.

### Item 3 Table Of Contents

Item 1 Cover Page	Page 1
Item 2 Material Changes	Page 2
Item 3 Table Of Contents	Page 3
Item 4 Advisory Business	Page 4
Item 5 Fees and Compensation	Page 8
Item 6 Performance-Based Fees and Side-by-Side Management	Page 12
Item 7 Types of Clients	Page 13
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	Page 13
Item 9 Disciplinary Information	Page 15
Item 10 Other Financial Industry Activities and Affiliations	Page 15
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	Page 15
Item 12 Brokerage Practices	Page 16
Item 13 Review of Accounts	Page 20
Item 14 Client Referrals and Other Compensation	Page 20
Item 15 Custody	Page 21
Item 16 Investment Discretion	Page 21
Item 17 Voting Client Securities	Page 22
Item 18 Financial Information	Page 22
Item 19 Requirements for State-Registered Advisers	Page 22
Item 20 Additional Information	Page 22

## Item 4 Advisory Business

Beck Bode Wealth Management, LLC d/b/a MacDonald Wealth Management, LLC is a registered investment adviser primarily based in Dedham, Massachusetts. We are organized as a limited liability company ("LLC") under the laws of the State of Massachusetts. We have been providing investment advisory services since January 2016. We are principally owned by Benjamin Beck and James Bode.

### **Advisory Services Offered**

As discussed below, we offer our clients various types of investment advisory services including discretionary and non-discretionary portfolio management, retirement plan consulting, and, to the extent specifically requested by a client, financial planning and related consulting services.

We work to provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment advisor representative will discuss your particular investment objectives and risk tolerances with you. We allocate your investment assets consistent with your designated investment objectives and risk tolerances. You may, at any time, impose restrictions, in writing, on our services. You are advised that it remains your responsibility to promptly notify us if there is ever any change in your financial situation or investment objectives for the purpose of reviewing and revising our previous recommendations and services.

To the extent we utilize an independent manager or a third party money manager, we will provide the independent manager or third party money manager with your particular investment objective and risk tolerance. Any changes in your financial situation or investment objectives that you report to us will be communicated to the independent manager or third party money manager within a reasonable period of time.

### **Portfolio Management Services**

You can engage us to provide discretionary or non-discretionary investment advisory services on a non-wrap fee basis. If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm and the appropriate trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing.

We offer non-discretionary portfolio management services. Our investment advice is tailored to meet our clients' needs and investment objectives. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

You understand therefore, that, since we must obtain your consent prior to any such transaction(s), in the event you are unavailable we will be unable to effect any account transactions (as we would for our discretionary clients) without first contacting you.

If you decide to engage us on a non-wrap fee basis, you will select individual services on an unbundled basis, paying for each service separately (i.e. investment advisory, brokerage, custody) and you will pay transaction charges to the brokerage firm through whom we execute the trade.

The terms and conditions for client participation in the advisory programs are set forth in our advisory agreements and account paperwork for the advisory programs. All prospective advisory program participants should read both the Registrant's Part 2A Brochure, and any documentation from the advisory programs, and ask any corresponding questions that they may have, prior to participation in the advisory programs.

As part of the advisory programs, a registered broker-dealer that is a member of FINRA and SIPC will maintain custody of your assets and effect trades for your accounts. The current broker-dealers we use are:

1. Fidelity Brokerage Services, LLC
2. TD Ameritrade, Inc.
3. LPL Financial
4. Charles Schwab

The final decision to custody assets with any broker-dealer is made by our clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA account holder. We are independently owned and operated and not affiliated with any broker-dealer or custodian.

### **Financial Planning and Consulting Services**

To the extent you request, we may provide financial planning and/or consulting services (including investment and non-investment related matters, such as estate planning, insurance planning, etc.) on a stand-alone fee basis. If requested, we may recommend the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional. You retain absolute discretion over all such implementation decisions and are free to accept or reject any recommendation from us. Please Note: If you engage any such recommended professional, and a dispute thereafter arises relative to such engagement, you agree to seek recourse exclusively from and against the engaged professional. It remains your responsibility to promptly notify us if there is ever any change in your financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

### **Retirement Plan Consulting Services**

Our representatives may assist clients that are trustees or other fiduciaries to a retirement plan ("Plan") by providing fee-only consulting and/or advisory services. Representatives may perform one or more of the following services, as selected by the client in the client agreement:

- Assistance in the preparation or review of an investment policy statement ("IPS") for the Plan based upon consultation with client to ascertain Plan's investment objectives and constraints.
- Acting as a liaison between the Plan and service providers, product sponsors or vendors.
- Ongoing monitoring of investment manager(s) or investments in relation to the criteria specified in the Plan's IPS or other written guidelines provided by the client to our representative.
- Preparation of reports describing the performance of Plan, investment manager(s) or investments, as well as comparing the performance to benchmarks.
- Ongoing recommendations, for consideration and selection by client, about specific investments to be held by the Plan or, in the case of a participant-directed defined contribution plan, to be made available as investment options under the Plan.

- Training for the members of the Plan Committee with regard to their service on the Committee, including education and consulting with respect to fiduciary responsibilities.
- Assistance in enrolling Plan participants in the Plan, including conducting an agreed upon number of enrollment meetings. As part of such meetings, our representatives may provide participants with information about the Plan, which may include information on the benefits of Plan participation, the benefits of increasing Plan contributions, the impact of pre-retirement withdrawals on retirement income, the terms of the Plan, the operation of the Plan, and assistance with investment education seminars and meetings for Plan participants. Such meetings may be on a group or individual basis, and may include information about the investment options under the Plan (e.g., investment objectives, risk/return characteristics, and historical performance), investment concepts (e.g., diversification, asset classes, and risk and return), and how to determine investment time horizons and assess risk tolerance. Such meetings do not include specific investment advice about investment options under the Plan as being appropriate for a particular participant.
- Assistance at client's direction in making changes to investment options under the Plan.
- As part of the ongoing investment recommendation service set out above, assistance in identifying investment options in connection with the "broad range" requirement of Section 404(c) of the Employee Retirement Income Security Act of 1974 ("ERISA").
- As part of the ongoing investment recommendation service set out above, assistance in identifying an investment fund product or model portfolio in connection with the definition of a "Qualified Default Investment Alternative" ("QDIA") under ERISA.
- Assistance with the preparation, distribution and evaluation of Request for Proposals, finalist interviews, and conversion support in connection with vendor analysis and service provider support.
- Preparation of comparisons of Plan data (e.g., regarding fees and services and participant enrollment and contributions) to data from the Plan's prior years and/or a benchmark group of similar plans.
- Assistance in identifying the fees and other costs borne by the Plan for, as specified by client, investment management, recordkeeping, participant education, participant communication and/or other services provided with respect to the Plan.

If the Plan makes available publicly traded employer stock ("Company Stock") as an investment option under the Plan, our representatives do not provide investment advice regarding Company Stock and are not responsible for the decision to offer Company Stock as an investment option. In addition, if participants in the Plan may invest the assets in their accounts through individual brokerage accounts, a mutual fund window, or other similar arrangement, or may obtain participant loans, our representatives do not provide any individualized advice or recommendations to the participants regarding these decisions. Furthermore, our representatives do not provide individualized investment advice to Plan participants regarding their Plan assets, unless the participant engages with us separately on an individual basis.

If a client elects to engage us and our representatives to perform ongoing investment monitoring and ongoing investment recommendation services in the client agreement, such services will constitute "investment advice" under Section 3(21)(A)(ii) of ERISA. Therefore, we, and our representatives, will be deemed a "fiduciary" as such term is defined under Section 3(21)(A)(ii) of ERISA in connection

with those services. Clients should understand that to the extent we, and our representatives, are engaged to perform services other than ongoing investment monitoring and recommendations, those services are not "investment advice" under ERISA and therefore, we, and our representatives, will not be a "fiduciary" under ERISA with respect to those other services

### **Non-Investment Consulting/Implementation Services**

If requested, we may provide you with consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. We do not serve as an accountant or an attorney and no portion of our services should be construed as accounting or legal advice.

Similarly, we do not sell insurance and no portion of our services should be construed as same. However, certain persons providing investment advice on behalf of our firm are licensed as independent insurance agents. Although persons who are licensed insurance agents with Beck Bode Wealth Management would be entitled to receive a commission if such individuals were to sell you an insurance product, it is our policy we are not, at present, selling insurance products to our clients. If we were to change that policy in the future and sell you an insurance product, we would waive any commissions so as to avoid the financial incentive and mitigate any conflict of interest that would arise as a result.

To the extent requested by a client, we may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance agents, etc.). You are under no obligation to engage the services of any such recommended professional. You retain absolute discretion over all such implementation decisions and are free to accept or reject any recommendation from us. Please Note: If you engage any such recommended professional, and a dispute arises thereafter relative to such engagement, you agree to seek recourse exclusively from and against the engaged professional. It remains your responsibility to promptly notify us if there is ever any change in your financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

### **Client Obligations**

In performing its services, Registrant shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing, evaluating, and/or revising our previous recommendations and/or services.

### **Sub-Advisory Services to Registered Investment Advisers**

We offer sub-advisory services to unaffiliated third party money managers (the "Primary Investment Adviser"). As part of these services, we will manage assets delegated to our firm by the Primary Investment Adviser. While we are responsible for the overall management of the assets delegated to our firm, we will not communicate investment recommendations or selections directly to the Primary Investment Adviser's individual clients.

### **Wrap Fee Program(s)**

We are a portfolio manager to and sponsor of a wrap fee program, which is a type of investment program that provides clients with access to several money managers or mutual fund asset allocation models for a single fee that includes administrative fees, management fees, and commissions. The Wrap Fee Program is closed to new investors.

### **Assets Under Management**

As of August 23, 2018, we manage approximately \$238,432,436 in client assets on a discretionary basis. We currently do not have any client assets managed on a non-discretionary basis.



## Item 5 Fees and Compensation

### Portfolio Management Services

As noted above, you can engage us to provide discretionary or non-discretionary investment advisory services on a non-wrap fee basis. Our annual investment advisory fee shall be based upon a percentage (%) of the market value and type of assets placed under our management to be charged quarterly in advance. The value of the account is determined as of the last business day of the previous quarter. Our annual management fee for portfolio management services will not exceed 3.00%. We may, in our sole discretion, negotiate a different fee based upon various objective and subjective factors, including, but not limited to, the amount of the assets placed under our direct management, the amount of the assets placed under our advisement (assets that are generally managed directly by the client or by other investment professionals engaged by the client, for which we provide review/monitoring services, but do not have trading authority), the complexity of the engagement, and the level and scope of the overall investment advisory services to be rendered. (See also *Fee Differential* discussion below)

If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. We will not require prepayment of a fee more than six (6) months in advance and in excess of \$1,200.

Depending on the arrangements made at the inception of the engagement, we may either send you an invoice for the payment of our advisory fee, or we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.

You may terminate the portfolio management agreement upon thirty (30) days advance written notice. Notice of termination must be addressed to the firm at the address listed on the cover page hereof to the attention of the Chief Compliance Officer ("CCO") or emailed to the CCO at the email address provided on the cover page. Notice is only effective as of the date of acknowledgement by the CCO or his designee. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

### Financial Planning and Consulting Service Fees

Our planning and consulting fees are negotiable, but generally range from \$350 to \$12,000 on a fixed fee basis, and from \$150 to \$1000 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s). Prior to engaging us to provide planning or consulting services, you will need to enter into a Financial Planning and Consulting Agreement with us setting forth the terms and conditions of the engagement, describing the scope of the services to be provided, and any deposit or pre-paid fees due. We will require a deposit of twenty (50%) of the estimated fee with the remainder due upon completion of the services rendered. We will not require prepayment of a fee more than six (6) months in advance and in excess of \$1,200.

You may terminate the planning and consulting agreement upon thirty (30) days' advance written notice. Notice of termination must be addressed to the firm at the address listed on the cover page hereof to the attention of the Chief Compliance Officer ("CCO") or emailed to the CCO at the email



address provided on the cover page. Notice is only effective as of the date of acknowledgement by the CCO or his designee. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

### **Retirement Plan Consulting Fees**

Retirement Plan consulting fees may be based on a percentage of the assets held in the Plan, on an hourly basis, or on a flat rate basis, as negotiated between the Plan and our representative. If based on a percentage of assets held in the Plan, our annual fee for retirement plan consulting will not exceed 3.00%. Fees will be payable to us in advance or in arrears on the frequency (e.g., quarterly, monthly, etc.) agreed upon. If asset based fees are negotiated, payment generally will be based on the value of the Plan assets as of the close of business on the last business day of the period as valued by the custodian of the assets. However, if the fee is paid by the Plan or the client through a third party service provider, such fee will be calculated as determined by the provider. If the fee is paid prior to the services being provided, the Plan will be entitled to a prorated refund of any prepaid fees for services not received upon termination of the client agreement. We will require a deposit of twenty (20%) of the estimated fee with the remainder due upon completion of the services rendered. We will not require prepayment of a fee more than six (6) months in advance and in excess of \$1,200.

You may incur third party fees and charges such as fund or annuity subaccount management fees, 12b-1 fees, administrative servicing fees, plan recordkeeping, and other service provider fees. Further information regarding charges and fees assessed by a fund or annuity are available in the appropriate prospectus.

If you engage us to provide ongoing investment recommendations to the Plan regarding the investment options (e.g., mutual funds, collective investment funds) to be made available to Plan participants, you should understand that there generally will be two layers of fees with respect to such assets. The Plan will pay an advisory fee to the fund manager and other expenses as a shareholder of the fund. You will also pay us a fee for the investment recommendation services.

If a Plan makes available a variable annuity as an investment option, there are mortality, expense and administrative charges, fees for additional riders on the contract and charges for excessive transfers within a calendar year imposed by the variable annuity sponsor. If a Plan makes available a pooled guaranteed investment contract (GIC) fund, there are investment management and administrative fees associated with the pooled GIC fund.

You should understand that the fee that you negotiate with us may be higher than the fees charged by other investment advisors or consultants for similar services. This is the case, in particular, if the fee is at or near the maximum fees set out above. Our representative is responsible for determining the fee charged to each client based on factors such as the complexity of the services, and the number and range of supplementary advisory and client-related services to be provided. You should consider the level and complexity of the consulting and/or advisory services to be provided when negotiating the fee with our representative.

Depending on the arrangements made at the inception of the relationship, you may either pay the fee by check or you may elect to have the advisory fees deducted from the custodial account. Both our Investment Advisory Agreement and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of our investment advisory fee and to directly remit that management fee to us in compliance with regulatory procedures. If we bill you directly, payment is due upon receipt of the invoice.

Our annual investment advisory fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter.

The Investment Advisory Agreement between our firm and the client will continue in effect until terminated by either party upon 30 days advance written notice in accordance with the terms of the Investment Advisory Agreement. Notice of termination must be addressed to the firm at the address listed on the cover page hereof to the attention of the Chief Compliance Officer ("CCO") or emailed to the CCO at the email address provided on the cover page. Notice is only effective as of the date of acknowledgement by the CCO or his designee. Upon termination, we will refund the prorated portion of the advanced advisory fee paid based upon the number of days remaining in the billing quarter.

### **Sub-Advisory Services for Registered Investment Advisers**

Fees and payment arrangements are negotiable and will vary on a case-by-case basis.

### **Calculations of Advisory Fees Includes Cash Assets**

We calculate advisory fees on all assets placed under our management, including cash held in advisory accounts. You may consent to asset allocations that include certain amounts being held as cash for short or long-term reasons, or may direct that assets be held in cash based on personal risk tolerance or market conditions. We will calculate advisory fees based on total assets in advisory accounts, and all clients and prospective clients should be guided accordingly.

### **Fee Differentials**

As indicated above, we price our services based upon various objective and subjective factors. As a result, you could pay diverse fees based upon the market value of your assets, the complexity of the engagement, and the level and scope of the overall investment advisory and/or consulting services to be rendered. As a result of these factors, the services we provide to any particular client could be available from other advisers at lower fees. Clients and prospective clients should consider all factors involved and should be guided accordingly.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees or transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, refer to the *Brokerage Practices* section of this brochure.

### **Compensation for the Sale of Securities or Other Investment Products**

Although persons who are licensed insurance agents with Beck Bode Wealth Management would be entitled to receive a commission if such individuals were to sell you an insurance product, it is our policy we are not, at present, selling insurance products to our clients. If we were to change that policy in the future and sell you an insurance product, we would waive any commissions so as to avoid the financial incentive and mitigate any conflict of interest that would arise as a result.

## **IRA Rollover Considerations**

As part of our investment advisory services, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of the following options:

1. Leaving the funds in your employer's (former employer's) Plan.
2. Moving the funds to a new employer's retirement Plan.
3. Cashing out and taking a taxable distribution from the Plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages. We encourage you to speak with your CPA and/or tax attorney before making a decision.

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. You should determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments. Employer retirement plans generally have a more limited investment menu than IRAs. Employer retirement plans may have unique investment options not available to the public such as Company Stock, or previously closed funds. Your current plan may have lower fees than our fees. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement Plan and how the costs of those share classes compare with those available in an IRA.
2. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. Our strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current Plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 70.5.
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
7. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
8. You may be able to take out a loan on your 401k, but not from an IRA.
9. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a ten (10%) early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
10. If you own Company Stock in your Plan, you may be able to liquidate those shares at a lower

capital gains tax rate.

11. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.

## **Item 6 Performance-Based Fees and Side-by-Side Management**

Depending on the arrangements made at the inception of the engagement, we may agree to charge performance-based fees to certain "qualified clients" having a net worth greater than \$2,000,000 or for whom we manage at least \$1,000,000 immediately after entering an agreement for our services. Performance-based fees are fees based on a share of capital gains or capital appreciation of a client's account. The fixed portion of the fee will not exceed three percent (3.00%) per annum of current portfolio equity, payable quarterly in advance based on the value of the portfolio as of the last business day of the previous quarter. The performance fee is generally equal to a maximum of twenty percent (20%) of the annual gross profits. Fees will be adjusted for deposits and withdrawals made during the 12-month period. In the event the client makes a complete withdrawal from the account on a date other than year-end, fees will be due at the time of withdrawal.

The 20% maximum incentive fee will be calculated based on the difference between the value of the account at the beginning of a given year, adjusted for any deposits/withdrawals made by the client during the year, and the value of the account at year end. The difference is the client's net profit for the year. This amount would be subject to the incentive fee agreed upon by us and the client. If the client loses money in a given year, they will not pay any incentive fee until the previous year's high-water mark is met.

Refer to the *Fees and Compensation* section above for additional information on this topic.

We manage accounts that are charged performance-based fees while at the same time managing accounts (perhaps with similar objectives) that are not charged performance-based fees ("side-by-side management"). Performance-based fees and side-by-side management create conflicts of interest, which we have identified and described in the following paragraphs.

Performance-based fees create an incentive for our firm to make investments that are riskier or more speculative than would be the case absent a performance-based fee arrangement. In order to address this potential conflict of interest, a senior officer of our firm periodically reviews client accounts to ensure that investments are suitable and that the account is being managed according to the client's investment objectives and risk tolerance.

Performance-based fees may also create an incentive for our firm to overvalue investments which lack a market quotation. In order to address such conflict, we have adopted policies and procedures that require our firm to "fairly value" any investments which do not have a readily ascertainable value.

Side-by-side management might provide an incentive for our firm to favor accounts for which we receive a performance-based fee. For example, we may have an incentive to allocate limited investment opportunities, such as initial public offerings, to clients who are charged performance-based fees over clients who are charged asset-based fees only. To address this conflict of interest, we have instituted policies and procedures that require our firm to allocate investment opportunities (if they are suitable) in an effort to avoid favoritism among our clients, regardless of whether the client is charged performance-based fees or asset-based fees.

## Item 7 Types of Clients

We offer investment advisory services to individuals, including high net worth individuals, pension and profit sharing plans (but not the plan participants unless they have separately engaged us), collective investment funds ("trusts") and other investment advisers.

In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your account if it falls below a minimum size which, in our sole opinion, is too small to manage effectively.

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

### Our Methods of Analysis and Investment Strategies

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

**1. Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to its current market value.

- **Risk:** The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**2. Long-Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

- **Risk:** Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost by "locking-up" assets that may be better utilized in the short-term in other investments.

**3. Short-Term Purchases** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

- **Risk:** Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.



**4. Option Writing** - a securities transaction that involves selling an option. An option is the right, but not the obligation, to buy or sell a particular security at a specified price before the expiration date of the option. When an investor sells an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller pays the buyer a premium (the market price of the option at a particular time) in exchange for writing the option.

- **Risk:** Options are complex investments and can be very risky, especially if the investor does not own the underlying stock. In certain situations, an investor's risk can be unlimited.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial information, liquidity needs and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio. **It is important that you notify us immediately with respect to any material changes to your financial circumstances, including for example, a change in your current or expected income level, tax circumstances, or employment status.**

#### **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Moreover, custodians and broker-dealers must report the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

#### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

#### **Recommendation of Particular Types of Securities**

We primarily recommend equity securities. However, we may advise on other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment.

**Stocks:** There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to the class of stock (for example, preferred or common); the health of the market sector of the

issuing company; and, the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

## **Item 9 Disciplinary Information**

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

## **Item 10 Other Financial Industry Activities and Affiliations**

### **Other Investment Adviser or Financial Planner**

We have not provided information on other financial industry activities and affiliations because we do not have any relationship or arrangement that is material to our advisory business or to our clients with any of the types of entities listed below.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker.
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund).
3. other investment adviser or financial planner.
4. futures commission merchant, commodity pool operator, or commodity trading advisor.
5. banking or thrift institution.
6. accountant or accounting firm.
7. lawyer or law firm.
8. insurance company or agency.
9. pension consultant.
10. real estate broker or dealer.
11. sponsor or syndicator of limited partnerships.

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

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

### **Participation or Interest in Client Transactions**

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.



## Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

## Item 12 Brokerage Practices

We primarily recommend the brokerage and custodial services of TD Ameritrade, Inc., and Charles Schwab & Co., Inc. (singly or collectively referred to as "Custodian" or "Custodians"). In all cases, the recommended Custodian is a securities broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. We believe that the recommended Custodian provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by the Custodian, including the value of the Custodian's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services the Custodian provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

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

As disclosed above, we participate in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to you for custody and brokerage services. There is no direct link between our participation in the Program and the investment advice we give you, although we receive economic benefits through our participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): (a) receipt of duplicate Client statements and confirmations; (b) research-related products and tools; (c) consulting services; (d) access to a trading desk serving our participants; (e) access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to your accounts); (f) the ability to have advisory fees deducted directly from your accounts; (g) access to an electronic communications network for order entry and account information; (h) access to mutual funds with no transaction fees and to certain institutional money managers; and (i) discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by our related persons. Some of the products and services made available by TD Ameritrade through the Program may benefit us but may not benefit your accounts. These products or services may assist us in managing and administering your accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by us or our personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to you, we endeavor at all times to put your interests first. You should be aware, however, that the receipt of economic benefits by us or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

## **Schwab - Your Custody and Brokerage Costs**

For our clients' accounts it maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Schwab's commission rates and/or asset-based fees applicable to our client accounts were negotiated based on our commitment to maintain \$100 million of our clients' assets statement equity in accounts at Schwab. This commitment benefits you because the overall commission rates and/or asset-based fees you pay are lower than they would be if we had not made the commitment. In addition to commission rates and/or asset-based fees Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.

## **Schwab Advisor Services**

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage - trading, custody, reporting and related services - many of which are not typically available to Schwab retail customers. Schwab 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. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us.

### **Services that Benefit You**

Schwab'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. Schwab's services described in this paragraph generally benefit you and your account.

### **Services that May Not Directly Benefit You**

Schwab 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. 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 Schwab. In addition to investment research, Schwab 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; or facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping and client reporting.

### **Services that Generally Benefit Only Us**

Schwab 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;

- access to employee benefits providers, human capital consultants and insurance providers;
- discount of up to \$4,250 on PortfolioCenter® Reporting Software.

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

### **Our Interest in Schwab's Services**

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. These services may give us an incentive to recommend that you maintain your account with Schwab based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality and price of Schwab's services (based on the factors discussed above - see "The Custodian and Broker We Use") and not Schwab's services that benefit only us. We do not believe that maintaining our client's assets at Schwab for services presents a material conflict of interest.

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

In selecting or recommending a broker-dealer, we will consider the value of research and additional brokerage products and services a broker-dealer has provided or will provide to our clients and our firm. Receipt of these additional brokerage products and services are considered to have been paid for with "soft dollars." Because such services could be considered to provide a benefit to our firm, we have a conflict of interest in directing your brokerage business. We could receive benefits by selecting a particular broker-dealer to execute your transactions, and the transaction compensation charged by that broker-dealer might not be the lowest compensation we might otherwise be able to negotiate.

Products and services that we may receive from broker-dealers may consist of research data and analyses, financial publications, recommendations, or other information about particular companies and industries (through research reports and otherwise), and other products or services (e.g., software and data bases) that provide lawful and appropriate assistance to our firm in the performance of our investment decision-making responsibilities. Consistent with applicable rules, brokerage products and services consist primarily of computer services and software that permit our firm to effect securities transactions and perform functions incidental to transaction execution. We use such products and services in our general investment decision making, not just for those accounts for which commissions may be considered to have been used to pay for the products or services.

The test for determining whether a service, product or benefit obtained from or at the expense of a broker constitutes "research" under this definition is whether the service, product, or benefit assists our firm in investment decision-making for discretionary client accounts. Services, products, or benefits that do not assist in investment decision-making for discretionary client accounts do not qualify as "research." Also, services, products or benefits that are used in part for investment decision-making for discretionary client accounts and in part for other purposes (such as accounting, corporate administration, recordkeeping, performance attribution analysis, client reporting, or investment decision-making for the firm's own investment accounts) constitute "research" only to the extent that they are used in investment decision-making for discretionary client accounts.

Before placing orders with a particular broker-dealer, we determine that the commissions to be paid are reasonable in relation to the value of all the brokerage and research products and services provided by that broker-dealer. In some cases, the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts charged by another broker-dealer that did not provide research services or products.

We do not exclude a broker-dealer from receiving business simply because the broker-dealer does not provide our firm with soft dollar research products and services. However, we may not be willing to pay the same commission to such broker-dealer as we would have paid had the broker-dealer provided such products and services.

The products and services we receive from broker-dealers will generally be used in servicing all of our clients' accounts. Our use of these products and services will not be limited to the accounts that paid commissions to the broker-dealer for such products and services. In addition, we may not allocate soft dollar benefits to your accounts proportionately to the soft dollar credits the accounts generate. As part of our fiduciary duties to you, we endeavor at all times to put your interests first. You should be aware that the receipt of economic benefits by our firm is considered to create a conflict of interest.

We have instituted certain procedures governing soft dollar relationships including preparation of a brokerage allocation budget, mandated reporting of soft dollar irregularities, annual evaluation of soft dollar relationships, and an annual review of our brochure to ensure adequate disclosures of conflicts of interest regarding our soft dollar relationships.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

### **Directed Brokerage Services**

We routinely require that you direct our firm to execute transactions through LPL Financial, TD Ameritrade, Charles Schwab, and/or Fidelity. As such, we may be unable to achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisers require their clients to use directed brokerage services.

In limited circumstances, and at our discretion, some clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

### **Block Trades**

Where appropriate and available, we will combine multiple orders for shares of the same securities purchased for discretionary advisory accounts we manage (this practice is commonly referred to as "block trading"). When we do so we will then distribute a portion of the shares to participating accounts in a fair and equitable manner. Generally, participating accounts will pay a fixed transaction cost regardless of the number of shares transacted. In certain cases, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs on any given day. In the event an order is only partially filled, the shares will be allocated to participating

accounts in a fair and equitable manner, typically in proportion to the size of each client's order. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

We do not block trade for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary arrangements with our firm.

## Item 13 Review of Accounts

Benjamin Beck, our Managing Partner, will monitor your accounts on an ongoing basis and will conduct account reviews at least monthly, to ensure the advisory services provided to you are consistent with your investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals;
- year-end tax planning;
- market moving events;
- security specific events; and/or,
- changes in your risk/return objectives.

The individuals conducting reviews may vary from time to time, as personnel join or leave our firm.

We will not provide you with additional or regular written reports. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

While reviews and updates to the financial plan are not part of the contracted services, at your request we will review your financial plan to determine if the investment advice provided is consistent with your investment needs and objectives. We will also update the financial plan at your request. At our sole discretion, reviews and updates may be subject to our then current hourly rate. If you implement the financial planning advice provided by our firm, you will receive trade confirmations and monthly or quarterly statements from relevant custodians.

## Item 14 Client Referrals and Other Compensation

### **TD Ameritrade Institutional Customer Program**

As disclosed above under *Item 12 Brokerage Practices*, we participate in TD Ameritrade's Institutional Customer Program ("Institutional Program") and we may recommend TD Ameritrade to clients for custodial and brokerage services. There is no direct link between our participation in the program and the investment advice we give to our clients, although we receive economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to our firm by third party vendors. TD Ameritrade may also have paid for



business consulting and professional services received by our Associated Persons. Some of the products and services made available by TD Ameritrade through the program may benefit our firm but may not benefit our Client accounts. These products or services may assist us in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by our Firm or our Associated Persons through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to our clients, we endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm or our Associated Persons in and of themselves creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

#### **Charles Schwab & Co., Inc. - Institutional**

In addition, we receive an economic benefit from Schwab 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 Schwab. 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 Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

### **Item 15 Custody**

As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other qualified custodian. You will receive account statements from the qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

### **Item 16 Investment Discretion**

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement and the appropriate trading authorization forms. Discretionary authorization gives our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Refer to the *Advisory Business* section in this brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

## **Item 17 Voting Client Securities**

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitations to vote proxies.

## **Item 18 Financial Information**

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$1,200 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.

We have not filed a bankruptcy petition at any time in the past ten years.

## **Item 19 Requirements for State-Registered Advisers**

Since we are an SEC registered investment adviser, this section does not apply.

## **Item 20 Additional Information**

### **Your Privacy**

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any non-public personal information about you to any non-affiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to non-public personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your non-public personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

If you decide to close your account(s) we will adhere to our privacy policies, which may be amended from time to time.



If we make any substantive changes in our privacy policy that would further permit or require disclosures of your private information, we will provide written notice to you. Where the change is based on permitted disclosures, you will be given an opportunity to direct us as to whether such disclosure is acceptable. Where the change is based on required disclosures, you will only receive written notice of the change. You may not opt out of the required disclosures.

If you have questions about our privacy policies contact our main office at the telephone number on the cover page of this brochure and ask to speak to the Chief Compliance Officer.

**Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

**Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.