

## Item 1

## Cover Page

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This brochure ("Brochure") provides information about the qualifications and business practices of BAJA WEALTH ADVISORS LLC ("BWA"). If you have any questions about the contents of this Brochure, please contact us at (212) 850-4284 or [rseco@ceritypartners.com](mailto:rseco@ceritypartners.com). 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.

BWA is a registered investment adviser. Registration as an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with the information to evaluate in deciding to hire or retain an adviser.

Additional information about BWA is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2****Material Changes**

The following is a summary of material changes to this Disclosure Statement from the initial filing submitted to the Securities and Exchange Commission in October 2017:

- An affiliate fund of Lightyear Capital LLC (“Lightyear”) acquired the controlling interest in Cerity Partners LLC (“Cerity Partners”), a 50% owner of BWA. Lightyear’s interest in Cerity Partners was previously held by Emigrant Bank. This change of control is effective as of December 29, 2017.

## Item 3 Table of Contents

<b>Item 1 – Cover Page</b> .....	<b>i</b>
<b>Item 2 – Material Changes</b> .....	<b>ii</b>
<b>Item 3 – Table of Contents</b> .....	<b>iii</b>
<b>Item 4 – Advisory Business</b> .....	<b>1</b>
<i>Firm Description and Principal Ownership</i> .....	<b>1</b>
<i>Services Offered</i> .....	<b>1</b>
<i>Customization</i> .....	<b>1</b>
<i>Assets Under Management</i> .....	<b>1</b>
<b>Item 5 – Fees and Compensation</b> .....	<b>2</b>
<b>Item 6 – Performance-Based Fees and Side-By-Side Management</b> .....	<b>3</b>
<b>Item 7 – Types of Clients</b> .....	<b>3</b>
<b>Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss</b> .....	<b>4</b>
<i>Risk Factors:</i> .....	<b>5</b>
Cash .....	<b>5</b>
Global Equity .....	<b>5</b>
Global Fixed Income .....	<b>5</b>
Real Return .....	<b>5</b>
Private Equity and Hedge Funds .....	<b>6</b>
<b>Item 9 – Disciplinary Information</b> .....	<b>7</b>
<b>Item 10 – Other Financial Industry Activities and Affiliations</b> .....	<b>7</b>
<b>Item 11 – Code of Ethics</b> .....	<b>8</b>
<b>Item 12 – Brokerage Practices</b> .....	<b>9</b>
<i>Factors in Selecting or Recommending a Custodian or Broker-Dealer:</i> .....	<b>9</b>
Research and Other Economic Benefits .....	<b>9</b>
Directed Brokerage Permitted .....	<b>9</b>
<i>Trade Aggregation</i> .....	<b>10</b>
<b>Item 13 – Review of Accounts</b> .....	<b>10</b>
<i>Account Reviews</i> .....	<b>10</b>
<i>Reporting</i> .....	<b>10</b>
<b>Item 14 – Client Referrals and Other Compensation</b> .....	<b>11</b>
<b>Item 15 – Custody</b> .....	<b>11</b>
<b>Item 16 – Investment Discretion</b> .....	<b>11</b>
<b>Item 17 – Voting Client Securities</b> .....	<b>12</b>
<b>Item 18 – Financial Information</b> .....	<b>13</b>

## Item 4 Advisory Business

### *Firm Description and Principal Ownership*

BWA is an SEC registered investment adviser offering customized financial advice to individuals and families. BWA was formed in August of 2017 by a group of experienced professionals and Cerity Partners.

Cerity Partners formed a limited liability company in August of 2009 under the laws of the state of Delaware. Cerity Partners is controlled by Cerity Partners Holdings LLC, which is a wholly owned subsidiary of Lightyear Fund IV AIV-1, L.P. ("LY Fund IV"), an investment fund advised by an affiliate of Lightyear Capital LLC ("Lightyear"), a registered investment adviser. Further information regarding Lightyear is set forth in its Form ADV filed with the U.S. Securities and Exchange Commission.

### *Services Offered*

Baja Wealth Advisors offers the following services:

- Trustee Services
- Cash Management
- Global Asset Allocation & Investment Strategy Consulting
- Comprehensive Performance Reporting
- Investment Manager Selection and Monitoring
- Portfolio Management
- Estate Planning
- Philanthropic Planning
- Debt Structure & Analysis-Bank Financing

### *Customization*

BWA tailors all services to the individual investment needs of its clients by determining each client's specific goals, objectives, risk tolerance, time horizon, investment restrictions and other factors that might affect the client's investment needs (collectively, the "Investment Profile"). Based on this determination, BWA designs and implements an asset allocation framework geared toward achieving the defined objectives. BWA customizes all portfolios to the Investment Profile of each client. This includes, where practicable, accommodating a client's reasonable investment restrictions in the construction of the portfolio.

### *Assets Under Management*

As of December 31, 2017, Baja Wealth Advisors has \$6,857,292 in assets under management. Its parent organization Cerity Partners and its other subsidiaries advise and/or report on over \$9.4 billion in assets.

## Item 5 Fees and Compensation

Depending on the services provided, BWA will charge an asset-based, fixed and/or hourly fee. BWA's fees are exclusive of, and in addition to, charges imposed by custodians, brokers, third party investment managers, 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. In addition, mutual funds and exchange-traded funds charge internal management fees, which the fund discloses in its prospectus. BWA will not share in any of these additional fees. Item 12 further describes the factors that BWA considers in selecting or recommending broker-dealers for its clients' transactions and determining the reasonableness of their compensation.

BWA calculates fees quarterly in arrears and either mails an invoice to the client or debits fees directly from the client's account. Where the fee is charged as a percentage of the assets managed by BWA, BWA will calculate the fee based on the value of the assets in the client's account(s) at the end of the quarter. BWA relies on independent third-party pricing services to calculate the value of client assets. BWA will charge a prorated fee for any accounts initiated or terminated during a calendar quarter. Upon termination of any account, any earned, unpaid fees will be due and payable and debited directly from the client's investment accounts.

Many factors determine proposed fee rates, including the size, complexity, and composition of the engagement. Fees are negotiable based on these factors. Fees for wealth planning, tax and other family office services are generally quoted as a fixed annual retainer based on the scope of the engagement, however hourly fees for partners and associates providing these services are also negotiable.

BWA may propose offsetting all or a portion of hourly rates for tax services or wealth planning fees with an asset based fee for providing wealth planning and tax services, as well as investment advisory services. Similarly, BWA may propose offsetting a portion or all of its hourly rates for tax services with a fixed fee for providing tax services as well as wealth planning services. In addition, BWA may receive compensation from certain service providers for referring clients. The services for which BWA may refer clients include personal non-mortgage lending, life, property and casualty insurance and other financial services requested by a client.

## Item 6 Performance-Based Fees and Side-By-Side Management

BWA may enter into performance fee arrangements with qualified clients. All performance-based fee arrangements are subject to individual negotiation. BWA will structure any performance or incentive fee arrangement in compliance with the provisions of Section 205(a)(1) of the Investment Advisers Act of 1940 (the “Advisers Act”) and the rules promulgated under the Advisers Act. In measuring clients' assets for the calculation of performance-based fees, BWA will include realized and unrealized capital gains and losses. Performance based fee arrangements may create an incentive to recommend investments, which may be riskier or more speculative than those that would be recommended under a different fee arrangement. Performance-based fee arrangements also may create an incentive to favor performance-based fee paying accounts over other accounts in the allocation of investment opportunities. BWA has procedures designed and implemented to ensure that it treats all clients fairly and equally, and prevents any potential conflicts from influencing the allocation of investment opportunities among clients.

## Item 7 Types of Clients

BWA provides its services to high net worth individuals, families and their trusts, business entities, foundations and endowments.

As a condition for starting and maintaining a relationship, BWA generally requires a minimum portfolio size of \$2,000,000 and a minimum annual fee of \$20,000. These minimums may have the effect of making BWA's service impractical for certain individuals or entities. BWA, in its sole discretion, may waive its stated account minimum or charge a lesser minimum fee. Additionally, certain third-party managers recommended by BWA may impose more restrictive account requirements and use different billing practices from those of BWA. In these cases, BWA may alter its account requirements and/or billing practices to accommodate the third-party manager.

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

Asset allocation is a strategy, advocated by modern portfolio theory, for reducing risk in an investment portfolio in order to maximize returns. Specifically, asset allocation means dividing client assets among different broad categories of investments, called asset classes, under the presumption that each different asset class performs differently as economic conditions change. BWA develops an asset allocation strategy for each client based on the client's unique Investment Profile. BWA uses six (6) primary assets classes and sixteen (16) sub-asset classes in developing its allocations:

- Cash and Cash Equivalents
- Global Fixed Income
  - Domestic Govt./Agency
  - Domestic Tax-Exempt
  - Emerging-Market Debt
  - Investment-Grade Credit
  - High-Yield Credit
  - Global Bonds
- Global Equity
  - Large-Cap Domestic
  - Small-/Mid-Cap Domestic
  - International Equity
  - Emerging-Market Equity
- Real Return
  - Real Estate
  - Commodities
  - Treasury Inflation-Protected Securities (TIPS)
- Hedge Funds
- Private Equity

In an effort to assist clients to understand the potential risks and rewards associated with their Investment Profile, BWA has developed five (5) investment risk profiles for tax exempt and taxable portfolios, respectively:

- Conservative
- Moderate
- Balanced
- Growth
- Aggressive

BWA will design an investment program based on the client's particular Investment Profile. BWA will rebalance, as necessary, the client's portfolio from time to time to bring the allocation within the parameters of its investment program policies. In addition, BWA will re-evaluate each client's circumstances on a regular basis and adjust its recommendations as necessary to respond to changes in the client's Investment Profile. Diversification of investments among asset classes does not insulate an investor from market risk and does not ensure a profit. There is no guarantee that BWA will design a portfolio that will meet the client's objectives or be profitable. In developing and maintaining its investment profiles and designing client portfolios, BWA collaborates with industry leading consultants to obtain market information and perform investment and investment manager due diligence.

BWA implements its recommendations by allocating a client's assets among managers who specialize in managing assets according to each of BWA's sixteen (16) recognized asset classes. Certain investments, such as private equity and hedge funds, may require investors to meet eligibility requirements or limit liquidity. To accommodate all client profiles and preferences, BWA develops suitable investment programs, which either include or exclude hedge funds and private equity as necessary.

From time to time, BWA reviews all investment programs to assess their effectiveness relative to current objectives and market conditions. Based on these reviews, BWA may change the make-up of its investment strategies. The underlying investments and the portfolio allocation ranges in each strategy are subject to change from time to time without notice.

**Investing in securities involves risk of loss that clients should be prepared to bear.** While no list of risks could be exhaustive, the following is a list of risks associated with the asset classes contained in BWA's investment programs and recommendations.

#### *Risk Factors:*

##### Cash

- *inflation risk*, which is the risk that the rate of inflation will erode the purchasing power of cash over time.

##### Global Fixed Income

- *interest rate risk*, which is the chance that fixed income prices overall will decline because of rising interest rates;
- *inflation risk*, which is the risk that the rate of return on fixed income investments will be lower than the rate of inflation;
- *income risk*, which is the chance that the income produced by investments will 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; and
- *call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. The investment would then lose any price appreciation above the bond's call price, and BWA would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the income produced by the investment. For mortgage-backed securities, this risk is known as *prepayment risk*.

##### Global Equity

- *stock market risk*, which is the chance that equity prices overall will decline;
- *country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region; and
- *currency risk*, which is the chance that the value of a foreign investment, measured in US dollars, will decrease because of unfavorable changes in currency exchange rates.

##### Real Return

- Real Estate: All of the following, if they were to come to pass, tend to negatively affect the value of real estate and investments linked to real estate:
  - changes in economic conditions;
  - changes in interest rates;
  - property tax increases;
  - overbuilding and increased competition;



- environmental contamination;
  - changes in zoning; and
  - the impact of natural disasters.
- Commodities: The following tend to negatively affect the value of commodities and investments linked to commodities:
- changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments;
  - energy related commodities (such as oil and gas) can be significantly affected by changes in the prices and supplies of oil and other energy fuels, energy conservation, the success of exploration projects, and tax and other government regulations, policies of the Organization of Petroleum Exporting Countries (OPEC) and relationships among OPEC members and between OPEC and oil importing nations.
  - metals (such as gold and silver) can be affected by sharp price volatility over short periods caused by global economic, financial and political factors, resource availability, government regulation, economic cycles, changes in inflation or expectations about inflation in various countries, interest rates, currency fluctuations, metal sales by governments, central banks or international agencies, investment speculation and fluctuations in industrial and commercial supply and demand.

#### Private Equity and Hedge Funds:

- *limited operating history*, hedge funds and private equity funds are often created for specific investment opportunities and often have limited or no operating history;
- *key personnel*, hedge funds and private equity funds are typically dependent on certain key employees whose loss could adversely affect a fund's performance;
- *illiquidity*, investments in hedge funds and private equity funds are typically subject to "lock-up" periods and redemption restrictions that will inhibit an investor for withdrawing funds from these investments. In addition, there is almost no secondary market hedge fund and private equity fund interests further limiting an investor's ability to "cash out" of such an investment.
- *regulatory risk*, hedge funds and private equity funds have operated in a substantially unregulated environment for many years; however, the Dodd Frank Wall Street Reform and Consumer Protection Act became law in July 2010 and materially increased regulation of the financial markets in general as a result of the 2008 "financial crisis." Hedge funds and private equity funds may be subject to additional regulation in the future, and any such additional regulation may be materially adverse to their investment prospects.

In addition to the risks associated with the individual asset classes discussed above, BWA's investment methodology is subject to:

- *asset allocation risk*, which is the chance that the selection of underlying investments and the allocation of assets to them, will cause the client's portfolio to underperform other investments or strategies with similar investment objectives; and
- *manager risk*, which is the chance that poor security selection or focus on securities in a particular sector, category or group of companies will cause one or more of the underlying third-party managers selected by BWA to underperform relevant benchmarks or other strategies with similar investment objectives.

The client's exposure to the risk factors discussed above is proportionate with the percentage of their portfolio allocated to a particular asset class.

**Item 9**      **Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the adviser or the integrity of adviser's management. BWA has no information applicable to this Item.

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

BWA is 50% owned by Cerity Partners. Cerity Partners is majority owned by Cerity Partners Holdings, LLC through which LY Fund IV has an indirect investment in Cerity Partners. However, Lightyear, LY Fund IV, and their affiliates do not have any role in the Firm's investment process related to the management of client assets. See Item 11 for information regarding the Information Barrier policy adopted by Cerity Partners and its subsidiaries, and Lightyear.

BWA is a subsidiary of Cerity Partners which is the sole owner of Cerity Partners Retirement Plan Advisors LLC ("RPA"), an SEC registered investment adviser. Cerity Partners provides BWA and RPA with office space, personnel and other resources pursuant to an administrative services agreement with each firm.

## Item 11 Code of Ethics

BWA has adopted a Code of Ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws. All supervised persons at BWA must acknowledge the terms of the Code of Ethics annually, or when it is amended. In accordance with Section 204A-1 of the Advisers Act, the Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading and personal securities trading procedures.

LY Fund IV has an ownership interest in BWA through its indirect investment in Cerity Partners. However, Lightyear, LY Fund IV, and their affiliates do not have any role in BWA's investment process related to the management of client assets. In connection with the indirect investment in Cerity Partners by LY Fund IV, an information barrier policy has been adopted by Cerity Partners and Lightyear to protect Cerity Partners and its subsidiaries, its personnel and advisory clients (i.e., individual and institutional managed accounts and other similar vehicles or arrangements), on the one hand, and Lightyear and its affiliates, on the other hand, from being exposed to or deemed to possess proprietary information or material, non-public information relating to the other parties' respective activities or investments, including information about specific issuers or trades and positions in commodity interests.

Clients or prospective clients may request a copy of the BWA Code of Ethics by contacting Robert J. Seco at (212) 850-4284 or [rseco@ceritypartners.com](mailto:rseco@ceritypartners.com).

BWA anticipates that it may recommend, in appropriate circumstances and consistent with clients' investment objectives, the purchase or sale of securities in which it, an affiliate (including individual employees) or a client have a position. BWA, its employees and persons associated with BWA are required to follow BWA's Code of Ethics in these circumstances. The Code of Ethics is designed to prevent the personal securities transactions, activities and interests of the employees of BWA from harming the interests of BWA's clients. Accordingly, the Code of Ethics prohibits BWA, its affiliates and its employees from trading in any security that BWA is considering on behalf of clients until BWA either executes the trade or decides not to trade. However, BWA, its affiliates and its employees may trade in the same securities with client accounts on an aggregated basis when consistent with BWA's obligation of best execution. In these circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. BWA will retain records of the trade order and its allocation. Completed orders will be allocated as specified in the initial trade order. BWA will allocate partially filled orders on a *pro rata* basis. Employee and affiliate trading is continually monitored under the Code of Ethics in order to reasonably ensure compliance.

## Item 12 Brokerage Practices

### Factors in Selecting or Recommending a Custodian or Broker-Dealer:

BWA considers, among other things, the financial strength, reputation, execution, pricing, research and service when selecting or recommending a broker-dealer or custodian for its clients.

### Research and Other Economic Benefits

Consistent with obtaining best execution, BWA may recommend that clients use the brokerage and custody services of certain broker-dealers with which BWA has entered services agreements. Under these services agreements BWA may receive cash credits toward research (including evaluations of securities and portfolio managers) and portfolio management and business support tools (including portfolio management software and trading tools) in exchange for recommending the broker-dealer to clients and provided a certain amount of client assets remain at the broker-dealer for custody services.

BWA will generally use the research and portfolio management tools to service all clients, BWA may use the brokerage commissions and or custody fees paid by one client to pay for research or portfolio management tools that BWA does not use in managing that client's portfolio. These service agreements are a conflict of interest because BWA receives benefits that aid in its business operations without having to pay for them. Accordingly, BWA may have an incentive to recommend to clients a broker-dealer based on that broker-dealers' willingness to provide benefits to BWA pursuant to a service agreement, rather than on the client's interest in receiving best trade execution.

At the outset of the client relationship, BWA will describe its services and advise the clients of its recommended broker-dealers/custody providers. However, the client ultimately decides on which broker-dealer/custodian to use.

### Directed Brokerage Permitted

BWA allows clients to direct the use a particular broker-dealer and/or custodian to execute some or all transactions for their accounts. Where the client elects to direct a broker-dealer or custodian, the client will be responsible to negotiate terms and arrangements for the account with that broker-dealer or custodian. BWA will not seek better execution services or prices from other broker-dealers or custodians. BWA will not be able to aggregate client transactions for execution through other broker-dealers or custodians with orders for other accounts it manages (see Trade Aggregation below). As a result, the client may pay higher commissions or other transaction costs or receive less favorable net prices on transactions for their accounts.

*Trade Aggregation*

BWA will generally place trades individually for each client account, unless it decides to purchase or sell the same securities for several clients at approximately the same time. In these situations, where practical, BWA's individual portfolio managers will combine the orders of their respective clients to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, BWA will average the price received in the transaction and allocate the securities among clients pro rata to the purchase and sale orders placed for each client on any given day. BWA will not receive any additional compensation because of the aggregation. In the event that BWA determines that a prorated allocation is not appropriate under the circumstances, it may change the allocation based upon relevant factors, which may include: (i) when only a small percentage of the order is executed, BWA may allocate shares 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) BWA may allocate 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 very small allocation in one or more accounts, BWA 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*

BWA continuously monitors investment accounts to ensure compliance with clients' stated goals and objectives. BWA investment professionals review all investment accounts on a quarterly basis to assess the past quarter's investment performance, manager recommendations, portfolio risk, opportunities to rebalance and the overall effectiveness of the investment program. On an annual basis, the investment committee formally reviews all investment accounts. For those clients to whom BWA provides financial planning and/or tax services, reviews are conducted on an "as needed" basis. Such reviews are conducted by one of BWA's investment, financial planning and/or tax professionals. All clients are encouraged to discuss their needs, goals, and objectives with BWA and to keep BWA informed of any changes thereto. BWA shall contact all clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

*Reporting*

The broker-dealer or custodian of the client's accounts provides the client with transaction confirmation notices and regular summary account statements independent of BWA. Those clients to whom BWA provides investment advisory services will also receive a written report from BWA that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance on a quarterly basis.

Those clients to whom BWA provides financial planning and/or tax services will receive reports from BWA summarizing its analysis and conclusions as requested by the client or otherwise agreed to in writing by BWA.

**Item 14** Client Referrals and Other Compensation

From time to time, BWA may receive client referrals from both affiliated and unaffiliated parties. In these circumstances, BWA may pay that referral source a referral fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any applicable corresponding state securities law requirements. BWA will pay any referral fee solely from its fee. BWA will not increase the client's fee nor impose any additional charge on the client. If the client is introduced to BWA by an unaffiliated party, the client will be provided with a copy of BWA's Brochure and a copy of a disclosure statement containing the terms and conditions of the referral arrangement including compensation. Any affiliated party of BWA making a referral will disclose the nature of the affiliation to the prospective client at the time of the referral and all prospective clients will be provided with a copy of BWA's Brochure.

**Item 15** Custody

BWA neither takes physical possession of client cash or securities. BWA may be deemed to have custody over client cash or securities, pursuant to Rule 206(4)-2 of the Advisers Act, where it maintains certain standing instructions to transfer funds out of client accounts. However, BWA is not subject to an annual surprise custody exam.

**Item 16** Investment Discretion

BWA typically receives discretionary authority from the client to select third-party investment managers and/or select the identity and amount of securities to be bought or sold at the outset of an advisory relationship by means of a limited power of attorney clause contained in the investment management agreement. BWA only exercises its investment discretion consistent with the stated investment objectives for the particular client account.

BWA will work with clients to implement any reasonable investment restrictions on their investment accounts (e.g. social responsibility, environmental friendly, religious based, etc.). BWA requires clients to provide all requests for investment restrictions in writing.

## Item 17 Voting Client Securities

BWA may vote proxies on behalf of its clients. When BWA accepts proxy voting responsibility, it will only cast proxy votes in the best interest of its clients. Absent special circumstances, which are fully described in BWA's proxy voting policies and procedures, BWA will vote all proxies according to proxy voting guidelines established and described in its proxy voting policies and procedures. Where BWA has accepted proxy voting authority on behalf of a client, the client may direct a vote on a particular issue by providing BWA written instructions of their voting direction, 30 days prior to the date that vote is due. At any time, clients may contact the Robert J. Seco of BWA at (212) 850-4284 or [rseco@ceritypartners.com](mailto:rseco@ceritypartners.com) to request a copy of BWA proxy voting policies and procedures or for information about how BWA voted proxies for that client's securities. The following is a summary of BWA's proxy voting policies and procedures:

- BWA has designated an investment analyst 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 investment analyst will generally vote proxies according to the current proxy voting policies and procedures. The proxy voting policies and procedures 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 investment analyst is to follow the proxy voting policies and procedures as a general policy, certain issues will be considered on a case-by-case basis based on the relevant facts and circumstances. Since corporate governance issues are diverse and continually evolving, the investment analyst shall devote an appropriate amount of time and resources to monitor these changes and consult with BWA's investment committee when necessary.
- BWA may occasionally be subject to conflicts of interest in the voting of proxies due to business or personal relationships it maintains with persons having an interest in the outcome of certain votes. If the investment analyst becomes aware of any potential or actual conflict of interest relating to a particular proxy proposal, they will promptly report such conflict to the investment committee. The investment committee will resolve conflicts of interest in various ways depending on their type and materiality of the conflict. The investment committee will take the following 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:
  - Where the proxy voting guidelines outline BWA's voting position, either as "for" or "against" such proxy proposal, BWA will vote in accordance with the proxy voting guidelines.
  - Where the proxy voting guidelines outline the BWA voting position to be determined on a "case-by-case" basis for such proxy proposal, or such proposal is not contemplated in the proxy voting guidelines, then the investment committee will select one of the two following methods based on the facts and circumstances of each situation and the requirements of applicable law:
    - Voting the proxy in accordance with the voting recommendation of a non-affiliated third party vendor; or
    - Providing the client with sufficient information regarding the proxy proposal and obtain the client's consent or direction before voting.

**Item 18** Financial Information

The SEC, in certain circumstances, requires a registered investment adviser to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. BWA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients.