

**ITEM 1. COVER PAGE**  
**PART 2A OF FORM ADV: FIRM BROCHURE**  
**October 24, 2018**

**CALCAGNINI WEALTH MANAGEMENT, LLC**  
**CRD# 293164**

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This brochure provides information about the qualifications and business practices of Calcagnini Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact Mr. Thomas J. Calcagnini by telephone at (310) 622-1287 or email at [tom@cwmp.com](mailto:tom@cwmp.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 Calcagnini Wealth Management, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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

## **Item 2. Material Changes to Our Part 2A of Form ADV: Firm Brochure**

Calcagnini Wealth Management, LLC (“CWM” or the “Firm”) is required to advise you of any material changes to this Form ADV Part 2A Disclosure Brochure from our last filing:

- Item 4 – Advisory Business: In September of 2018, CWM switched jurisdiction from the Securities and Exchange Commission to the State of California.

Our prospective clients are strongly encouraged to read this brochure in its entirety prior to engaging CWM for any advisory services.

Pursuant to applicable rules, CWM will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of CWM’s fiscal year. Additionally, as the Firm experiences material changes in the future, we will send you a summary of our “Material Changes” under separate cover. CWM’s Brochure is available upon request and may be requested by contacting the Firm’s Chief Compliance Officer, Mr. Thomas J. Calcagnini at (310) 622-1287.

Additional information about the firm and its investment adviser representatives is available on the SEC’s website at <https://www.adviserinfo.sec.gov>.

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#### **Item 4. Advisory Business**

A. Description of our advisory firm, including how long we have been in business and our principal owner(s).

Calcagnini Wealth Management, LLC is dedicated to providing individuals and other types of clients with a wide array of investment advisory services. The firm is a limited liability company formed in the State of California and has been in business as an investment adviser since 2018. Calcagnini Wealth Management, LLC is owned entirely by Thomas Calcagnini, who also serves as the Chief Compliance Officer to the firm.

B. Description of the Types of Advisory Services Offered.

Our firm provides asset management and investment consulting services for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. As a fiduciary it is our duty to always act in the client's best interest. This is accomplished in part by knowing the client. Our firm has established a service-orientated advisory practice with open lines of communication. Working with clients to understand their investment objectives while educating them about our process, facilitates the kind of working relationship we value.

(i) Asset Management:

We provide clients with ongoing asset management services, which are performed on either a discretionary or non-discretionary basis, where we emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds ("ETFs"), options, mutual funds and other public and private securities or investments. The client's individual investment strategy is tailored to their specific needs and will include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based upon the client's individual needs, stated goals and objectives. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

(ii) Pension Consulting:

We provide pension consulting services to employer plan sponsors on an ongoing basis. Generally, such pension consulting services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure and participant education.

All pension consulting services shall be in compliance with the applicable state law(s) regulating pension consulting services. This applies to client accounts that are pension or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the client accounts are part of a Plan, and we accept appointments to provide our services to such accounts, we acknowledge that we are a fiduciary within the meaning

of Section 3(21) of ERISA (but only with respect to the provision of services described in the Pension Consulting Agreement).

(iii) Financial Planning and Consulting:

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

Our written financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, recommendations will be made that the clients begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. It should also be noted that we refer clients to an accountant, attorney or other specialist, as necessary for non-advisory related services. For written financial planning engagements, we provide our clients with a written summary of their financial situation, observations, and recommendations. For financial consulting engagements, we usually do not provide our clients with a written summary of our observations and recommendations as the process is less formal than our planning service. Plans or consultations are typically completed within six (6) months of the client signing a contract with us, assuming that all the information and documents we request from the client are provided to us promptly. Implementation of the recommendations will be at the discretion of the client. Clients have the option of utilizing our firm to implement certain investment recommendations but are under no obligation to do so.

(iv) Referrals to Third-Party Money Managers:

We provide clients with a list of investment advisory services of third-party professional portfolio management firms for the individual management of client accounts. As part of this process, we assist clients in identifying an appropriate third-party money manager. We provide initial due diligence on third-party money managers and ongoing reviews of their management of your account. As part of this due diligence, before selecting other advisers, the firm ensures that the other advisers are properly licensed or registered as an investment adviser.

In order to assist clients in the selection of a third-party money manager, we typically gather information from the client about their financial situation, investment objectives, and reasonable restrictions they can impose on the management of the account, which are often very limited. It is important to note that we do not offer advice on any specific securities or other investments in connection with this service. Investment advice and trading of securities is only offered by or through the third-party money managers to clients. At times, depending on the type of arrangement, the client will enter into a separate advisory agreement with the third-party money

manager, which will be in addition to, and distinct from the agreement with our firm. In other cases, we will enter into an agreement with the third-party money manager. However, in all instances, and as authorized through our client agreement, we have the ability to hire and fire the selected third-party money manager and reallocate client assets to other third-party money manager when we deem it to be in the best interest of the client.

We periodically review third-party money managers' reports provided to the client, but no less often than on an annual basis. Our associates contact the clients from time to time, as agreed to with the client, in order to review their financial situation and objectives; communicate information to third-party money managers as warranted; and, assist the client in understanding and evaluating the services provided by the third-party money manager. The client will be expected to notify us of any changes in his/her financial situation, investment objectives, or account restrictions that could affect their account. The client can also directly contact the third-party money manager managing the account or sponsoring the program.

C. Explanation of whether (and, if so, how) we tailor our advisory services to the individual needs of clients, whether clients can impose restrictions on investing in certain securities or types of securities.

(i) Individual Tailoring of Advice to Clients:

We offer individualized investment advice to clients who receive Asset Management services offered by our firm. Additionally, we offer general investment advice to clients utilizing the following services offered by our firm: Financial Planning and Consulting, Pension Consulting, and Referrals to Third-Party Money Managers.

(ii) Ability of Clients to Impose Restrictions on Investing in Certain Securities or Types of Securities:

For clients receiving Asset Management services, we will allow clients to impose restrictions on investing in certain securities or types of securities upon receiving a written request.

D. Participation in Wrap Fee Programs.

We offer wrap fee programs as further described in Part 2A, Appendix 1 (the "Wrap Fee Program Brochure") of our Brochure. Our wrap fee and non-wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, and risk tolerance. We do not manage wrap fee accounts in a different fashion than non-wrap fee accounts. As further described in our Wrap Fee Program Brochure, we receive a portion of the wrap fee for our services.

E. Amount of Client Assets Managed

As of the date of this Brochure, our firm manages \$31,990,842.49 on a discretionary basis and \$6,906,054.20 on a non-discretionary basis.

## **Item 5. Fees & Compensation**

We are required to describe our brokerage, custody, fees and fund expenses so you will know how much you are charged and by whom for our advisory services provided to you. Our fees are generally negotiable at the sole discretion of the firm. Although we believe our advisory fees are competitive, clients should be aware that lower fees for comparable services may be available from other sources.

### **A. Description of how we are compensated for our advisory services:**

As described in greater detail below, we charge different types of fees, including fees based on a percentage of assets under management, fixed fees and hourly fees. The specific fees charged by for our services will be set forth in the client's agreement.

Fees are negotiable and arrangements with any particular client can differ from those described below. In addition, for family and friends of the firm, we can, in our sole discretion, reduce or waive fees in their entirety. Although we believe our fees are competitive, clients should be aware that lower fees for comparable services could be available from other sources.

#### **(i) Asset Management:**

We provide Asset Management services to clients for a fee based upon a percentage of assets under management (including cash and cash equivalents), which are calculated based on the following annual percentages:

<b>Assets Under Management</b>	<b>Annual Percentage of Assets Charge</b>
\$0 - \$5,000,000	1.25%
\$5,000,000.01 - \$10,000,000	1.00%
Over \$10,000,000	0.75%

Our firm's fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter. Should a client open an account during a quarter, the fee will be prorated based on the number of days the account was open during the quarter. In the event our services are terminated mid-quarter, any paid, unearned fees will be promptly refunded to the client. The number of days the account was managed during the quarter until termination is used to determine the percentage of the management fee earned (based on the total number of days in the quarter) and the balance is refunded. Additions and withdrawals to Client accounts intra-quarter are subject to the same billing practices.

There are times when margin strategies will be employed as part of a client's portfolio account. In these instances, margin is used to purchase additional securities, and the total value of eligible account assets increases, as does the asset-based fee. Notably, the increased asset-based fee that a client pays in these instances presents a conflict since it creates an incentive for us to recommend the use of margin. However, please note that using margin is not suitable for all investors; the use of margin increases leverage in a client's account and therefore increases overall risk. Please see

Item 8 below for additional information concerning risks associated with utilizing margin in a client account.

(ii) Pension Consulting:

We provide Pension Consulting services to clients for a fee based upon a percentage of assets under management (including cash and cash equivalents), which are calculated based on the following annual percentages:

<b>Assets Under Management</b>	<b>Annual Percentage of Assets Charge</b>
\$0 - \$1,000,000	1.00 %
\$1,000,001 - \$3,000,000	0.90%
Over \$3,000,000	0.75%

Our firm's fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter.

(iii) Financial Planning and Consulting:

We charge on an hourly or flat fee basis for financial planning and consulting services.

The total estimated fee, as well as the ultimate fee that we charge you, is based on the scope and complexity of our engagement with you. Our hourly fees are \$350 for financial advisors. Flat fees generally range from \$1,000 to \$20,000.

(iv) Referrals to Third-Party Money Managers:

Third-party money manager fees vary and are described in the manager's respective Form ADV Part 2A Firm Brochure. Such fees to third-party money managers are distinct from, and in addition to, fees due our firm. Typically, the third-party money manager is responsible for the collection of its own fee from the client account. Please note that total fees charged to clients by our firm and the third-party money manager will at no time exceed three percent (3%) of assets under management annually.

B. Description of whether we deduct fees from clients' assets or bill clients for fees incurred.

(i) Asset Management:

Our firm's fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter. Fees will generally be automatically deducted from your managed account. Adjustments will be made for deposits and withdrawals. As part of this process, client will be made aware of the following:

- a) Your independent custodian sends statements at least quarterly to you showing all disbursements for your account, including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms;
- c) Each time a fee is directly deducted from a client account, the firm concurrently:



- i. Sends the qualified custodian an invoice or statement of the amount of the fee to be deducted from the Client's account; and
- ii. Sends the Client an invoice or statement itemizing the fee. Itemization includes the formula used to calculate the fee, the value of the assets under management on which the fee is based, and the time period covered by the fee.
- d) The firm notifies the Department of Business Oversight in writing that the investment adviser intends to use the safeguards outlined above, and includes these safeguards as part of the firm's Form ADV Disclosure Brochure.

(ii) Pension Consulting:

The fee-paying arrangements for pension consulting service will be determined on a case-by-case basis and will be detailed in the signed Pension Consulting Agreement. The client will be invoiced directly for the fees.

(iii) Financial Planning and Consulting:

We require a retainer of fifty-percent (50%) of the ultimate financial planning or consulting fee with the remainder of the fee directly billed to you and due to us within thirty (30) days of your financial plan being delivered or consultation rendered to you. In all cases, we will not require a retainer exceeding \$500 when services cannot be rendered within 6 (six) months.

(iv) Referrals to Third-Party Money Managers:

Third-party money managers establish and maintain their own separate billing processes which we have no control over. In general, they will directly bill you and describe how this works in their separate written disclosure documents.

C. Description of any other types of fees or expenses clients will pay in connection with our advisory services, such as custodian fees or mutual fund expenses.

Non-Wrap fee Clients should understand that the fees described above do not include certain charges imposed by third parties such as custodial fees, charges imposed directly by a mutual fund or ETF in the account, which shall be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, non-wrap fee clients could incur brokerage commissions and transaction fees. Clients should further understand that such charges, fees and commissions incurred in connection with transactions for a client's account will be paid out of the assets in the account and are exclusive of and in addition to the fees charged by the firm.

D. We must disclose if client's advisory fees are due quarterly in advance. Explain how a client can obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

We charge our advisory fees quarterly in advance. In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. You need to contact us

in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

E. Commissionable Securities Sales.

We do not sell securities for a commission in our advisory accounts.

**Item 6. Performance-Based Fees & Side-By-Side Management**

We do not charge performance fees (i.e., fees calculated based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client) to our clients. Consequently, we do not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as assets under management). As described above, we provide financial planning and advisory services for either a fixed fee, hourly fee or a fee based upon the percentage of assets under management, in accordance with applicable law.

**Item 7. Types of Clients & Account Requirements**

We have the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension and Profit Sharing Plans; and
- Corporations, limited liability companies and/or other business types.

We generally require a minimum account balance of \$100,000 for our asset management service and would be required throughout the course of the client's relationship with our firm. However, this minimum account balance requirement is negotiable in the sole discretion of our firm.

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

**Methods of Analysis**

- Charting – Analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices.
- Fundamental – Analysis performed on historical and present data, with the goal of making financial forecasts.
- Technical – Analysis performed on historical and present data, focusing in price and trade volume, to forecast the direction of prices.
- Cyclical – Analysis performed on historical relationships between price and market trends, to forecast the direction of prices.

**Investment Strategies**

When determining an investment strategy for the client, we employ an asset allocation strategy designed for longer-term clients. Each client's goals, assets, liabilities, investment horizon and

objectives, age and risk tolerance will be assessed using a comprehensive wealth plan or thoroughly evaluated by the firm. This process ensures we have a deep understanding of the client and investment goals. Based on the client's risk tolerance and investment objectives, the Firm will develop an asset allocation plan for the Client's portfolio. This allocation should not change unless the client's investment objectives or risk tolerance changes.

When selecting third-party money managers, we review and examine the education and background, qualifications, experience, expertise, investment philosophies, investment strategies and objectives, and historical performance of various investment programs and portfolios of such third-party money manager in an attempt to determine if such manager has demonstrated an ability for investment performance over a period of time through different market cycles and under different economic conditions. We continue to monitor the managers' programs and portfolios, their underlying holdings, strategies, diversifications and concentrations, allocations, and leverage as part of our overall periodic risk assessment.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm can debit advisory fees for our services related to asset management service.

### **Risk of Loss**

Please Note: Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have. Clients should be aware that there may be a loss or depreciation to the value of the client's account. There can be no assurance that the client's investment objectives will be obtained and no inference to the contrary should be made. Past performance is not indicative of future results. Therefore, clients should never assume that future performance of any specific investment or investment strategy will be profitable. Further, depending on the different types of investments there may be varying degrees of risk.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

There are certain additional risks associated with the securities recommended and strategies utilized by our firm including, among others:

- *Market risk*, which is the chance that stock prices overall will decline. The market value of equity securities will generally fluctuate with market conditions. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. Prices of equity securities tend to fluctuate over the short term as a result of factors affecting the individual

companies, industries or the securities market as a whole. Equity securities generally have greater price volatility than fixed income securities.

- *Sector risk*, which is the chance that significant problems will affect a particular sector, or that returns from that sector will trail returns from the overall stock market. Daily fluctuations in specific market sectors are often more extreme than fluctuations in the overall market.
- *Issuer risk*, which is the risk that the value of a security may decline for reasons directly related to the issuer, such as management performance, financial leverage, and reduced demand for the issuer's goods or services.
- *Non-diversification risk*, which is the risk of focusing investments in a small number of issuers, industries or foreign currencies, including being more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be.
- *Value investing risk*, which is the risk that value stocks may not increase in price, may not issue the anticipated stock dividends, or may decline in price, either because the market fails to recognize the stock's intrinsic value, or because the expected value was misgauged. If the market does not recognize that the securities are undervalued, the prices of those securities might not appreciate as anticipated. They also may decline in price even though in theory they are already undervalued. Value stocks are typically less volatile than growth stocks but may lag behind growth stocks in an up market.
- *Smaller company risk*, which is the risk that the value of securities issued by a smaller company may go up or down, sometimes rapidly and unpredictably as compared to more widely held securities. Investments in smaller companies are subject to greater levels of credit, market and issuer risk.
- *Foreign (non-U.S.) investment risk*, which is the risk that investing in foreign securities may result in the portfolio experiencing more rapid and extreme changes in value than a portfolio that invests exclusively in securities of U.S. companies. Investments in emerging markets are generally more volatile than investments in developed foreign markets.
- *Interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates. Similarly, the income from bonds or other debt instruments may decline because of falling interest rates.
- *Credit risk*, which is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline.
- *ETF and Mutual Fund Risk*, when investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- *Management risk*, which is the risk that the investment techniques and risk analyses may not produce the desired results and that legislative, regulatory, or tax developments, may affect

the investment techniques available to the firm. There is no guarantee that a client's investment objectives will be achieved.

- *Liquidity risk*, liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Margin Risk*, when purchasing securities, the securities may be paid for in full, or it is possible to borrow part of the purchase price from the client's account custodian or clearing firm. If borrowing funds in connection with the client account, the client will be required to open a margin account, which will be carried by the clearing firm. The securities purchased in such an account are the clearing firm's collateral for its loan to the client. If those securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and as a result, the brokerage firm is required to take action in order to maintain the necessary level of equity in the account. The brokerage firm may issue a margin call and/or sell other assets in your account. It is important that each client fully understand the risks involved in trading securities on margin, which are applicable to any margin account that the client may maintain. These risks include the following:
  - The client can lose more funds than deposited in the margin account;
  - The account custodian or clearing firm can force the sale of securities or other assets in the account;
  - The account custodian or clearing firm can sell the client's securities or other assets without contacting the client;
  - The client is not entitled to choose which securities or other assets in the margin account may be liquidated or sold to meet a margin call;
  - The account custodian or clearing firm may move securities held in a cash account to the margin account and pledge the transferred securities;
  - The account custodian or clearing firm can increase its "house" maintenance margin requirements at any time and they are not required to provide the client advance written notice; and/or
  - The client is not entitled to an extension of time on a margin call.
- *Options Risk*, below are some of the main risks associated with investing in options:
  - When writing covered call options to produce income for a client's account, there may be times when the underlying stock is "called" (call option contract exercised or assigned) by the investor that purchased the call option. That means the client would be required to sell the underlying security at the exercise (pre-determined) price to that investor.
  - Clients may be required to open a margin account in order to invest in options, which carries additional risks (see above for details) and could result in margin interest costs to the client.
  - Option positions may be adversely affected by company specific issues (the issuer of the underlying security) which may include but are not limited to bankruptcy, insolvency, failing to file with regulatory bodies, being delisted, having trading halted or suspended, corporate reorganizations, asset sales, spin offs, stock splits, mergers and acquisitions. In addition, market related actions, political issues, and

economic issues may adversely affect the option market. These factors could restrict, halt, suspend, or terminate option positions written (sold) or purchased.

- Changes in value of the option may not correlate with the underlying security, and the account could lose more than principal amount invested.
- Options involve risk and are not suitable for all clients. Therefore, a client should read the option disclosure document, “Characteristics and Risks of Standardized Options”, which can be obtained from any exchange on which options are traded, at [www.optionsclearing.com](http://www.optionsclearing.com), or by calling 1-888-OPTIONS, or by contacting your broker/custodian.

### **Item 9. Disciplinary Information**

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

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

Neither our firm nor any of its management persons are registered, or have an application pending to register as a broker-dealer. Further, neither our firm nor its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor or an associated person of the foregoing entities. We do not recommend or select other investment advisers for clients in exchange for compensation from those advisers.

The firm’s owner, Mr. Thomas Calcagnini, holds a Certified Public Account (“CPA”) designation. However, Mr. Calcagnini is neither affiliated with any firms performing CPA activities, nor performing any such activities as an individual, and as such, he does not have signatory authority over any client accounts.

Our firm, management persons and advisers do have material financial industry activities and affiliations as further described below:

#### **1. Insurance Company or Agency**

Certain of our firm’s management persons and adviser, in their individual capacities, are also licensed insurance agents with various insurance companies, and in such capacity, recommend, on a fully disclosed commission basis, the purchase of certain insurance products. While our firm does not sell such insurance products to our investment advisory clients, we permit our representatives, in their individual capacities as licensed insurance agents, to sell insurance products to our investment advisory clients. A conflict of interest exists to the extent that our firm recommends the purchase of insurance products where our firm’s representatives receive insurance commissions or other additional compensation.

#### **2. Referrals to Pooled Investment Vehicle**

Outside of his responsibilities to the firm, Mr. Thomas J. Calcagnini also serve as a consultant for Eastward Capital Partners, LLC (“ECP”), a venture debt fund. In this role, Mr. Calcagnini will consult or coordinate capital calls, distributions and provide fund documents to investors of ECP. In exchange for these services, he receives a share of the fees received by ECP.

Mr. Calcagnini will, at times, recommend an investment in ECP to certain sophisticated clients of the firm, which represents a substantial conflict of interest because, through his services on behalf of ECP, Mr. Calcagnini benefits from the profits and remuneration received by ECP, a portion of which are attributed to investments in ECP by firm clients. Further, while neither Mr. Calcagnini nor the firm will receive commissions or any other transaction-based compensation in connection with firm clients' investment in ECP, the value of clients' investment in ECP will be included in the value of the clients' advisory account assets for purposes of calculation of the investment management fee paid by such clients to the firm. Therefore, Mr. Calcagnini receives compensation **both** on client assets managed by the firm, as well as assets invested in ECP. These conflicts of interest affect the ability the firm and Mr. Calcagnini to provide clients with unbiased, objective investment advice concerning the selection of certain investments for client accounts. This could mean that other investments, with whom Mr. Calcagnini does not have an interest, could be more appropriate for firm clients than an investment in ECP. Therefore, a substantial conflict of interest exists in the selection of investments for firm clients. Accordingly, each prospective investor in ECP, prior to making an investment decision to purchase interests, is encouraged to consider all factors they deem relevant to an investment in the fund, including the conflicts of interest noted above and elsewhere in the fund's Private Placement Memorandum, and to consult with their own advisors regarding such potential investment. The firm addresses the above-described conflicts of interest by ensuring that firm clients who invest in ECP are fully informed about such conflicts and encouraged to review them with their own investment, legal and other advisors. For further information on the compensation Mr. Calcagnini receives for performing these outside business activities, please refer to Mr. Calcagnini's Form ADV Part 2B – Disclosure Supplement.

To the extent that our advisers recommend the purchase of securities, insurance or other investment products where they receive commissions or other compensation for doing so, a conflict of interest exists because our advisers have an incentive to make recommendations based on compensation received rather than on a client's needs. Our firm has adopted certain procedures designed to mitigate the effects of these conflicts. As part of our fiduciary duty to clients, the firm and its representatives endeavor at all times to put the interests of the clients first; and recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. Additionally, the conflicts presented by these practices are disclosed to clients through the firm's brochures, client agreement and/or verbally prior to or at the time of entering into an agreement with the firm. Clients are not obligated to implement any recommended transactions by our advisers. Should the client choose to do so, such implementations are not required to be made through our advisers, our firm or any particular insurance carrier. Clients should understand that lower fees and/or commissions for comparable services could be available from other sources.

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

A. **Brief description of our Code of Ethics and offer to provide a copy of our Code of Ethics to any client or prospective client upon request.**

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out

in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

B. If our firm or a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest (excluding an interest as a shareholder of an SEC-registered, open-end investment company), we must describe our practice and discuss the conflicts of interest it presents.

We have nothing to disclose in this regard.

C. If our firm or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that our firm or a related person recommends to clients, we are required to describe our practice and discuss the conflicts of interest this presents and generally how we address the conflicts that arise in connection with personal trading.

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

D. If our firm or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for our firm's (or the related person's own) account, we are required to describe our practice and discuss the conflicts of interest it presents. We are also required to describe generally how we address conflicts that arise.



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

## **Item 12. Brokerage Practices**

### **A. Description of the factors that we consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).**

#### **1. Research & Other Soft Dollar Benefits.**

Our firm has an arrangement with Schwab Advisor Services division of Charles Schwab & Co., Inc., ("Schwab") (Schwab is referred to herein as "the Custodian"). While we do not have a soft-dollar contract in place with the Custodian, we receive services which include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support our firm in conducting business and in serving the best interests of our clients but that can benefit our firm.

#### **a. Explanation of when we use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, and how we receive a benefit because our firm does not have to produce or pay for the research, products or services.**

As part of the arrangement described in Item 12.A.1, the Custodian also make certain research and brokerage services available at no additional cost to our firm. These services include certain research and brokerage services, including research services obtained by the Custodian directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by the Custodian to our firm can include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by the Custodian to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services are used by our firm to manage accounts for which we have investment discretion.

#### **b. Incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on our clients' interest in receiving best execution.**

As a result of receiving the services discussed in 12.A.1.a of this Brochure for no additional cost, we have an incentive to continue to use or expand the use the Custodian's services. Our firm examined this potential conflict of interest when we chose to enter into the relationship with the Custodian and we have determined that the relationship is in the best interest of our firm's clients and satisfies our client obligations, including our duty to seek best execution.

The Custodian charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). The Custodian enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. The Custodian's commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by the Custodian can be higher or lower than those charged by other custodians and broker-dealers.

- c. Causing clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up).

Clients can pay a commission to the Custodian that is higher than another qualified broker dealer might charge to affect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we could not necessarily obtain the lowest possible commission rates for specific client account transactions.

- d. Disclosure of whether we use soft dollar benefits to service all of our clients' accounts or only those that paid for the benefits, as well as whether we seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

Although the investment research products and services that can be obtained by our firm will generally be used to service all of our clients, a brokerage commission paid by a specific client can be used to pay for research that is not used in managing that specific client's account.

- e. Description of the types of products and services our firm or any of our related persons acquired with client brokerage commissions (or markups or markdowns) within our last fiscal year.

We are required to specifically describe to our clients the types of products or services that we are acquiring and to permit them to evaluate possible conflicts of interest. Our description must be more detailed for products or services that do not qualify for the safe harbor in Section 28(e) of the Securities Exchange Act of 1934, such as those services that do not aid in investment decision-making or trade execution. Merely disclosing that we obtain various research reports and products is not specific enough.

In addition to the benefits described in Item 12.A.1 of this Brochure, the Custodian also makes available to our firm products and services that help manage and administer clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally can be used to service all or some substantial number of our accounts, including accounts not maintained at the Custodian. While, as a fiduciary, our firm endeavors to act in our clients' best interests, the Adviser's recommendation/requirement that clients maintain their assets in accounts at the Custodian can be based in part on the benefit to our firm of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost, or quality of custody and brokerage services provided by the Custodian, which can create a potential conflict of interest.

f. Explanation of the procedures we used during our last fiscal year to direct client transactions to a particular broker-dealer in return for soft dollar benefits we received.

As mentioned above, we do not have a soft-dollar contract in place with the Custodian or broker-dealer, but we do receive products and services from such parties. Our CCO undertakes a review of parties which we recommend to clients. When deciding whether to approve or disapprove of a brokerage relationship, the following criteria is reviewed: the broker-dealer's business reputation and financial position and our ability to consistently execute orders professionally and on a cost effective basis, provide prompt and accurate execution reports, prepare timely and accurate confirms, deliver securities or cash proceeds promptly and provide meaningful research services that are useful to us in investment decision-making or other desired and appropriate services. Our CCO also annually reviews all our relationships for appropriateness, benefits to our clients, etc.

2. Directed Brokerage.

In certain instances, clients can seek to limit or restrict our discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are affected. Clients can seek to limit our authority in this area by directing that transactions (or some specified percentage of transactions) be executed through specified brokers in return for portfolio evaluation or other services deemed by the client to be of value. Any such client direction must be in writing (often through our advisory agreement) and contain a representation from the client that the arrangement is permissible under its governing laws and documents, if this is relevant.

We provide appropriate disclosure in writing to clients who direct trades to particular brokers, that with respect to their directed trades, they will be treated as if they have retained the investment discretion that we otherwise would have in selecting brokers to affect transactions and in negotiating commissions and that such direction could adversely affect our ability to obtain best price and execution. In addition, we will inform you in writing that your trade orders could not be aggregated with other clients' orders and that direction of brokerage may hinder best execution.

### 3. Special Considerations for ERISA Clients

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

4. Discussion of whether, and under what conditions, we aggregate the purchase or sale of securities for various client accounts in quantities sufficient to obtain reduced transaction costs (known as bunching). If we do not bunch orders when we have the opportunity to do so, we are required to explain our practice and describe the costs to clients of not bunching.

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

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

- A. Review of client accounts or financial plans, along with a description of the frequency and nature of our review, and the titles of our employees who conduct the review.

We review accounts on at least a quarterly basis for our clients subscribing to the following services: Asset Management. Third-Party Money Management clients receive at least quarterly reviews. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. The reviews are performed by Mr. Calcagnini.

Pension consulting clients receive reviews of their pension plans for the duration of the pension consulting service. We also provide ongoing services to pension consulting clients where we meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc.

Financial planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. We do not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc.

B. Review of client accounts on other than a periodic basis, along with a description of the factors that trigger a review.

We can review client accounts more frequently than described above. Among the factors which could trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, or changes in a client's personal, tax or financial status.

C. Description of the content and indication of the frequency of written or verbal regular reports we provide to clients regarding their accounts.

We do not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when we meet with clients who subscribe to the following services: Asset Management and Third-Party Money Management.

All of our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. If we decide to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm.

As mentioned in Item 13.A of this Brochure, pension clients do not receive written or verbal updated reports regarding their pension plans unless they choose to contract with us for ongoing Pension Consulting services.

As also mentioned in Item 13.A of this Brochure, financial planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately contract with us for a post-financial plan meeting or update to their initial written financial plan.

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

A. If someone who is not a client provides an economic benefit to our firm for providing investment advice or other advisory services to our clients, we must generally describe the arrangement. For purposes of this Item, economic benefits include any sales awards or other prizes.

**Schwab:**

Our firm may recommend that clients establish brokerage accounts with Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab") to maintain custody of Clients' assets and to effect trades for their accounts. Our firm is independently owned and operated and not affiliated with Schwab. Our firm may also recommend that Clients establish accounts with firms other than Schwab.

Our firm places trades for its Clients' accounts subject to its duty to seek best execution and its other fiduciary duties. Our firm may use broker-dealers other than Schwab to execute trades for client accounts maintained at Schwab, but this practice may result in additional costs to clients so that we are more likely to place trades through Schwab rather than other broker-dealers. Schwab's execution quality may be different than other broker-dealers.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Some of the products, services and other benefits provided by Schwab benefit us and may not benefit our firm's client accounts. Our recommendation/requirement that a client place assets in Schwab's custody may be based in part on benefits Schwab provides to us, and not solely on the nature, cost or quality of custody and execution services provided by Schwab.

Schwab also makes available to our firm other products and services that benefit us but may not benefit clients' accounts. These benefits may include national, regional or specific to our firm, educational events organized and/or sponsored by Schwab Institutional. Other potential benefits may include occasional business entertainment of personnel of our firm by Schwab Institutional personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist us in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of our firm's accounts, including accounts not maintained at Schwab Institutional. Schwab Institutional also makes available to us other services intended to help our firm manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to our firm by independent third parties. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to us. While, as a fiduciary, Our firm endeavors to act in its clients' best interests, our recommendation/requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to our firm of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

- B. If our firm or a related person directly or indirectly compensates any person who is not our employee for client referrals, we are required to describe the arrangement and the compensation.

Currently, we do not directly or indirectly compensate any person for client referrals to our firm. Further, we do not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them by our firm.

### **Item 15. Custody**

The Firm is deemed to have “constructive custody” of client funds because we have the authority and ability to debit our fees directly from the accounts of those clients receiving our services. Additionally, certain clients have, and can in the future, sign a Standing Letter of Authorization (“SLOA”) that gives us the authority to transfer funds to a third-party as directed by the client in the SLOA. This is also deemed to give us custody.<sup>1</sup> Custody is defined as any legal or actual ability by the firm to withdraw client funds or securities. Firms with deemed custody must take the following steps:

1. Ensure clients’ managed assets are maintained by a qualified custodian;
2. Have a reasonable belief, after due inquiry, that the qualified custodian will deliver an account statement directly to the client at least quarterly;
3. Confirm that account statements from the custodian contain all transactions that took place in the client’s account during the period covered and reflect the deduction of advisory fees; and
4. Obtain a surprise audit by an independent accountant on the clients’ accounts for which the advisory firm is deemed to have custody.

However, the rules governing the direct debit of client fees and SLOAs exempts us from the surprise audit rules if certain conditions (in addition to steps 1 through 3 above) are met. Those conditions are as follows:

1. When debiting fees from client accounts, we must receive written authorization from clients permitting advisory fees to be deducted from the client’s account.

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<sup>1</sup> As a result of having custody due the Firm's ability to move client funds from one account to another, the Firm follows the safeguarding procedures pursuant to the SEC Custody Rule ‘No Action’ Letter to avoid custody in the state of California. Specifically, such rules include the following: (i) the client provides an instruction to the qualified custodian, in writing, that includes the client’s signature, the third party’s name, and either the third party’s address or the third party’s account number at a custodian to which the transfer should be directed; (ii) the client authorizes the investment advisor, in writing, either on the qualified custodian’s form or separately, to direct transfers to the third party either on a specified schedule or from time to time; (iii) the client’s qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client’s authorization, and provides a transfer of funds notice to the client promptly after each transfer; (iv) the client has the ability to terminate or change the instruction to the client’s qualified custodian; (v) the investment advisor has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client’s instruction; (vi) the investment advisor maintains records showing that the third party is not a related party of the investment advisor or located at the same address as the investment advisor; (vii) the client’s qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

2. In the case of SLOAs, we must: (i) confirm that the name and address of the third-party is included in the SLOA, (ii) document that the third-party receiving the transfer is not related to our firm, and (ii) ensure that certain requirements are being performed by the qualified custodian.

The qualified custodian that is selected by a client maintains actual physical custody of client assets. Client account statements from custodians will be sent directly to each client to the email or postal mailing address that is provided to the qualified custodian selected by the client. Clients are encouraged to compare information provided in reports or statements received by our firm with the account statements received from their custodian for accuracy. In addition, clients should understand that it is their responsibility, not the custodian's, to ensure that the fee calculation is correct.

If client funds or securities are inadvertently received by our firm, they will be returned to the sender immediately, or as soon as practical.

### **Item 16. Investment Discretion**

#### **Discretionary Authority; Limitations**

Our investment management services are performed on a discretionary basis, unless otherwise agreed upon at the inception of the client relationship and memorialized in the client's advisory agreement. In exercising this discretionary authority, we have the ability to determine the type and amount of securities to be transacted and whether a client's purchase or sale should be combined (aggregated) with those of other clients and traded as a "block." Such discretion is to be exercised in a manner consistent with each client's stated investment objectives, risk tolerance, and time horizon. In addition, our authority to trade securities could be limited in certain circumstances by applicable legal and regulatory requirements. Clients are permitted to impose reasonable limitations on our discretionary authority, including restrictions on investing in certain securities or types of securities. All such limitations, restrictions, and investment guidelines must be provided to us in writing.

#### **Limited Power of Attorney**

By signing an agreement with the firm, clients authorize us to exercise full discretionary authority with respect to all investment transactions involving the client's account. Pursuant to such agreement, we are designated as the client's attorney-in-fact with discretionary authority to effect investment transactions in the client's account which authorizes us to give instructions to third parties in furtherance of such authority.

### **Item 17. Voting Client Securities**

Advisers, such as Calcagnini Wealth Management, who have voting authority with respect to securities held in their clients' accounts must monitor corporate actions and vote proxies in their clients' best interests. Further, we are required to adopt written policies and procedures, make those policies and procedures available to clients, and retain certain records with respect to proxy votes cast. We consider proxy voting an important right of our clients as shareholders and believe that reasonable care and diligence must be taken to ensure that such rights are properly and timely exercised.



1. Policy for voting proxies.

All proxies received by our firm will be processed and voting records retained electronically as well as records of accounts for securities our firm has voted are maintained. Based on our proxy voting guidelines outlined below, a determination of how our firm votes will be made if an inconsistency with clients' interests and Board recommendations becomes apparent. Proxies will generally be voted online.

2. Proxies voting guidelines.

Where voting authority exists, proxies are voted by our firm according to Board recommendations unless they conflict with client financial goals and objectives. We abstain on motions to limit directors' liability. Material issues such as mergers, poison pills, social investing and miscellaneous shareholder proposals are dealt with on a case-by-case basis.

In cases where clients choose to vote against Board recommendation, we assist them in casting their vote. We recognize that under certain circumstances we can have a conflict of interest between us and our clients. Such circumstances can include, but are not limited to, situations where our firm or one or more of our affiliates, including officers, directors and employees, has or is seeking a client relationship with the issuer of the security that is the subject of the proxy vote. We shall periodically inform our employees that they are under an obligation to be aware of the potential for conflicts of interest on the part of our firm with respect to voting proxies on behalf of funds, both as a result of our employee's personal relationships and due to circumstances that can arise during the conduct of our business, and to bring conflicts of interest of which they become aware to the attention of the proxy manager. We shall not vote proxies relating to such issuers on behalf of client accounts until we have determined that the conflict of interest is not material or a method of resolving such conflict of interest has been agreed upon by our management team. A conflict of interest will be considered material to the extent that it is determined that such conflict has the potential to influence our decision-making in voting a proxy. Materiality determinations will be based upon an assessment of the particular facts and circumstances. If we determine that a conflict of interest is not material, we can vote proxies notwithstanding the existence of a conflict. If the conflict of interest is determined to be material, the conflict shall be disclosed to our management team and we shall follow the instructions of the management team. We shall keep a record of all material decisions and report them to the management team on an annual basis.

Mr. Calcagnini will maintain files relating to our proxy voting. Records will be maintained and preserved for five years from the end of the fiscal year during which the last entry was made on a record. Records of the following will be included in the files:

- A copy of each proxy statement that we receive, provided however that our firm can rely on obtaining a copy of proxy statements from the SEC's EDGAR system for those proxy statements that are available.
- A record of each vote that we cast.
- A copy of any document we created that was material to making a decision how to vote proxies, or that memorializes that decision.

- A copy of each written client request for information on how we voted such client's proxies, and a copy of any written response to any client request for information on how we voted their proxies.

We do not pay for proxy voting services with soft dollars. Also, we do not charge an additional fee to vote proxies. Our proxy voting policies and procedures are completely described in this Item. Clients can contact our CCO, Thomas J. Calcagnini by phone at (310) 622-1287 or email at [tom@cwmfp.com](mailto:tom@cwmfp.com) with any questions about the proxy voting process.

### **Item 18. Financial Information**

We do not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore are not required to provide a balance sheet. Further, we do not have any financial commitments that impair our ability to meet contractual and fiduciary obligations to clients, and we have not been the subject of a bankruptcy proceeding.

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

#### **Principal Executive Officers and Management Persons**

The firm is owned entirely by Thomas Calcagnini, who also serves as the Chief Compliance Officer to the firm. Detailed information regarding the formal education and business background of Mr. Calcagnini is outlined in his respective ADV Part 2B. This document, which is provided to new clients and our existing clients whenever a material change is made, can be obtained upon request and is viewable on the SEC's public website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

#### **Other Business Activities**

The Firm is not actively involved in any business activity outside of giving investment advice. As set forth above, the firm's representatives are also involved with other outside business activities. There also exist affiliated entities that perform services independently of Calcagnini Wealth Management, but for which owners of the firm receive remuneration. Please refer to Items 5, 10 and 14 for additional information about these activities.

#### **Performance-Based Fees**

As noted in response to Item 6 above, we do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). We provide advisory services for fees based on a percentage of assets under management. Please refer to Item 5 for additional information about the firm's fees and compensation.

#### **Disciplinary or Legal Events**

Neither the firm nor its associated persons have any disciplinary or legal events to disclose.

#### **Relationships or Arrangements with Issuers of Securities**

As set forth above, while the firm does not have any arrangements with issuers of securities, the firm's owner, Mr. Calcagnini, serves as a consultant for ECP, a venture debt fund, and receives a share of the fees received by ECP for his services. Mr. Calcagnini will, at times, recommend an investment in ECP to certain sophisticated clients of the firm. Please refer to Item 10 above for additional information, as well as conflicts of interest, regarding this relationship.

**Disclosure of Material Conflicts of Interest**

Material conflicts of interest relating to the firm, and its associates, which would be reasonably expected to impair the rendering of unbiased and objective advice, have been disclosed herein.