

**Item 1 – Cover Page**

**CAMPBELL DEEGAN WEALTH MANAGEMENT, LLC  
(d/b/a CAMPBELL DEEGAN FINANCIAL)**

**FORM PART 2A WRAP FEE PROGRAM**

Sponsored by



CAMPBELL DEEGAN  
FINANCIAL

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June 18, 2018

## Wrap Fee Program Brochure

June 18, 2018

This brochure provides information about the qualifications and business practices of Campbell Deegan Wealth Management, LLC (d/b/a Campbell Deegan Financial; hereinafter "Campbell Deegan" or the "Firm"). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Firm is a registered investment adviser. References herein to Campbell Deegan as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

## **Item 2. Material Changes**

This Item of the Brochure discusses only specific material changes that are made to the Brochure since the last annual update and provides clients with a summary of such changes.

The Firm has updated the name they conduct their advisory business under from Campbell Deegan Wealth Management, LLC to Campbell Deegan Wealth, the legal name remains the same.

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## Item 4. Services, Fees and Compensation

The Campbell Deegan Wrap Fee Program (the “Program”) is an investment advisory program sponsored by Campbell Deegan. In addition to the Program, the Firm offers a variety of advisory services, which include financial planning consulting, and investment management services. Prior to Campbell Deegan rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with Campbell Deegan setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

Campbell Deegan is part of the Focus Financial Partners, LLC (“Focus”) partnership. As such, Campbell Deegan is a wholly-owned subsidiary of Focus Operating, LLC (“Focus Operating”), which is a wholly-owned subsidiary of Focus. Focus also owns other registered investment advisers, broker-dealers, pension consultants, insurance firms, and other financial service firms (the “Focus Partners”), most of which provide wealth management, benefit consulting and investment consulting services to individuals, families, employers, and institutions. Some Focus Partners also manage or advise limited partnerships, private funds, or investment companies as disclosed on their respective Form ADVs.

Focus is primarily owned by investment vehicles managed by Stone Point Capital LLC (“Stone Point”). Investment vehicles managed by Kohlberg Kravis Roberts & Co. L.P. (“KKR”) are minority owners of Focus. Because Campbell Deegan is an indirect, wholly-owned subsidiary of Focus, the Stone Point and KKR investment vehicles are indirect owners of Campbell Deegan.

Pursuant to a management agreement between CDF Partners, LLC (the “Management Company”), Focus and Campbell Deegan, the Management Company has agreed to provide persons to serve as officers of Campbell Deegan who, in such capacity, will be responsible for the management, supervision and oversight of Campbell Deegan. The primary members of the Management Company Sean Campbell and Tim Deegan.

While this brochure generally describes the business of Campbell Deegan, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on Campbell Deegan’s behalf and is subject to the Firm’s supervision or control.

### Description of the Program

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The Program is offered as a wrap fee program, which provides clients with the ability to trade in certain investment products without incurring separate brokerage commissions or transaction charges. A wrap fee program is considered any arrangement under which clients receive investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions for a specified fee or fees not based upon transactions in their accounts.

Clients must also open a new securities brokerage account and complete a new account agreement with Fidelity Institutional Wealth Services ("Fidelity" or the "Custodian") or another broker-dealer that Campbell Deegan approves under the Program (collectively "Financial Institutions").

After an analysis of a client's financial situation and needs, Campbell Deegan assists its clients in developing an appropriate strategy for managing their assets. Clients' investment portfolios are managed on a non-discretionary basis by Campbell Deegan's investment adviser representatives or an independent investment manager, as recommended or selected by Campbell Deegan. Campbell Deegan and/or the independent managers recommended by the Firm allocate clients' assets among the various investment products available under the Program, as described further in Item 6 (below).

## *Financial Planning and Consulting Services*

Campbell Deegan offers clients a broad range of financial planning and consulting services, which may include any or all of the following functions:

- Business Planning
- Education Planning
- Liability and Risk Management
- Trust and Estate Planning
- Retirement Planning
- Cash Flow Forecasting
- Investment Consulting
- Insurance Planning
- Charitable Giving
- Distribution Planning
- Tax Planning
- Manager Due Diligence

These services are provided in conjunction with investment portfolio management as part of a comprehensive wealth management engagement (described in more detail below).

In performing these services, Campbell Deegan is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. Campbell Deegan may recommend clients engage the Firm for additional related services, its Supervised Persons in their individual capacities as insurance agents or registered representatives of a broker-dealer and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if clients engage Campbell Deegan or its affiliates to provide additional services for compensation, including investment management services. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by Campbell Deegan under a financial planning or consulting engagement. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Campbell Deegan's recommendations and/or services.

## *Investment and Wealth Management Services*

Campbell Deegan provides clients with wealth management services which include a broad range of comprehensive financial planning and consulting services as well as non-discretionary management of investment portfolios.

Campbell Deegan primarily allocates client assets among various mutual funds, but will also utilize exchange-traded funds ("ETFs"), individual debt and equity securities, and independent investment managers ("Independent Managers") in accordance with their stated investment objectives.

When requested, the Firm may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage Campbell Deegan to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Campbell Deegan directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

Campbell Deegan tailors its advisory services to meet the needs of its individual clients and seeks to ensure that client portfolios are managed in a manner consistent with those needs and objectives. Campbell Deegan consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify Campbell Deegan if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if Campbell Deegan determines, in its sole discretion that the conditions would not prove overly burdensome to the Firm's management efforts.

Campbell Deegan is a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") with respect to investment management services and investment advice provided to ERISA plan clients, including ERISA plan participants. Campbell Deegan is also a fiduciary under the Internal Revenue Code (the "IRC") with respect to investment management services and investment advice provided to ERISA plans, ERISA plan participants, IRAs and IRA owners (collectively, "Retirement Account Clients"). As such, Campbell Deegan is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid or eliminate the conflict or rely upon a prohibited transaction exemption (a "PTE").

A conflict of interest arises and the prohibited transaction rules are implicated when Campbell Deegan recommends that an ERISA plan participant take a distribution from an ERISA Plan and roll it over to an IRA that Campbell Deegan advises or if Campbell Deegan recommends that an IRA owner transfer his IRA to an IRA that Campbell Deegan advises because Campbell Deegan will receive compensation that it would not have received absent the recommendation – i.e., the IRA advisory fee. When Campbell Deegan engages in this transaction, it relies on the PTE known as the Best Interest Contract Exemption or BICE which requires compliance with the "impartial conduct standards." The impartial conduct standards are designed to mitigate conflicts of interest by requiring that investment advice be in the "best interest" of the Retirement Account Client, that advisers not make any materially misleading statements and not charge a fee that exceeds a reasonable amount. The best interest standard requires that advisers act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use, based on the investment objectives, risk tolerance, financial circumstances and needs of the Retirement Account Client. This mirrors the prudent man standard of conduct and duty of loyalty found in ERISA.



## **Use of Independent Managers**

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As mentioned above, Campbell Deegan may select certain Independent Managers to actively manage a portion of its clients' assets. The Firm does not expect to use Independent Managers frequently. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

Campbell Deegan evaluates a variety of information about Independent Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. Campbell Deegan also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

Campbell Deegan continues to provide services relative to the non-discretionary selection of the Independent Managers. The Firm will monitor the performance of those accounts being managed by Independent Managers. Campbell Deegan seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

While the assets managed by the Independent Managers are included in the Firm's assets under management for fee billing, the Independent Managers' fees are not included in the Program Fee.

## **Fees for Participation in the Program**

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The Program is offered on a fee basis, meaning participants pay a single annualized fee based upon assets under management. This management fee ranges up to 200 basis points (2.00%) depending upon the size and composition of a client's portfolio and the type of services rendered.

For the initial quarter, the fee is charged in arrears based upon the average daily account balance of the assets being managed by the Firm during the initial quarter. In subsequent quarters, the fee is charged in advance based upon the market value of the average daily account balance of the assets being managed by the Firm for the previous quarter. For the initial period of an engagement, the fee is calculated on a pro rata basis, while the fees for subsequent quarters are adjusted because the Firm uses the average daily account balance for the previous quarter. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

## **Fee Comparison**

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As referenced above, a portion of the fees paid to Campbell Deegan are used to cover the securities brokerage commissions and transactional costs attributed to the management of its clients' portfolios.

Services provided through the Program may cost clients more or less than purchasing these services separately. The number of transactions made in clients' accounts, as well as the commissions charged for each transaction, determines the relative cost of the Program versus paying for execution on a per transaction basis and paying a separate fee for advisory services. Fees paid for the Program may also be higher or lower than fees charged by other sponsors of comparable investment advisory programs. Because the Firm pays for the brokerage fees, the Firm has an incentive to engage in less transactions, or transactions that cost less to the Firm.

## **Fee Discretion**

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Campbell Deegan may, in its sole discretion, negotiate with a client to charge a lesser fee than is charged to another client based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and for certain non-profit groups or charitable organizations.

## **Other Charges**

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In addition to the advisory fees paid to Campbell Deegan, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions. These additional charges include fees charged by the Independent Managers, fees attributable to alternative assets, reporting charges, margin costs, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), mark-ups or mark-downs priced in to fixed income products by the broker-dealer, fees and commission for assets not held with the Custodian (such as 401(k) or 529 plan assets), deferred sales charges, odd-lot differentials, transfer taxes, check reorder fees, wire transfer and electronic fund fees, and close-out fees from the custodian.

## **Direct Fee Debit**

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Clients generally provide Campbell Deegan and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Campbell Deegan. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from Campbell Deegan or an outside service provider.

## **Account Additions and Withdrawals**

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Clients may make additions to and withdrawals from their account at any time, subject to Campbell Deegan's right to terminate an account. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to Campbell Deegan, subject to the usual and customary securities settlement procedures. However, Campbell Deegan designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Campbell Deegan may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charge) and/or tax ramifications.

## **Use of Margin**

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Campbell Deegan may be authorized to use margin in the management of the client's investment portfolio. In these cases, the fee payable will be assessed net of margin such that the market value of the client's account and corresponding fee payable by the client to Campbell Deegan will not be increased. The Firm may, however, charge financial planning or consulting fixed fees based on structuring loans.

## **Commissions and Sales Charges for Recommendations of Securities**

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Clients can engage certain persons associated with Campbell Deegan (but not the Firm directly) to render securities brokerage services under a separate commission-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with Campbell Deegan.

Under this arrangement, the Firm's Supervised Persons, in their individual capacities as registered representatives of Purshe Kaplan Sterling Investments, Inc. ("PKS"), may provide securities brokerage services and implement securities transactions under a separate commission-based arrangement. Supervised Persons may be entitled to a portion of the brokerage commissions paid to PKS, as well as a share of any ongoing distribution or service (trail) fees from the sale of mutual funds. Campbell Deegan may also recommend no-load or load-waived funds, where no sales charges are assessed. Prior to effecting any transactions, clients are required to enter into a separate account agreement with PKS.

A conflict of interest exists to the extent that Campbell Deegan recommends the purchase or sale of securities where its Supervised Persons receive commissions or other additional compensation as a result of the Firm's recommendation. The Firm has procedures in place to ensure that any recommendations made by such Supervised Persons are in the best interest of clients. For certain accounts covered by the Employee Retirement Income Security Act of 1974 ("ERISA") and such others that Campbell Deegan, in its sole discretion, deems appropriate, Campbell Deegan may provide its investment advisory services on a fee-offset basis. In this scenario, Campbell Deegan may offset its fees by an amount equal to the aggregate commissions and 12b-1 fees earned by the Firm's Supervised Persons in their individual capacities as registered representatives of PKS. Neither the Firm nor any of its Supervised Persons receive any transaction-based compensation (including 12b-1 fees) on assets for which the Firm charges the Program Fee.

## **Compensation for Recommending the Program**

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Campbell Deegan has no internal arrangements in place whereby persons recommending the Program are entitled to receive additional compensation as a result of clients' participation. A person recommending the Program will not earn more compensation than he or she would otherwise receive if a

client elected another investment management program. The Firm does not currently provide compensation to any third-party solicitors for client referrals.

## **Item 5. Account Requirements and Types of Clients**

Campbell Deegan offers services to individuals, corporations and business entities, pension and profit sharing plans, and trusts and estates. Campbell Deegan does not impose a minimum portfolio value or fee as a condition for starting or maintaining an investment management relationship. Certain Independent Managers may, however, impose more restrictive account requirements and billing practices than the Firm. In these instances, Campbell Deegan may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers. This may result in the client paying a minimum fee to that Independent Manager or not have access to an Independent Manager if the client does not meet that firm's minimum portfolio value.

## **Item 6. Portfolio Manager Selection and Evaluation**

Clients' investment portfolios are managed directly by Campbell Deegan, except in circumstances when they are managed by Independent Managers as referenced above.

### **Side-By-Side Management**

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Campbell Deegan does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

### **Portfolio Management Services**

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#### *Methods of Analysis*

Campbell Deegan primarily utilizes fundamental analysis when managing client assets. Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or issuer. For Campbell Deegan, this process involves an analysis of an issuer's management team, investment strategies, style drift, past performance, reputation and financial strength in relation to the asset class concentrations and risk exposures of the Firm's model asset allocations. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, evolving market conditions may negatively impact the security.

## *Investment Strategies*

After an analysis of a client's financial situation and needs, Campbell Deegan assists its clients in developing an appropriate strategy for managing their assets. Through understanding each client's cash flows, current and future financial obligations, risk perceptions, liquidity, time horizon, and investment objectives, the Firm believes it can custom tailor portfolios to meet each client's personal objectives.

Campbell Deegan believes a diversified approach improves clients' probability of achieving their financial goals. Diversification will be achieved through investment among asset classes, investment styles, and maximum allocations to specific positions. The Firm will include equity, fixed income, alternatives, and cash in each client's account, as appropriate. Further, Campbell Deegan may utilize Independent Managers to invest in direct equity and fixed income positions, open-end and closed-end mutual funds, ETFs, UITs, and direct investment. The Firm will have up to five primary investment strategies ranging from conservative to aggressive. A client will be invested based on one or more of those strategies, but specific holdings will vary amongst clients since the management is customized to a certain degree for each client.

## *Cybersecurity*

The computer systems, networks and devices used by Campbell Deegan and service providers to us and our clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.”

## **Risk of Loss**

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### *Investment Risks*

#### **Investment Risk**

Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments or investment strategies recommended or undertaken by Campbell Deegan) will be profitable or equal any specific performance level(s).

Every method of analysis has its own inherent risks. To perform an accurate market analysis Campbell Deegan must have access to current/new market information. Campbell Deegan has no control over the dissemination rate of market information; therefore, unbeknownst to Campbell Deegan certain analyses may be derived from stale information, severely limiting the value of Campbell Deegan's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable or profitable investment opportunities.

Every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty

(30) day investment time period, involves a very short investment time period but will incur higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy.

In addition to fundamental investment strategies, Campbell Deegan may also implement options strategies. The use of option strategies, even as a hedge, has a high level of inherent risk.

Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by Campbell Deegan shall be with the intent of offsetting/“hedging” a potential market risk in a client’s portfolio. Although Campbell Deegan’s intent of the options-related transactions implemented may be to hedge against principal risk, certain of the options-related strategies (i.e., straddles, short positions, etc.), may, in and of themselves, produce principal volatility or risk. Thus, a client must be willing to accept these enhanced risks associated with such strategies. In light of these enhanced risks, client may direct Campbell Deegan, in writing, not to employ any or all such strategies for their accounts.

## *Mutual Funds and ETFs*

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund’s underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund’s stated daily per share net asset value (“NAV”), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund’s holdings. The trading prices of a mutual fund’s shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund’s shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares



or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

### *Use of Independent Managers*

As stated above, Campbell Deegan may select certain Independent Managers to manage a portion of its clients' assets. In these situations, Campbell Deegan continues to conduct initial and ongoing due diligence of such managers. However, the performance of those assets managed by Independent Managers will depend to a great extent on the Independent Managers' ability to successfully implement their investment strategies. Campbell Deegan is not involved with the day-to-day operations of an Independent Manager's business nor does Campbell Deegan supervise the Independent Managers. Campbell Deegan, however, regularly monitors the client accounts and assets managed by Independent Managers.

### *Use of Margin*

While the use of margin borrowing can substantially improve returns, it may also increase overall portfolio risk. Margin transactions are generally effected using capital borrowed from a Financial Institution, which is secured by a client's holdings. Under certain circumstances, a lending Financial Institution may demand an increase in the underlying collateral. If the client is unable to provide the additional collateral, the Financial Institution may liquidate account assets to satisfy the client's outstanding obligations, which could have extremely adverse consequences. In addition, fluctuations in the amount of a client's borrowings and the corresponding interest rates may have a significant effect on the profitability and stability of a client's portfolio.

### **Voting of Client Securities**

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Campbell Deegan does not accept the authority to vote a client's securities (i.e., proxies) on their behalf. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities 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. Clients will receive their proxies or other solicitations directly from their Financial Institutions. Clients may contact Campbell Deegan to discuss any questions they may have with a particular solicitation.

## **Item 7. Client Information Provided to Portfolio Managers**

Campbell Deegan shall be the Program's portfolio manager. Campbell Deegan shall provide investment advisory services specific to needs of each client. Prior to providing investment advisory services, an investment adviser representative will discuss with each client, their particular investment objective(s). Campbell Deegan shall allocate each client's investment assets consistent with their designated investment objective(s). Clients may, at any time, impose restrictions, in writing, on Campbell Deegan's services.

As indicated above, each client is advised that it remains their responsibility to promptly notify Campbell Deegan if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Campbell Deegan's previous recommendations or services.

To the extent the Program utilizes Independent Manager(s), Campbell Deegan shall provide the Independent Manager(s) with each client's particular investment objective(s). Any changes in the client's financial situation or investment objectives reported by the client to Campbell Deegan shall be communicated to the Independent Manager(s) within a reasonable period of time.

## **Item 8. Client Contact with Portfolio Managers**

In this Item, Campbell Deegan is required to describe any restrictions on clients' ability to contact and consult with the portfolio managers managing their investment portfolios. There are no restrictions on clients' ability to correspond with Campbell Deegan. Clients can generally contact the Independent Managers managing their portfolios through Campbell Deegan by providing the Firm with written request and identification of the questions or issues to be discussed with the Independent Managers. After receiving the client's written request, Campbell Deegan, at its sole discretion, may contact the Independent Managers for the client or arrange for the Independent Managers and the client to communicate directly.

## **Item 9. Additional Information**

### **Disciplinary Information**

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Campbell Deegan has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

## **Registered Representatives of a Broker/Dealer**

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Certain of the Firm's Supervised Persons are registered representatives of PKS and may provide clients with securities brokerage services under a separate commission-based arrangement. This arrangement is described in Item 5. No client is under any obligation to purchase any commission products from Campbell Deegan's representative or affiliates.

## **Licensed Insurance Agents**

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Certain of the Firm's Supervised Persons are licensed insurance agents and may offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that Campbell Deegan recommends the purchase of insurance products where its Supervised Persons may be entitled to insurance commissions or other additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations. No client is under any obligation to purchase any commission products from Campbell Deegan's representative or affiliates.

## **Agreement with FI Services, LLC**

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Campbell Deegan has entered into a Services Agreement with FI Services, LLC ("FIS"). Under the Services Agreement, FIS has agreed to provide to, or procure for, Campbell Deegan administrative services including advisory fee calculation, record maintenance and report preparation services, as well as other administrative back-office support services, such as payroll, accounting, initial marketing support, and education programs. FIS will be providing these services both directly and indirectly through unaffiliated technology companies and other service providers. Employees of FIS or its affiliates who provide services on behalf of FIS to Campbell Deegan pursuant to the Services Agreement also provide services to registered investment advisory firms other than Campbell Deegan. FIS and its affiliates will monitor the workload of those employees to ensure that this arrangement does not materially affect FIS' ability to carry out its responsibilities to Campbell Deegan under the Services Agreement. If necessary, additional staff will be hired to perform services for FIS. FIS will allocate its costs for the services provided directly by FIS among Campbell Deegan and any other registered investment advisory firms that FIS supports. All costs incurred by FIS for services provided by third-party vendors for Campbell Deegan's benefit will be passed through to Campbell Deegan.

Campbell Deegan does not believe that the Services Agreement poses a material conflict of interest to its clients, as the services provided by FIS to Campbell Deegan will be provided without mark-up by FIS.

FOCUS OPERATING, LLC and FOCUS FINANCIAL PARTNERS, LLC

As noted above in response to Item 4, certain investment vehicles managed by Stone Point collectively are

principal owners of Focus, and certain investment vehicles managed by KKR collectively are minority owners of Focus. Because Campbell Deegan is an indirect, wholly-owned subsidiary of Focus, the Stone Point and KKR investment vehicles are indirect owners of Campbell Deegan. None of Stone Point, KKR, or any of their affiliates participates in the management or investment recommendations of our business.

Campbell Deegan's parent company is Focus. From time to time, Focus holds partnership meetings and other industry and best-practices conferences, which typically include Campbell Deegan, other Focus firms and external attendees. These meetings are first and foremost intended to provide training or education to personnel of Focus firms, including Campbell Wealth. However, the meetings do provide sponsorship opportunities for asset managers, asset custodians, vendors and other third party service providers. Sponsorship fees allow these companies to advertise their products and services to Focus firms, including Campbell Deegan. Although the participation of Focus firm personnel in these meetings is not preconditioned on the achievement of a sales target for any conference sponsor, this practice could nonetheless be deemed a conflict as the marketing and education activities conducted, and the access granted, at such meetings and conferences could cause Campbell Deegan to focus on those conference sponsors in the course of its duties. Focus attempts to mitigate any such conflict by allocating the sponsorship fees only to defraying the cost of the meeting or future meetings and not as revenue for itself or any affiliate, including Campbell Deegan. Conference sponsorship fees are not dependent on assets placed with any specific provider or revenue generated by such asset placement.

The following entities have provided conference sponsorship to Focus in the last year:

Fidelity Brokerage Services  
J.P. Morgan Asset Management  
Charles G. Schwab & Co.

## Code of Ethics

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Campbell Deegan has adopted a code of ethics in compliance with applicable securities laws (“Code of Ethics”) that sets forth the standards of conduct expected of its Supervised Persons. Campbell Deegan’s Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the Firm or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of Campbell Deegan’s personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g.*, initial public offerings, limited offerings). **However, the Firm’s Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm’s policies and procedures.** The Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (*i.e.*, spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Campbell Deegan established procedures for monitoring the personal securities transactions and securities holdings of each Campbell Deegan Supervised Person. The procedures include each Supervised Person providing the Chief Compliance Officer or a designee with a written report of their current securities holdings with ten (10) days after becoming a Supervised Person and at least once every twelve months thereafter. Additionally, each quarter Supervised Person shall provide their personal transactions to the Chief Compliance Officer or a designee. Clients and prospective clients may contact Campbell Deegan to request a copy of its Code of Ethics.

## **Account Reviews**

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Campbell Deegan monitors client portfolios on a continuous and regular basis. In addition, a formal review of client portfolios will be conducted at least annually (with a three month grace period). The financial plan and investment portfolio of the client will be reviewed at that time. Such reviews are conducted by the Firm's principals. All investment advisory clients are encouraged to discuss their needs, goals and objectives with Campbell Deegan and to keep the Firm informed of any changes thereto. Campbell Deegan may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives or financial situation, market corrections and client request.

## **Account Statements and Reports**

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Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from Campbell Deegan and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their Financial Institution with any documents or reports they receive from Campbell Deegan or an outside service provider.

## **Client Referrals**

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The Firm does not currently provide compensation to any third-party solicitors for client referrals.

## **Receipt of Economic Benefit and Brokerage Practices**

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Campbell Deegan recommends that clients utilize the custody, brokerage and clearing services of the Custodian for investment management accounts. Factors which Campbell Deegan considers in recommending the Custodian or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. In seeking best execution in recommending the Custodian, the Firm considers whether the transaction represents the best qualitative execution, taking into consideration the full range of a financial institution's services, including among others, the value of research provided, execution capability, commission rates and responsiveness.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist Campbell Deegan in its investment decision-making process. The receipt of investment research products and/or services poses a

conflict of interest because Campbell Deegan does not have to produce or pay for the products or services.

Campbell Deegan periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

### **Other Compensation Provided by Financial Institutions**

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Campbell Deegan may receive without cost from Fidelity computer software and related systems support, which allow Campbell Deegan to better monitor client accounts maintained at Fidelity.

Specifically, Campbell Deegan may receive the following benefits from Fidelity:

- Funds to be used toward qualifying third-party service providers for research, marketing, compliance, technology and software platforms and services.
- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and
- Access to an electronic communication network for client order entry and account information.

Campbell Deegan's clients do not pay a higher Program fee as result of this arrangement. There is no corresponding commitment made by Campbell Deegan to Fidelity or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

Campbell Deegan's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.

### **Trade Aggregation**

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Transactions for each client generally will be effected independently, unless Campbell Deegan decides to purchase or sell the same securities for several clients at approximately the same time. Campbell Deegan may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Firm's clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and allocated among

Campbell Deegan's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the Firm determines to aggregate client orders for the purchase or sale of securities, including securities in which Campbell Deegan's Supervised Persons may invest, the Firm does so in accordance with its policies and procedures. Campbell Deegan does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, the Firm may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on rotating basis.

### **Financial Information**

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Campbell Deegan does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered. The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Also, the Firm has not been the subject of a bankruptcy petition at any time during the past ten years.

Any Questions: Campbell Deegan's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.