



# Brandywine Oak

## PRIVATE WEALTH

*a Registered Investment Adviser*

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This brochure provides information about the qualifications and business practices of Brandywine Oak Private Wealth LLC (hereinafter “Brandywine Oak Private Wealth” 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. Registration does not imply any level of skill or training.

**Item 2. Material Changes**

In this Item, Brandywine Oak Private Wealth is required to discuss any material changes that have been made to the brochure since the last annual amendment. The Firm changed its name to Brandywine Oak Private Wealth LLC, as reflected throughout this brochure. The Firm has also amended Item 5 to reflect language related to “trade away” transactions that can be entered into by the Firm.

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## Item 4. Advisory Business

Brandywine Oak Private Wealth offers a variety of advisory services, which include financial planning, consulting, and investment management services. Prior to Brandywine Oak Private Wealth rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with Brandywine Oak Private Wealth setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

Brandywine Oak Private Wealth filed for registration as an investment adviser in June 2018 and is owned by Michael Henley, Steve Maconi, Alison C D. Brooks, Tracy McGuire and Mark Jackson as of July 27, 2018. As of November 6, 2018, Brandywine Oak Private Wealth had \$510,347,246 in assets under management, all of which was managed on a discretionary basis.

While this brochure generally describes the business of Brandywine Oak Private Wealth, 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 other persons who provide investment advice on Brandywine Oak Private Wealth’s behalf and are subject to the Firm’s supervision or control.

### Financial Planning and Consulting Services

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Brandywine Oak Private Wealth offers clients a broad range of financial planning and consulting services, which include any or all of the following functions:

- Business Planning
- Cash Flow Planning
- Trust and Estate Planning
- Banking Services
- Educational Planning
- Insurance Planning
- Retirement Planning
- Liability Management
- Charitable Planning
- Family Gifting
- Tax Planning
- Financial Reporting

While each of these services is available on a stand-alone basis, certain of them can also be rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement (described in more detail below).

In performing these services, Brandywine Oak Private Wealth 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. Brandywine Oak Private Wealth recommends certain 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 for the Firm to recommend that clients engage Brandywine Oak Private Wealth or its affiliates to provide (or continue 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 Brandywine Oak Private Wealth 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 Brandywine Oak Private Wealth's recommendations and/or services.

### **Investment and Wealth Management Services**

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Brandywine Oak Private Wealth provides certain clients with wealth management services which include a broad range of financial planning and consulting services as well as discretionary and/or non-discretionary management of investment portfolios.

Brandywine Oak Private Wealth primarily allocates client assets among various exchange-traded funds ("ETFs"), individual debt and equity securities, and independent investment managers ("Independent Managers") in accordance with their stated investment objectives. In addition, Brandywine Oak Private Wealth also recommends that certain eligible clients invest in privately placed securities, which may include debt, equity and/or interests in pooled investment vehicles (e.g., hedge funds).

Where appropriate, the Firm also provides advice about any type of legacy position or other investment held in client portfolios. Clients can engage Brandywine Oak Private Wealth 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, Brandywine Oak Private Wealth 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.

Brandywine Oak Private Wealth tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. Brandywine Oak Private Wealth 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 Brandywine Oak Private Wealth if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients can impose reasonable restrictions or mandates on the management of their accounts if Brandywine Oak Private Wealth determines, in its sole discretion, the conditions would

not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

### **Use of Independent Managers and TAMP**

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As mentioned above, Brandywine Oak Private Wealth selects certain Independent Managers to actively manage a portion of its clients' assets. 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.

Brandywine Oak Private Wealth evaluates a variety of information about Independent Managers, which includes 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. Brandywine Oak Private Wealth also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

Brandywine Oak Private Wealth continues to provide services relative to the discretionary or non-discretionary selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. Brandywine Oak Private Wealth seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

Brandywine Oak Private Wealth has entered into a contractual relationship with Dynasty Financial Partners, LLC ("Dynasty"), which provides Brandywine Oak Private Wealth with operational and back office support including access to a network of service providers. Through the Dynasty network of service providers, Brandywine Oak Private Wealth has access to discounts on trading technology, reporting, custody, brokerage, compliance and other related services. Dynasty charges a "Platform Fee," which, unless otherwise disclosed, is included in Brandywine Oak Private Wealth's annual investment advisory fee described in Item 5 below. In addition, Dynasty's subsidiary, Dynasty Wealth Management, LLC is a registered investment adviser, which also provides access to a range of investment services including: separately managed accounts ("SMAs"), mutual fund and ETF asset allocation strategies, and unified managed accounts ("UMAs") managed by external third party managers (collectively the "Investment Programs"). Brandywine Oak Private Wealth and its clients may separately engage the services of Dynasty and/or its subsidiaries to access the Investment Programs. Under the UMA program, Brandywine Oak Private Wealth will maintain the ability to construct a single portfolio by selecting the specific, underlying investment vehicles and asset allocations. Under the SMA program, Brandywine Oak Private Wealth has the ability to construct a single portfolio by selecting the specific, underlying manager, investment vehicles

and/or asset allocations. Brandywine Oak Private Wealth may receive more advantageous pricing in the future as assets allocated to the Investment Programs increase. This arrangement presents a conflict of interest because Brandywine Oak Private Wealth is incentivized to allocate client investment assets to the Investment Programs in order to receive more advantageous pricing from Dynasty.

## Item 5. Fees and Compensation

Brandywine Oak Private Wealth offers services on a fee basis, which includes fixed hourly fees, as well as fees based upon assets under management. Additionally, certain of the Firm's Supervised Persons, in their individual capacities, offers securities brokerage services and/or insurance products under a separate commission-based arrangement.

### Financial Planning and Consulting Fees

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Brandywine Oak Private Wealth charges a fixed fee for providing financial planning and consulting services to certain clients under a stand-alone engagement. These fees are negotiable, but range from \$1,000 to \$5,000 depending upon the scope and complexity of the services and the professional rendering the financial planning and/or the consulting services. If the client engages the Firm for additional investment advisory services, Brandywine Oak Private Wealth may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

The terms and conditions of the financial planning and/or consulting engagement are set forth in the Advisory Agreement and Brandywine Oak Private Wealth requires one-half of the fee (estimated hourly or fixed) payable upon execution of the Advisory Agreement. The outstanding balance is due upon delivery of the financial plan or completion of the agreed upon services. The Firm does not, however, take receipt of \$1,200 or more in prepaid fees in excess of six months in advance of services rendered.

### Wealth Management Fees

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Brandywine Oak Private Wealth offers wealth management services for an annual fee based on the amount of assets under the Firm's management. This management fee varies between 50 and 150 basis points (0.50% – 1.50%), based upon the size and complexity of a client's account, as well as the specific services such client will utilize.

The Firm may charge certain clients a fee that is higher than the stated fee range where that client is being provided with services that are more substantial than the fee range would otherwise include. That fee will be negotiated and agreed to with the client and will be in the best interest of that client.

The annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by Brandywine Oak Private Wealth on the last day of the previous quarter. If assets in excess of \$50,000 are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a *pro rata* basis. 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.

Additionally, for asset management services the Firm provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), Brandywine Oak Private Wealth may negotiate a fee rate that differs from the range set forth above.

As discussed above Brandywine Oak Private Wealth utilizes Dynasty's TAMP services. Brandywine Oak Private Wealth includes Dynasty's charges in its fees except for the use of Independent Managers. When using Independent Managers, the client will be charged, separate from and in addition to such client's management fee, a platform fee as well as any applicable Independent Manager's fee. As mentioned above, if Dynasty reduces its Platform Fee, Brandywine Oak Private Wealth may receive more advantageous pricing in the future as assets allocated to the Investment Programs increase. This results in a conflict of interest where Brandywine Oak Private Wealth invests client assets in programs with reduced Platform Fees that the Firm would otherwise be responsible for. Brandywine Oak Private Wealth will only make investment recommendations that are in the best interest of clients, and clients will benefit if Platform Fees reduced where the client is paying for such Platform Fees. Brandywine Oak Private Wealth does not receive any portion of the fees paid directly to Dynasty or the service providers made available through its platform, including the Independent Managers.

### **Fee Discretion**

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Brandywine Oak Private Wealth may, in its sole discretion, negotiate to charge a lesser fee 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 pro bono activities.

### **Additional Fees and Expenses**

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In addition to the advisory fees paid to Brandywine Oak Private Wealth, clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges include securities brokerage commissions, transaction fees, custodial fees, fees attributable to alternative assets, fees charged



by the Independent Managers, 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), 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. The Firm's brokerage practices are described at length in Item 12, below.

### **Direct Fee Debit**

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Clients provide Brandywine Oak Private Wealth, Dynasty, and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees as well as Dynasty and/or the Independent Managers' 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 Brandywine Oak Private Wealth.

### **Use of Margin**

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Brandywine Oak Private Wealth can recommend that certain clients utilize margin in the client's investment portfolio or other borrowing such as non-purpose loans. Brandywine Oak Private Wealth only recommends such borrowing for non-investment needs, such as bridge loans and other financing needs. The Firm's fees are determined based upon the value of the assets being managed net of any margin or borrowing. The Firm will not, however, charge fees to accounts that, as a result of outstanding margin or borrowing, reflect a negative balance.

### **Account Additions and Withdrawals**

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Clients can make additions to and withdrawals from their account at any time, subject to Brandywine Oak Private Wealth's right to terminate an account. Additions can be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients can withdraw account assets on notice to Brandywine Oak Private Wealth, subject to the usual and customary securities settlement procedures. However, the Firm designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Brandywine Oak Private Wealth 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, short-term redemption fees, fees assessed at the mutual fund level (*e.g.*, contingent deferred sales charges) and/or tax ramifications.

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

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Clients can engage certain persons associated with Brandywine Oak Private Wealth (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 Brandywine Oak Private Wealth.

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 are 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. Brandywine Oak Private Wealth 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 a Supervised Person of Brandywine Oak Private Wealth recommends the purchase or sale of securities through a brokerage relationship where that Supervised Person receives commissions or other additional compensation as a result of that recommendation (the "Brokerage Relationship"). The Firm has procedures in place to ensure that any recommendations made by such Supervised Persons to engage in the Brokerage Relationship are in the best interest of that client. Because the Supervised Persons may receive compensation in connection with the sale of mutual funds in the Brokerage Relationship, a conflict of interest exists as such Supervised Persons, may have an incentive to recommend more expensive mutual fund share classes to clients where such Supervised Persons earn more compensation with respect to the sale of such mutual fund share classes. Clients should understand that the investments made in the Brokerage Relationship are not receiving advisory services from the Firm. Therefore, the Firm does not have a fiduciary duty over the Brokerage Relationship recommendations. For certain accounts covered by the Employee Retirement Income Security Act of 1974 ("ERISA") and such others that Brandywine Oak Private Wealth, in its sole discretion, deems appropriate, Brandywine Oak Private Wealth provide its investment advisory services to certain clients on a fee-offset basis. In this scenario, Brandywine Oak Private Wealth offsets 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.

#### *Trade Away Transactions*

The Firm may execute trades with a broker-dealer other than the client's primary custodian that nonetheless settle at and are held at the client's primary custodian ("trade away transactions"). Trade away transactions can be entered into on behalf of clients that have entered into agreements for prime brokerage clearing services with their custodian. Because clients are not required to execute a separate agreement with the other broker-dealer to enter into trade away transactions, the Firm and its Supervised Persons have discretion in selecting the broker-dealer to use to effect client transactions.

The Firm will use PKS for trade away transactions (“PKS trade away transactions”). As discussed herein, certain of the Firm’s Supervised Persons are registered representatives of PKS and will receive transaction-based compensation for the PKS trade away transactions.

Various conflicts of interest arise out of the PKS trade away transactions. Among other things, the Firm's Supervised Persons have an incentive to engage in the PKS trade away transactions where the advisory fees that the Supervised Person would otherwise earn for managing such assets is less than the compensation that the Supervised Person would earn by executing the transaction as a registered representative through PKS. Such Supervised Persons also have an incentive to engage in frequent transactions through the PKS trade away transactions arrangement because of the compensation that they can earn as registered representatives of PKS. Frequent trading can increase the transaction costs charged to clients, negatively impact performance results, and have adverse tax consequences for clients. A conflict of interest also exists because the Firm’s Supervised Persons have an incentive to recommend PKS to execute trade away transactions on behalf of clients because they can earn brokerage compensation as registered representatives of PKS (as opposed to other broker-dealers where the Supervised Person would not receive brokerage compensation). Additionally, because trade away transactions are deemed to be unsolicited trades by PKS, PKS does not conduct any suitability reviews with respect to securities acquired through PKS trade away transactions.

The Firm will continue to have a fiduciary duty over the client’s advisory assets that are executed through the PKS trade away transactions and has policies and procedures in place to mitigate the impact of the conflicts. In addition, the assets purchased through a PKS trade away transaction will be held in accounts separate, or otherwise tracked separately, from other assets over which the Firm provides management services and charges management fees. The Firm does not charge clients advisory fees on assets acquired through trade away transactions.

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

Brandywine Oak Private Wealth 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).

## **Item 7. Types of Clients**

Brandywine Oak Private Wealth offers services to individuals, trusts, estates, corporations and business entities.

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

### Methods of Analysis and Investment Strategies

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Brandywine Oak Private Wealth employs a goal-oriented family financial wealth plan which serves as the blueprint for the investment portfolio recommendations made to clients. Brandywine Oak Private Wealth firmly believes that all successful investing is goal-focused and planning-driven, while all unsuccessful investing is market-focused and timing-driven. Brandywine Oak Private Wealth is focused on responsibly managing a family's wealth in low-cost asset allocation strategies with a significant emphasis on ongoing tax minimization and risk management. Brandywine Oak Private Wealth utilizes behavioral finance and macroeconomic trends to create appropriate asset allocation strategies in an effort to earn competitive risk-adjusted returns and minimize common and costly behavioral investing mistakes.

Brandywine Oak Private Wealth manage several discretionary portfolios for clients that seek to achieve the objectives of their family's financial plan. These include multiple versions of core asset allocation models using passive low-cost index funds. Additionally, Brandywine Oak Private Wealth may use separately managed accounts for a portion of the asset allocation both in equity or tax-exempt fixed income where the Firm believes they are appropriate.

Brandywine Oak Private Wealth's investment philosophy is based on the following principles:

- To the extent it is possible, make an ongoing conscious effort to minimize the portfolio drag from fees and taxes;
- Develop highly diversified low-cost index fund (using exchange traded fund or ETFs) portfolios to access a broad range of asset classes and market sectors;
- Use asset-class based investments rather than manager-based security-selection investments;
- Strategically reallocate investments as market conditions warrant;
- Hold asset classes for extended periods of time and avoid chasing short-term trends; and
- Periodically rebalance as needed to maintain proper asset allocation targets.

### Risk of Loss

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The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved with respect to the Firm's investment management activities. Clients should consult with their

legal, tax, and other advisors before engaging the Firm to provide investment management services on their behalf.

#### *Market Risks*

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of Brandywine Oak Private Wealth's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. In addition, investments may be adversely affected by financial markets and economic conditions throughout the world. There can be no assurance that Brandywine Oak Private Wealth will be able to predict these price movements accurately or capitalize on any such assumptions.

#### *Volatility Risks*

The prices and values of investments can be highly volatile, and are influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, the financial condition of the issuers of such assets, changing supply and demand relationships, and programs and policies of governments.

#### *Cash Management Risks*

The Firm may invest some of a client's assets temporarily in money market funds or other similar types of investments, during which time an advisory account may be prevented from achieving its investment objective.

#### *Equity-Related Securities and Instruments*

The Firm may take long positions in common stocks of U.S. and non-U.S. issuers traded on national securities exchanges and over-the-counter markets. The value of equity securities varies in response to many factors. These factors include, without limitation, factors specific to an issuer and factors specific to the industry in which the issuer participates. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments, and the stock prices of such companies may suffer a decline in response. In addition, equity securities are subject to stock risk, which is the risk that stock prices historically rise and fall in periodic cycles. U.S. and non-U.S. stock markets have experienced periods of substantial price volatility in the past and may do so again in the future. In addition, investments in small-capitalization, mid-capitalization and financially distressed companies may be subject to more

abrupt or erratic price movements and may lack sufficient market liquidity, and these issuers often face greater business risks.

#### *Fixed Income Securities*

Fixed income securities are subject to the risk of the issuer's or a guarantor's inability to meet principal and interest payments on its obligations and to price volatility.

#### *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, Brandywine Oak Private Wealth selects certain Independent Managers to manage a portion of its clients' assets. In these situations, Brandywine Oak Private Wealth continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, Brandywine Oak Private Wealth does not have the ability to supervise the Independent Managers on a day-to-day basis.

*Use of Private Collective Investment Vehicles*

Brandywine Oak Private Wealth recommends that certain clients invest in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, etc.). The managers of these vehicles have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. Hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities. Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

*Management through Similarly Managed "Model" Accounts*

Brandywine Oak Private Wealth manages certain accounts through the use of similarly managed "model" portfolios, whereby the Firm allocates all or a portion of its clients' assets among various mutual funds and/or securities on a discretionary basis using one or more of its proprietary investment strategies. In managing assets through the use of models, the Firm remains in compliance with the safe harbor provisions of Rule 3a-4 of the Investment Company Act of 1940.

The strategy used to manage a model portfolio may involve an above average portfolio turnover that could negatively impact clients' net after tax gains. While the Firm seeks to ensure that clients' assets are managed in a manner consistent with their individual financial situations and investment objectives, securities transactions effected pursuant to a model investment strategy are usually done without regard to a client's individual tax ramifications. Clients should contact the Firm if they experience a change in their financial situation or if they want to impose reasonable restrictions on the management of their accounts.

*Interest Rate Risks*

Interest rates may fluctuate significantly, causing price volatility with respect to securities or instruments held by clients.

**Item 9. Disciplinary Information**

Brandywine Oak Private Wealth 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.

## Item 10. Other Financial Industry Activities and Affiliations

This item requires investment advisers to disclose certain financial industry activities and affiliations.

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

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Certain of the Firm's Supervised Persons are registered representatives of PKS and provide clients with securities brokerage services under a separate commission-based arrangement. This arrangement is described at length in Item 5.

### **Licensed Insurance Agents**

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A number of the Firm's Supervised Persons are licensed insurance agents and offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that Brandywine Oak Private Wealth recommends the purchase of insurance products where its Supervised Persons are 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.

### **Licensed Insurance Agency**

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Brandywine Oak Private Wealth is a duly licensed insurance agency. Additionally, a number of the Firm's Supervised Persons are licensed insurance agents and offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that Brandywine Oak Private Wealth recommends the purchase of insurance products where its Supervised Persons are 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.

### **Relationship with Dynasty Financial Partners, LLC**

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As discussed above, Brandywine Oak Private Wealth maintains a business relationship with Dynasty. Dynasty offers operational and back office core service support including access to a network of service providers. Through the Dynasty network of service providers, Brandywine Oak Private Wealth has access to discounts on trading technology, transition support, reporting, custody, brokerage, compliance, and other related consulting services. While Brandywine Oak Private Wealth believes this open architecture structure for operational services best serves the interests of its advisory clients, this relationship may potentially present certain conflicts of interest due to the fact that Dynasty retains a portion of the platform or other third party fees paid by the Firm or clients for the services referenced above. In light of the foregoing,



Brandywine Oak Private Wealth seeks at all times to ensure that any material conflicts are addressed on a fully-disclosed basis and handled in a manner that is aligned with its clients' best interests. Brandywine Oak Private Wealth does not receive any portion of the fees paid directly to Dynasty, its affiliates or the service providers made available through Dynasty's platform. In addition, Brandywine Oak Private Wealth reviews all such relationships, including the service providers engaged through Dynasty, on an ongoing basis in an effort to ensure clients are receiving competitive rates in relation to the quality and scope of the services provided.

#### **Fees for Referrals to Demand Deposit Marketplace<sup>sm</sup>**

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Brandywine Oak Private Wealth and its Supervised Persons may refer clients to the Demand Deposit Marketplace<sup>sm</sup> Program (the "DDM Program") operated by Stable Custody Group II, LLC with administrative assistance from Reich & Tang Deposit Solutions, LLC. Brandywine Oak Private Wealth or its Supervised Persons will receive compensation for client participation in the DDM Program based upon a percentage of the fee income generated through the DDM Program.

A recommendation by Brandywine Oak Private Wealth that a client participate in the DDM Program presents a conflict of interest, as the receipt of related compensation provides an incentive to recommend the product based on such compensation, rather than on a particular client's need. No client is under any obligation to purchase any products or services recommended by Brandywine Oak Private Wealth or its Supervised Persons. Clients are reminded that they may purchase or select other potentially similar products or services recommended by Brandywine Oak Private Wealth through parties from which Brandywine Oak Private Wealth does not stand to receive any additional benefit or compensation.

### **Item 11. Code of Ethics**

Brandywine Oak Private Wealth 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. Brandywine Oak Private Wealth'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 Brandywine Oak Private Wealth'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. This 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 money market funds; and iv) shares issued by other unaffiliated open-end mutual funds.

Clients and prospective clients may contact Brandywine Oak Private Wealth to request a copy of its Code of Ethics.

## Item 12. Brokerage Practices

### Recommendation of Broker-Dealers for Client Transactions

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Brandywine Oak Private Wealth recommends that clients utilize the custody, brokerage and clearing services of National Financial Services LLC and Fidelity Brokerage Services LLC (together with affiliates, "Fidelity") for investment management accounts. The final decision to custody assets with Fidelity is at the discretion of the client, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. Brandywine Oak Private Wealth is independently owned and operated and not affiliated with Fidelity. Fidelity provides Brandywine Oak Private Wealth with access to its institutional trading and custody services, which are typically not available to retail investors.

Factors which Brandywine Oak Private Wealth considers in recommending Fidelity or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Fidelity enables the Firm to obtain many mutual funds without transaction charges and other

securities at nominal transaction charges. Fidelity has also agreed to reimburse clients for exit fees associated with moving accounts to Fidelity. The reimbursement is only available up to a certain amount for all of the Firm's clients over a twelve month period. Fees are reimbursed on a first-come-first-served basis so that no clients are favored. The commissions and/or transaction fees charged by Fidelity may be higher or lower than those charged by other Financial Institutions.

The commissions paid by Brandywine Oak Private Wealth's clients to Fidelity comply with the Firm's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where Brandywine Oak Private Wealth determines that the commissions are 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 Financial Institution's services, including among others, the value of research provided, execution capability, commission rates and responsiveness. Brandywine Oak Private Wealth seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Consistent with obtaining best execution, brokerage transactions are directed to certain broker-dealers in return for investment research products and/or services which assist Brandywine Oak Private Wealth in its investment decision-making process. Such research will be used to service all of the Firm's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because Brandywine Oak Private Wealth does not have to produce or pay for the products or services.

Brandywine Oak Private Wealth periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

#### **Software and Support Provided by Financial Institutions**

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Brandywine Oak Private Wealth receives without cost from Fidelity administrative support, computer software, related systems support, as well as other third party support as further described below (together "Support") which allow Brandywine Oak Private Wealth to better monitor client accounts maintained at Fidelity and otherwise conduct its business. Brandywine Oak Private Wealth receives the Support without cost because the Firm renders investment management services to clients that maintain assets at Fidelity. The Support is not provided in connection with securities transactions of clients (i.e., not "soft dollars"). The Support benefits Brandywine Oak Private Wealth, but not its clients directly. Clients should be aware that Brandywine Oak Private Wealth's receipt of economic benefits such as the Support from a broker-dealer creates a conflict of interest since these benefits may influence the Firm's choice of broker-dealer over another that does not furnish similar software, systems support or services. In fulfilling its duties to its clients, Brandywine Oak Private Wealth endeavors at all times to put the interests of its clients first and

has determined that the recommendation of Fidelity is in the best interest of clients and satisfies the Firm's duty to seek best execution.

Specifically, Brandywine Oak Private Wealth receives the following benefits from Fidelity: i) receipt of duplicate client confirmations and bundled duplicate statements; ii) access to a trading desk that exclusively services its institutional traders; iii) access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and iv) access to an electronic communication network for client order entry and account information.

Fidelity also makes available to the Firm, at no additional charge, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by Brandywine Oak Private Wealth (within specified parameters). These research and brokerage services are used by the Firm to manage accounts for which it has investment discretion. Without this arrangement, the Firm might be compelled to purchase the same or similar services at its own expense.

Dynasty has assisted Brandywine Oak Private Wealth in negotiating or facilitating payments from Fidelity in the form of credits to be applied toward qualifying third party service provider expenses incurred in relation to transition costs or the provision of core services. This may include, but is not limited to, support of Brandywine Oak Private Wealth's research, marketing, technology or software platforms. In some instances, Dynasty may serve in an administrative capacity to support the disbursement of these funds furnished by Fidelity.

### **Brokerage for Client Referrals**

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Brandywine Oak Private Wealth does not consider, in selecting or recommending broker-dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

### **Directed Brokerage**

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The client may direct Brandywine Oak Private Wealth in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution and the Firm will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by Brandywine Oak Private Wealth (as described above). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Brandywine Oak Private Wealth may decline a client's request to direct brokerage if, in the Firm's sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

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

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As discussed above, certain Supervised Persons in their respective individual capacities are registered representatives of PKS. These Supervised Persons are subject to FINRA Rule 3280 which restricts registered representatives from conducting securities transactions away from their broker-dealer unless the registered representatives give prior notice of such transactions to PKS and, in most circumstances, PKS provides written consent. Therefore, clients are advised that certain Supervised Persons are restricted to conducting securities transactions through PKS if they have not secured written consent from PKS to execute securities transactions through a different broker-dealer. Absent such written consent or separation from PKS, these Supervised Persons are generally prohibited from executing securities transactions through any broker-dealer other than PKS under its internal supervisory policies. The Firm is cognizant of its duty to obtain best execution and has implemented policies and procedures reasonably designed in such pursuit.

### **Trade Aggregation**

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Transactions for each client will be effected independently, unless Brandywine Oak Private Wealth decides to purchase or sell the same securities for several clients at approximately the same time. Brandywine Oak Private Wealth 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 Brandywine Oak Private Wealth’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 Brandywine Oak Private Wealth’s Supervised Persons may invest, the Firm does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. Brandywine Oak Private Wealth 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 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 a random basis.

## **Item 13. Review of Accounts**

### **Account Reviews**

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Brandywine Oak Private Wealth monitors client portfolios on a continuous and ongoing basis while regular account reviews are conducted on at least a quarterly basis. Such reviews are conducted by one or more of the Firm's Principals and/or investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with Brandywine Oak Private Wealth and to keep the Firm informed of any changes thereto. The Firm contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and quarterly to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

### **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 Brandywine Oak Private Wealth 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 custodian with any documents or reports they receive from Brandywine Oak Private Wealth or an outside service provider.

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

The Firm does not currently provide compensation to any third-party solicitors for client referrals. Clients and prospective clients should review Item 10 for information about parties Brandywine Oak Private Wealth may refer clients to and additional compensation Brandywine Oak Private Wealth may receive from these parties.

**Item 15. Custody**

Brandywine Oak Private Wealth is deemed to have custody of client funds and securities because the Firm is given the ability to debit client accounts for payment of the Firm's fees and has standing letters of authorization from clients that authorize the Firm to disburse funds from client accounts. With respect to any standing letters of authorization, the Firm relies upon the exemptive relief granted by the U.S. Securities and Exchange Commission in the no-action letter granted to the Investment Advisers Association on February 21, 2017 and therefore need not conduct an annual surprise examination relating to such assets.

Client funds and securities are maintained at one or more Financial Institutions that serve as the qualified custodian with respect to such assets. Such qualified custodians will send account statements to clients at least once per calendar quarter that typically detail any transactions in such account for the relevant period.

In addition, as discussed in Item 13, Brandywine Oak Private Wealth will also send, or otherwise make available, periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from Brandywine Oak Private Wealth.

**Item 16. Investment Discretion**

Brandywine Oak Private Wealth is given the authority to exercise discretion on behalf of clients. Brandywine Oak Private Wealth is considered to exercise investment discretion over a client's account if it can effect and/or direct transactions in client accounts without first seeking their consent. Brandywine Oak Private Wealth is given this authority through a power-of-attorney included in the agreement between Brandywine Oak Private Wealth and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). Brandywine Oak Private Wealth takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

## Item 17. Voting Client Securities

Brandywine Oak Private Wealth accepts the authority to vote a client's securities (i.e., proxies) on their behalf. When Brandywine Oak Private Wealth accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully-described in the Firm's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in Brandywine Oak Private Wealth's Proxy Voting Policies and Procedures, as they may be amended from time-to-time. Clients may contact Brandywine Oak Private Wealth to request information about how the Firm voted proxies for that client's securities or to get a copy of Brandywine Oak Private Wealth's Proxy Voting Policies and Procedures. A brief summary of Brandywine Oak Private Wealth's Proxy Voting Policies and Procedures is as follows:

- Brandywine Oak Private Wealth has formed a Proxy Voting Committee that will be responsible for monitoring corporate actions, making voting decisions in the best interest of clients, and ensuring that proxies are submitted in a timely manner.
- The Proxy Voting Committee will vote proxies according to Brandywine Oak Private Wealth's then current Proxy Voting Guidelines. The Proxy Voting Guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented, including: composition of the board of directors; approval of independent auditors; management and director compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds.
- Although the Proxy Voting Guidelines are followed as a general policy, certain issues are considered on a case-by-case basis based on the relevant facts and circumstances. Since corporate governance issues are diverse and continually evolving, the Firm devotes an appropriate amount of time and resources to monitor these changes.
- Clients cannot direct Brandywine Oak Private Wealth's vote on a particular solicitation but can revoke the Firm's authority to vote proxies.

In situations where there is a conflict of interest in the voting of proxies due to business or personal relationships that Brandywine Oak Private Wealth maintains with persons having an interest in the outcome of certain votes, the Firm takes appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict. Should the Firm decide to utilize the services of a third-party provider to vote client proxies, the Firm will ensure that the third-party has adequate proxy voting policies and procedures in place and that the voting is being done in the best interest of the Firm's clients.



**Item 18. Financial Information**

Brandywine Oak Private Wealth is not required to disclose any financial information due to the following:

- The Firm 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; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.