



**McCarter Private Wealth Services LLC**

**265 Franklin Street**

**Boston, MA 02110**

**(617) 449-6500**

**[www.mccarterpws.com](http://www.mccarterpws.com)**

**December 20, 2024**

This brochure provides information about the qualifications and business practices of McCarter Private Wealth Services LLC ("MPWS" or the "Company"). If you have any questions about the contents of this brochure, please contact us at (617) 449-6500. The information contained in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission or by any state securities authority.

Additional information about MPWS is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for the Company is 108191.

Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## ITEM 2: MATERIAL CHANGES

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

Since the filing of our last annual amendment, dated June 28, 2024, we have the following material changes to report:

- Effective October 31, 2024, McCarter Private Wealth Services Holdings LLC acquired the membership interests in B&L Asset Management, LLC (d/b/a Burns & Levinson Asset Management). The following changes were made to the adviser's name, address and phone number following that transaction:
  - Name: McCarter Private Wealth Services LLC
  - Address: 265 Franklin Street, Boston, MA 02110
  - Main phone number: 617-449-6500
- We have clarified the standalone cash management services offered by adding specific language to Items 4 and 5, which explains the service in Item 4 and the fees charged in Item 5.
- We no longer maintain an Investment Policy Committee, at the investment adviser, and have removed references to that committee from Items 4, 8, 10, 11, 13, and 14.
- Effective November 1, 2024, Ann Keitner was appointed as the new Chief Compliance Officer.
- We have removed the minimum fee requirement for all accounts and amended Item 5 to reflect this change.
- The Company no longer offers proxy voting services to clients. Therefore, we have updated the language in Item 17 to reflect that clients will receive proxy materials from their custodian.

## TABLE OF CONTENTS

ITEM 4: ADVISORY BUSINESS .....	4
ITEM 5: FEES AND COMPENSATION .....	5
ITEM 6: PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT .....	6
ITEM 7: TYPES OF CLIENTS.....	6
ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS ..	7
ITEM 9: DISCIPLINARY INFORMATION .....	10
ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.....	10
ITEM 11. CODE OF ETHICS PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS PERSONAL TRADING .....	10
ITEM 12: BROKERAGE PRACTICES.....	11
ITEM 13: REVIEW OF ACCOUNTS .....	12
ITEM 14: CLIENT REFERRAL AND OTHER COMPENSATION.....	13
ITEM 15: CUSTODY .....	13
ITEM 16: INVESTMENT DISCRETION .....	13
ITEM 17: VOTING CLIENT SECURITIES .....	14

## **ITEM 4: ADVISORY BUSINESS**

McCarter Private Wealth Services LLC (“MPWS” or the “Company”) is a registered investment adviser formed in 1997. The firm is wholly-owned by McCarter Private Wealth Services Holdings, the Boston, Massachusetts subsidiary of the law firm McCarter & English, LLP (McCarter & English”). See also Item 10 — Other Financial Industry Activities and Affiliations.

### **Portfolio Management Services**

We offer both discretionary and non-discretionary portfolio management utilizing sub-adviser arrangements with registered investment advisers offering our clients the best fit for their financial needs. Additionally, we recognize that each client we serve is unique, therefore we offer customized services for each client. In conjunction with the portfolio management services, we also provide personalized services such as financial reporting, bill paying, funds and asset transfers, preparation of tax materials, escheated property and securities litigations claims.

Our clients’ portfolios are typically comprised of individual securities, ETFs, and mutual funds for individuals, trusts, estates, charitable organizations and corporations. Opportunistically, client assets will be invested in other types of securities as appropriate to the client's short and long-term objectives and risk tolerance. Please note that different types of investments involve varying degrees of risk.

The Company provides continuous advice to each client regarding the investment options based on the individual needs of the client and the offerings of each sub-adviser. Through personal discussions and the completion of a Client Investment Profile, in which goals and objectives based on a client's particular circumstances are established, the Company develops a client's personal investment policy and, in collaboration, with the sub-adviser(s) creates a portfolio based on that policy. The Company will oversee the management of these sub-adviser accounts on both a discretionary and non-discretionary basis. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income).

### **Cash Management Services**

The Company offers cash management services to certain clients. These services can include: monitoring cash balances and reconciling cash and asset positions, facilitating payments per client request, collecting and preparing information to be used in year-end tax filings, and assisting in corporate action process and income collection. Services provided are detailed in the cash management agreement between the client and the Company.

As of September 30, 2024, the Company managed \$314,492,576 of client assets on a discretionary basis, and \$66,919,769 on a non-discretionary basis. In addition, we have \$146,538,679 of client assets separately utilizing our cash management services.

## **ITEM 5: FEES AND COMPENSATION**

### **Portfolio Management Services Fees**

The annual fee charged by the Company for Portfolio Management Services is charged as a percentage of assets under management, according to the schedule below:

<u>Assets under management</u>	<u>Annual Fee (%)</u>
Up to \$1 Million	1.10 %
\$1 Million to \$3 Million	.95 %
\$3 Million to \$5 Million	.85 %
\$5 Million to \$10 Million	.75 %
\$10 Million to \$15 Million	.65 %
\$15 Million and above	.55 %

Clients are invoiced every three months in arrears (payment will be made after the quarter has ended), on the first day of March, June, September and December, based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's account at the end of the previous three months. If the agreement is executed at any time other than the first day of the calendar quarter, our fees will apply on a pro rata basis, which means that the fee is payable in proportion to the number of days in the quarter for which you are a client. Provided that the client has given written authorization, fees are deducted directly from a client's custodial account. At the Company's discretion, our Portfolio Management Services fee is negotiable, depending on individual client circumstances.

Our recommendations to use sub-advisers are included in our Portfolio Management Services fee. We do not charge you a separate fee for the selection of other advisers. Advisory fees are collected from each client quarterly and we pay the sub-adviser their portion of the fees.

### **Cash Management Services Fees**

Clients utilizing our Cash Management Services are charged between 0.30% and 0.50% per year, based on assets under management with the Company. Fees are charged quarterly in arrears and are based on the assets under management at the end of the previous three months. Fees for the service are negotiable, based on the client's particular facts and circumstances. If the agreement is executed at any time other than the first day of the calendar quarter, our fees will apply on a pro rata basis, which means that the fee is payable in proportion to the number of days in the quarter for which you are a client. Provided that the client has given written authorization, fees are deducted directly from a client's custodial account.

A client agreement for any of our services may be canceled at any time, by either party, for any reason upon receipt of ten days prior written notice. Upon termination of an account any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

### **Additional Fees**

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

### **ITEM 6: PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that charge performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the Fees and Compensation section above and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your adviser account.

### **ITEM 7: TYPES OF CLIENTS**

The Company typically offers investment adviser services to individuals, trusts, estates, charitable organizations, and corporations. We require no minimum fee or account size to engage the Company for services.

## **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **Methods of Analysis and Investment Strategies**

The Company's business model is to recommend unaffiliated sub-advisers to manage a client's assets. Details of separately managed account research strategies can be found in the sub-adviser's respective Disclosure Brochures. Our sub-advisers use fundamental and technical analysis based on research sources including research reports prepared by others, financial data purchased from proprietary databases, corporate rating services, company SEC filings and press releases. The sub-advisers typically offer advice with respect to individual securities, ETFs, and mutual funds for individuals, trusts, estates, charitable organizations and corporations. Opportunistically, client assets will be invested in other types of securities as appropriate to the client's short and long-term objectives and risk tolerance.

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

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

**Technical Analysis** - involves studying past price patterns, trends and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

**Risk:** The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

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

**Risk of Loss**

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

**Other Risk Considerations**

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all-inclusive, but should be considered carefully by a prospective client before retaining our services.

*Liquidity Risk:* The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price or it may not be possible to sell the investment at all.

*Credit Risk:* Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

*Inflation and Interest Rate Risk:* Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.

*Horizon and Longevity Risk:* The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for people who are retired, or are nearing retirement.

**Recommendation of Particular Types of Securities**

Each type of security has its own unique set of risks associated with it and it would not be possible to list here all the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment.



**Cash and Cash Equivalents:** Accounts may maintain significant cash positions from time to time and the client will pay the Advisory Fee based on the net asset value of the account, including cash and cash equivalents. Furthermore, the account may forego investment opportunities to hold cash positions, if deemed in the best interests of the client.

**Equity Securities:** Investing in equities (also known as "stocks") involves market risk and company specific risk. The price of a stock can decline due to company-specific reasons as well as the health of the overall stock market. In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. Even dividends, which many beginning investors believe are guaranteed payments by the company, can decline or be eliminated.

**Bonds:** Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

**Mutual Funds and Exchange Traded Funds:** Mutual funds and exchange traded funds ("ETF") are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely whereas "closed end" funds have a fixed number of shares to sell which can limit their availability to new investors.

ETFs may have tracking error risks. For example, the ETF investment adviser may not be able to cause the ETF's performance to match that of its Underlying Index or other benchmark, which may negatively affect the ETF's performance. In addition, for leveraged and inverse ETFs that

seek to track the performance of their Underlying Indices or benchmarks on a daily basis, mathematical compounding may prevent the ETF from correlating with performance of its benchmark. In addition, an ETF may not have investment exposure to all of the securities included in its Underlying Index, or its weighting of investment exposure to such securities may vary from that of the Underlying Index. Some ETFs may invest in securities or financial instruments that are not included in the Underlying Index, but which are expected to yield similar performance.

#### **ITEM 9: DISCIPLINARY INFORMATION**

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

#### **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

The Company is wholly-owned by McCarter Private Wealth Services Holdings LLC, which is owned by McCarter & English, LLP ("McCarter & English"). The Company does not provide legal services and clients of the Company are under no obligation to use McCarter & English for legal services. See Item 14 — Client Referral and Other Compensation.

#### **Recommendation of Other Advisers**

We may recommend that you use an unaffiliated sub-adviser based on your needs and suitability. Each sub-adviser, will develop and implement an appropriate investment portfolio for each client under their management and provide on an on-going basis, such investment advice and recommendations as, in their judgment are most appropriate and beneficial to the respective account and effect those transactions, subject always, however, to (1) all investment objectives, guidelines, restrictions, liquidity requirements and operational procedures for such account as stated in the respective client's Client Investment Profile with the Company; (2) changes in such policies or amendment to such contract, (3) directions which the Company on behalf of the account may issue to the sub-adviser from time to time, and (4) all applicable federal and state laws.

#### **ITEM 11. CODE OF ETHICS PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS PERSONAL TRADING**

The Company maintains a Code of Ethics for its Reporting Persons, which includes employees, managers and officers. supervised persons and staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information. Further, the Company's Code of Ethics establishes expectation for business conduct. The Company has a fiduciary duty to act in each client's best interest and always place their interests first and foremost. The Company takes

seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as the Company's policies and procedures. A copy of our Code of Ethics is available to our clients and prospective clients and will be provided to you upon request.

Our Code of Ethics is designed to ensure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of adviser clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Our firm and/or individuals associated with our firm may buy or sell for their personal accounts, securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client. The Company will not put their interests before the client's interest. We will not trade in a manipulative manner, in a way to harm clients, and/or in a way that violates insider trading policies.

Our Code of Ethics includes policies and procedures for review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the Company's Reporting Persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g. private placement) or an initial public offering. The Code of Ethics also provides for oversight, enforcement and recordkeeping provisions.

The Code of Ethics contains a Whistleblower Policy outlining procedures for reporting by Company personnel of suspected illegal activity or potential violations of Company policy and prohibiting retaliation for complaints made in good faith.

## **ITEM 12: BROKERAGE PRACTICES**

We recommend the brokerage and custodial services of Fidelity Investments LLC ("Fidelity"). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. In recognition of the value of the services the Custodian provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere. Our selection of custodian is based on many factors, including the level of services provided, the custodian's financial stability, and the cost of services provided by the custodian to our clients, which includes the yield on cash sweep choices, commissions, custody fees and other fees or expenses. We are not affiliated with Fidelity and Fidelity does not supervise our firm, its agents or activities.

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, the most favorable compared to other available providers and their services. We consider various factors, including:

- Capability to buy and sell securities for your account itself or to facilitate such services.

- The likelihood that your trades will be executed.
- Availability of investment research and tools.
- Overall quality of services.
- Competitiveness of price.
- Reputation, financial strength, and stability.
- Existing relationship with our firm and our other clients.

Clients may request that brokerage transactions be directed to a particular broker or dealer. However, if the Company or any sub-adviser believes that the use of that broker dealer would hinder them in meeting their supervisory obligations, such sub-adviser will not be able to accept the account. Furthermore, brokers or dealers may from time to time refer clients to the Company. The Company will not make commitments to any broker or dealer to compensate that broker or dealer through brokerage or dealer transactions for client referrals; however, a potential conflict of interest may arise between the client's interest in obtaining best price and execution and the Company's interest in receiving future referrals. Under such circumstances, clients should be aware of their various brokerage options, including utilizing the services of the referring broker, choosing another broker, or utilizing a firm recommended by the Company to provide custody and execution services.

The Company does not receive any portion of the transactional fees paid by clients to Fidelity.

### **Mutual Fund Share Classes**

Mutual funds are sold with different share classes, which carry different cost structures. Each available share class is described in the mutual fund's prospectus. We will ensure that sub-adviser's review the mutual funds purchased and held in accounts to determine whether a more beneficial share class is available, considering cost, tax implications, and the impact of contingent or deferred sales charges.

### **ITEM 13: REVIEW OF ACCOUNTS**

The Company monitors and reviews the sub-advisers' investment policies, as well as their management of client accounts to ensure adherence to each Client Investment Profile.

In addition to the monthly statements and confirmations of transactions that Portfolio Management Service clients receive from the broker dealer/qualified custodian, the Company will provide a quarterly account appraisal, performance report and market commentary. Clients are urged to compare account statements received from the qualified custodian with those received from the Company.

#### **ITEM 14: CLIENT REFERRAL AND OTHER COMPENSATION**

The Company is wholly-owned by McCarter Private Wealth Services Holdings LLC, which is owned by McCarter & English, LLP (“McCarter & English”). Clients of the Company are under no obligation to use McCarter & English for legal services and clients of McCarter & English are under no obligation to use the services of the Company for investment adviser services. While lawyers with McCarter & English may refer clients to the Company, no direct referral fees are paid for said referrals.

#### **ITEM 15: CUSTODY**

Clients will receive account statements monthly directly from their respective qualified custodian(s). The Company also provides account reports to clients. Clients are urged to compare account statements received from the qualified custodian with those received from the Company.

Occasionally, the Company may receive checks, securities or other assets belonging to clients from third parties. Upon receipt of such assets from third parties, the Company will: (a) promptly identify the client assets and the client to whom such client assets are attributable; (b) promptly forward client assets to the client or a qualified custodian within three (3) business days of receipt; (c) promptly return to the appropriate third party any inadvertently received client assets that the Company does not forward to its client or a qualified custodian within three (3) business days following the Company's receipt of such assets. The Company maintains appropriate records of all client assets inadvertently received, including a written explanation of whether (and, if so, when) the client assets were forwarded to the client or a qualified custodian, or returned to third parties.

#### **ITEM 16: INVESTMENT DISCRETION**

The Company accepts discretionary authority in collaboration with the sub-adviser(s) to manage securities accounts on behalf of clients pursuant to authority granted in the Agreement for Investment Advisory Services, and the related Client Investment Profile of the client.

The Advisers Act establishes a federal fiduciary duty for investment advisers such as the Company and its sub-advisers. The Company’s fiduciary duty under the Advisers Act comprises a duty of care and a duty of loyalty. The duty of care includes, among other things, the duty to provide investment advice that is in the best interests of the client and includes a duty to provide advice suitable for each client. The duty of loyalty requires that the Company not subordinate its clients’ interests to its own and requires the Company to make full and fair disclosure to all clients of material facts relating to the adviser relationship, including any possible conflicts of interest.

Company, together with the sub-adviser, will obtain approval prior to the execution of any transaction from clients with non-discretionary accounts.

#### **ITEM 17: VOTING CLIENT SECURITIES**

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

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