

## **O'ROURKE & COMPANY, INCORPORATED**

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This Brochure provides information about the qualifications and business practices of O'Rourke & Company, Incorporated. If you have any questions about the contents of this Brochure, please contact us at 617-482-4200 or send an email to [borourke@ceteraadvisors.com](mailto:borourke@ceteraadvisors.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. O'Rourke & Company, Incorporated, is an investment adviser registered with the SEC. Registration does not imply a certain level of skill or training.

Additional information about O'Rourke & Company, Incorporated, also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 Material Changes**

The purpose of this Item 2 is to disclose material changes that have been made to this Brochure since the last update of this Brochure. This is an annual update. There have been no material changes since the last annual update filed on December 15, 2023. We have edited some language in this Brochure, so we urge you to read it in its entirety.

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## Item 4 Advisory Business

O'Rourke & Company, Incorporated ("O'Rourke & Company", the "firm", "we", or "our") is based in Boston, Massachusetts. The firm was organized in 1987. Brian C. O'Rourke is principal owner, investment adviser representative and Chief Compliance Officer.

### Types of Advisory Services

#### *Portfolio Management and Investment Advice*

We provide ongoing investment advice and management of client assets. We work with each client to ensure that we understand the client's situation, including the client's specific financial goals, investment objectives, income and expenses, assets and debts, risk tolerance, family circumstances that could impact expenses going forward, and time horizon. We review the client's current asset allocation, if any, and prepare an asset allocation for an investment portfolio based on the client's objectives. We identify suitable investments for the portfolio and will recommend or invest your funds accordingly. We monitor the performance of the portfolio created and rebalance assets as necessary in line with the client's objectives.

The types of investments we employ in implementing your investment strategy are mutual funds, exchange traded funds ("ETFs"), listed securities, and annuities. Clients may request in writing that we not invest in certain securities or types of securities. We will honor clients' requests if reasonably feasible; if not, we will discuss it with the client.

#### *Financial Planning Services*

We offer comprehensive reviews and assessments of the client's present financial condition based on information provided by the client and prepare a summary of our recommendations. The recommendation report takes into account the client's goals, objectives, and risk parameters. A financial plan can include all or some of the following areas.

- Net worth and cash flow evaluation
- Investment management
- Education planning
- Income tax and insurance planning
- Retirement planning and projections
- Estate planning issues

Financial plans are not limited to products or services provided by any particular company. In general, however, we recommend only products and services that we are able to provide through the custodians we use. (For more information about the custodians, see Item 12, below.) Unless the client engages us to provide portfolio management, the implementation of financial plan recommendations is entirely at the discretion of the client.

#### *Retirement Plan Advisory Services*

We provide advisory services to assist retirement plan sponsors in meeting their management and fiduciary obligations to the Participants under ERISA, including:

- Vendor Analysis
- Employee Enrollment and Education Tracking
- Investment Policy Statement ("IPS") Support
- Discretionary Investment Menu Management (under ERISA section 3(38))

- Investment Menu Recommendations (under ERISA section 3(21))
- Performance Reports
- ERISA 404(c) Assistance
- Benchmarking Services

### *Assets Under Management*

As of September 30, 2024, we manage approximately \$518,068,960 in client assets, of which \$511,829,325 is managed on a discretionary basis, and \$6,239,634 is managed on a non-discretionary basis. Additionally, as of September 30, 2024, we provide investment advice to accounts valued at \$12,497,595.

## **Item 5 Fees and Compensation**

### *Investment Supervisory Or Management Services*

The annual fee for investment supervisory or management services is a percentage of the client's assets under the firm's management, ranging from 0.30% to 1.00%. The percentage fee is negotiated with the client after a review of the size of the accounts to be managed, the complexity of the client's needs and the level and scope of the overall services to be rendered; generally, the greater the value of the assets under management, the lower the percentage fee. These fees are negotiable at the sole discretion of the firm. The fee to be charged each client will be stipulated within each client's advisory agreement and will apply to all assets within the portfolio or household (as defined in the agreement).

Assets included in clients' margin balances are included when calculating advisory fees. In other words, advisory fees are calculated on the value of the assets in the account, and not on the net liquidating value of the account. Clients who use margin should note that they will also pay margin interest on the same assets. Fees are billed in arrears. We generally require clients to instruct the custodian to debit fees from the client's account. Clients are billed on a quarterly basis based on the value of the account on the last day of each calendar quarter.

### *Financial Planning Fees*

Fees are negotiated on a case-by-case basis. They may be charged on an hourly or fixed fee basis. Once determined, the fee arrangement is set forth in the client's agreement.

*Hourly Fees.* Hourly rates range from \$60 to \$400 per hour based upon the knowledge and experience of the individual providing the work. Fees are billed in 15-minute increments. Hourly fees will be billed monthly as the work is provided (in arrears).

*Fixed Fees.* Fees are typically determined by estimating the number of hours to be spent preparing the plan and then quoting a fixed price. If additional work is requested that goes beyond the original scope of the project, it may be billed on an hourly basis or a fixed price basis as negotiated. Fixed fees will be invoiced quarterly depending upon the negotiated agreement with the client and the anticipated delivery of the plan. Other limited planning services are billed monthly. In addition, some or all of the financial planning fees may be included in the investment management fees agreed upon by the client. Financial planning is not always billed separately. Total costs for financial plans, whether per hour or on a fixed basis, generally range from \$500 to \$5,000 or more. If a contract is terminated prior to the service being delivered, we will bill the client for work completed. In the case of prepaid fees, we will provide a prorated refund based on the hourly rate of the individuals who provided services.

### *Retirement Plan Advisory Services Fees*

Fees for retirement plan advisory services are charged an annual asset-based fee of up to 1.00%, billed in arrears, based on the market value of assets under management at the end of the prior calendar quarter, pursuant to the terms of the agreement. Fees are negotiated depending on the size and complexity of the Plan.

### *Other Fees*

In addition to our investment advisory fees, the client will pay all direct expenses incurred for the client or disbursements made on behalf of the client, including custodian's charges for commissions, transaction fees, asset-based custody fees, and all other fees described in the custodial agreement. Clients will also incur charges imposed by other third-parties in connection with certain investments, including mutual fund fees, confirmation fees, surcharges, fees charged by sub-account managers, contingent deferred sales charges on previously purchased mutual funds, clearing, custody and other transaction charges and service fees, and IRA and Qualified Retirement Plan fees.

Additional third-party fees can also include fees associated with the type of transaction (exchange versus purchase), method of placing the transaction (electronic vs. over the phone), and paper confirmation fees.

All mutual funds, including "no load" funds and exchange traded funds, incur transaction costs, expenses and other fees. Mutual funds typically charge ongoing fees and operating costs, including operating expenses, management fees, 12b-1 / servicing fees, and other expenses. These charges are deducted from the fund's assets, thereby reducing the shareholders' investment returns. Many mutual funds pay a portion of the marketing and distribution fees to broker-dealers, which in turn pay a portion of these fees to their representatives. Information about the fund's fees and expenses is contained in the fund Prospectus or in other documents such as the fund's Statement of Additional Information. Investors should request and read the fund's Prospectus before making an investment decision.

When purchasing mutual funds, choosing a share class is an important investment decision. Different share classes are charged different types and amounts of fees. Certain share classes can also be subject to restrictions on redemptions, or to "back end" charges that are assessed if the investor redeems his or her investment within a prescribed time period. The holders of higher-cost share classes will pay higher fees, and will thus achieve lower investment return, than holders of lower-cost share classes of the same fund.

### *Compensation for the Sale of Securities or Other Investment Products*

Broker-dealers and their representatives receive compensation when clients invest in certain classes of mutual funds. Depending on the share class, compensation could be a front-end sales charge (a commission), a concession from a mutual fund company, ongoing servicing fees (commonly known as "12b-1 fees" or "trails"), distribution fees, dealer fees, or a "back end" sales charge. The ongoing fees that broker-dealers and their representatives receive from the mutual fund company are based upon the amount of the client's investment held with the fund.

Some people who provide advisory services on behalf of our firm are also registered with Cetera Advisors LLC ("Cetera"), a broker-dealer registered with the SEC, and a member of FINRA. These individuals offer both investment advisory and brokerage services. When acting as registered representatives of the broker-dealer, these individuals receive commission on the purchase and sale of securities, including trail commissions on the sale of mutual funds and ETFs and a share of certain other fees paid to Cetera on client transactions or holdings. Any compensation earned by these persons in their capacities as registered representatives of Cetera is separate and in addition to our advisory fees. Clients are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm.

When recommending mutual funds, we will recommend the most appropriate mutual fund share class for your portfolio, based upon your individual circumstances (including whether you pay us an asset-based fee (“AUM Client”)), that is reasonably available through the clearing firm. These recommendations can include load and no-load funds. The expenses associated with each recommendation are discussed with the client prior to purchase.

We do not recommend that our AUM Clients purchase share classes that pay commissions or 12b-1 fees. If AUM Clients pay 12b-1 fees or our representatives earn 12b-1 fees on their holdings, we apply the fees received as a credit toward these clients' advisory fees. We sometimes recommend share classes that pay commissions or 12b-1 fees to clients who pay a flat advisory fee plus commissions; we do not credit the commissions or 12b-1 fees received on these clients' holdings against the flat advisory fees paid. This is a conflict of interest with these clients, as this compensation structure gives the firm's supervised persons a financial incentive to recommend investment products based on the compensation received rather than on the client's needs. To address this conflict, the firm is mindful of its fiduciary obligation to place clients' interests first. Moreover, clients are under no obligation to purchase securities through the firm or its supervised persons.

Some of the people who provide investment advice on behalf of our firm are also licensed as independent insurance agents. These people will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these individuals are separate and in addition to our advisory fees. This practice presents a conflict of interest because they have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

#### GENERAL INFORMATION ON ADVISORY SERVICES AND FEES

*Legacy Arrangements And Fee Differentials.* Some clients are subject to a fee arrangement that is different than described above. These clients pay a flat fee for advisory services plus commissions on transactions, or monthly versus quarterly charges. We no longer offer these alternative arrangements to new clients. Further, as indicated above, the firm prices certain services based upon assets under management or other subjective factors, and fees are negotiable at the discretion of the firm.

As a result, any of our clients could pay fees that are higher or lower than the fees charged to other clients who have a similar market value of assets under our management, complexity of engagement, and/or level and scope of the services to be rendered. The services to be provided by our firm to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly.

*Margin.* The firm sometimes recommends that clients engage in margin transactions. This creates a conflict of interest, as the firm charges its advisory fee based on the total value of the assets in the account, including assets purchased on margin, without deducting for the margin balance. We address this conflict of interest by generally refraining from recommending that clients use margin and by carefully ensuring that in the few instances when we recommend the use of margin, the recommendation is in the clients' best interest. Purchasing securities on margin amplifies potential returns and losses. Purchasing securities on margin can result in losses greater than a client's original principal. Clients and potential clients should carefully review disclosures regarding risks, fees, and other considerations appearing in margin account agreements prior to opening margin accounts.

*Termination.* All advisory agreements may be terminated upon written notice by either party at any time, or in accordance with any written advisory agreement. Upon termination, clients will receive refunds of any prepaid and unearned advisory fees (prorated for the balance of the billing period), or clients will be billed for any amount due. Any charges levied by the custodian or any third party after the termination of the advisory agreement will remain the client's responsibility and are not the responsibility of O'Rourke & Company. We have no obligation to refund these fees to clients.

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

We do not charge performance-based fees or engage in side-by-side management.

## **Item 7 Types of Clients**

We offer investment advisory services to individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, charitable organization, corporations, and other small business entities.

The firm does not require a minimum amount of assets for opening or maintaining an account.

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

### *Methods Of Analysis*

We use fundamental analysis, which involves the evaluation and interpretation of companies' or funds' financial data, the experience and expertise of the management, and the outlook of the industry/fund category, to assist in evaluating the true value of the companies' securities. Fundamental analysis carries with it the risk that publicly available company information may be inaccurate, and if the securities price adjusts quickly to market information, the value of the portfolio may decrease. This is why our investment strategies involve long term and short term purchases.

The main sources of information for security analysis include:

- Research from third party research firms such as Morningstar and Lipper
- Public records filed with the U.S. Securities and Exchange Commission
- Financial publications such as the Wall Street Journal and Barron's
- Company websites, annual reports, and other company specific public records
- Conference calls, and industry conferences that provide insight into the research of securities
- Public information collected from financial websites such as Yahoo! Finance, Google Finance and Bloomberg

### *Investment Strategies*

Our investment process is based on the principles of asset allocation and diversification. We utilize a top-down approach in determining the asset allocation mix for your portfolio. (This means the asset allocation comes first and the security selection second.) Although diversification and asset allocation cannot guarantee a profit or assure against loss, we believe that this approach is the best way to optimize the potential returns for a given amount of estimated risk.

We develop an individualized asset allocation strategy for each client. Each strategy is updated periodically to reflect our outlook over the short to intermediate, and long-term for the economy and markets. Typically, we use six asset classes, including domestic stocks, foreign stocks, fixed income, REITs (real estate investment trusts), alternatives (commodities, low-volatility strategies), and cash. We determine the weighting for each asset class within each client's portfolio.

Each portfolio is allocated among a number of sub-asset classes including but not limited to Domestic Equities, International Equities, U.S. Treasuries, Agencies, Corporate Bonds, Municipal Bonds, High Yield Bonds, as well as alternative investments. Most often, these allocations are invested utilizing vehicles such as mutual funds, exchange traded funds or other comparable pooled investment vehicles. Portfolios of sufficient size may also be invested in individual stocks and individual bonds.



We determine the appropriate portfolio allocation for each client based on the client's situation, investment objectives, risk profile, goals and needs, which are discussed at the outset of the relationship and during review meetings. Clients must notify us immediately of any changes to the client's financial situation, objectives, or tolerance of risk.

### *Risk of Loss*

All investing in securities involves risk of loss. Those risks include:

- Interest rate risk: The risk borne by an interest-bearing asset, such as a loan or a bond, due to variability of interest rates. In general, as rates rise, the price of a fixed rate bond will fall, and vice versa.
- Market Risk: The risk that the price of a security may drop in reaction to market events. This type of risk is independent of risks associated with a security's particular underlying circumstances.
- Inflation Risk: The risk that a currency loses its purchasing power because of the rising price of goods and services.
- Currency Risk: The risk that arises from the change in price of one currency against another.
- Reinvestment Risk: The risk that a decline in interest rates will lead to lower income when bonds mature and funds are reinvested at a lower rate.
- Business Risk: The risk associated with a particular industry or a particular company within an industry.
- Liquidity Risk: The risk that an investment will not readily be converted into cash.
- Financial Risk: The increase in stockholder's risk, over and above the firm's basic business risk, resulting from the use of financial leverage (borrowing).

Clients also face the risk that securities that we choose for your portfolio may not perform as well as similar securities in the same industry or the stock/bond market in general. Different types of investments involve varying degrees of risk. Diversification and asset allocation do not guarantee profits or assure against loss. Past performance is never a guarantee of future results. No one should assume that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the firm) will be profitable or equal any specific performance level(s).

*Client Obligations.* In performing our services, we are not required to verify any information received from the client or from the client's other professionals, and we are expressly authorized to rely on that information. It is the client's responsibility to notify us promptly of any change in the client's financial situation or investment objectives. If the client does not provide this notice or information, we will not be in a position to perform an accurate review, evaluation or revision of our previous recommendations and/or services.

*Non-Discretionary Service Limitations.* O'Rourke & Company generally provides portfolio management services on a discretionary basis, meaning that the firm is authorized to make transactions on the client's behalf in the client's account at the discretion of the advisor. If a client engages the firm on a non-discretionary investment advisory basis, the client must be willing to accept that we cannot effect any account transactions without obtaining prior consent for the transaction(s) from the client. Thus, if the client is unavailable during a market event, the firm will be unable to effect any account transactions (as it would for its discretionary clients) because it must first obtain the client's consent.

## **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 advisory 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**

People who provide investment advice on behalf of O'Rourke & Company are also registered representatives of Cetera. Clients should be aware that Cetera marks up its clearing firm's non-transaction fees including paper delivery surcharge, surcharges for client statements and confirms. The existence and extent of Cetera's fee mark-ups is potentially material to clients when evaluating the recommendation of Cetera for brokerage services.

Our employees who are registered representatives of Cetera are permitted to place securities transactions for O'Rourke & Company clients who maintain brokerage accounts through Cetera. To the extent these individuals recommend brokerage transactions through Cetera, they receive up to 92% of the commission compensation paid to Cetera on those transactions. These representatives receive a material amount of income from commissions and trailer fees on products purchased by our clients. Clients should be aware that this dual relationship creates a conflict of interest. We place our client's interest first as part of our fiduciary duty, and clients are under no obligation to execute trades through our personnel or through Cetera.

Some representatives of O'Rourke & Company are also licensed as insurance agents to sell life, disability, and long-term care insurance products for various insurance companies, and are therefore able to purchase life, disability and long-term care insurance products for any of our clients in need of those products. As licensed insurance agents, they will receive commission compensation on purchases of insurance products. Clients are under no obligation to purchase life, disability and long-term care insurance products from our personnel.

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

We have adopted a Code of Ethics (the "Code") in compliance with SEC rule 204A-1. The Code sets forth guidelines for professional conduct for all supervised persons of O'Rourke & Company. Our goal is to always protect our clients' interests and to comply with our fiduciary duties of honesty, good faith, and fair dealing with our clients, while at the same time allowing our employees to invest for their own accounts.

The Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumormongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other topics. All supervised persons must acknowledge the terms of the Code annually, or as amended. As individuals, O'Rourke & Company representatives are permitted to invest in the same securities that we recommend, buy or sell for client accounts. When they do, we require that all personal securities transactions be conducted in accordance with our Code, which is designed to assure that personal securities transactions, activities, and interests of firm personnel do not interfere with making decisions in the best interest of advisory clients and implementing these decisions while, at the same time, allowing employees to invest for their own accounts. The Code requires pre-clearance of many transactions, and restricts certain trading in close proximity to client trading activity. Nonetheless, because the Code in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. The firm regularly monitors employee trading to ensure that clients' interests are protected in the event of any conflict of interest between O'Rourke & Company employees and clients.

A copy of the Code is available to any client or prospective client upon request.

## **Item 12 Brokerage Practices**

### *The Custodians And Brokers We Use*

O'Rourke and Company does not maintain actual custody of your assets, although we will be deemed to have

custody of your assets if you give us authority to withdraw assets from your account. Your assets must be maintained in an account at a "qualified custodian," generally a broker/dealer or bank. We generally require our clients to use Cetera (which clears through Pershing, LLC) or Fidelity Investments (which clears through National Financial Services) as custodian. The choice of another custodian must be mutually agreed upon by both you and us. If we do not mutually agree upon a custodian, then we cannot manage your account. (We refer to a qualified custodian as a "QC.") O'Rourke and Company is independently owned and operated and is not affiliated with Fidelity or Cetera, although certain of our personnel are registered general securities representatives of Cetera.

Clients open their accounts by entering into an account agreement directly with the QC. We do not open the account for clients, although we generally assist clients in doing so. The QC will hold your assets in a brokerage account and buy and sell securities when we instruct them to. Even though your account is maintained at one of the QCs listed above, we are allowed to use other brokers to execute trades for your account as described below.

### *How We Select Brokers/Custodians*

We have selected custodians/brokers who will hold your assets and execute transactions on terms that we believe are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Availability of lowest cost share classes of mutual funds
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds ("ETFs"), etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below

### *Your Brokerage and Custody Costs*

The QC generally charges for its custody services either by charging you commissions or other fees on trades that it executes or that settle into your QC account, or by charging an asset-based fee.

In addition to commissions or asset-based fees, a QC charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your QC account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, to minimize your trading costs, we generally execute your trades at your QC; however, in some (very limited) cases, we can obtain better pricing on a security or be able to obtain a security that is not available at the QC at a different broker-dealer.

We have determined that having a QC execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above.

### *Products and Services Available to Us From QCs.*

QCs provide us and our clients with access to institutional brokerage—trading, custody, reporting, and related services—many of which are not typically available to retail customers. QCs also make available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. QCs' support services generally are available on an unsolicited basis (we don't have to request them) and at no charge to us. A detailed description of QCs' support services is included below.

Services That Benefit You. Institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. The services described in this paragraph generally benefit you and your account.

Services That Do Not Directly Benefit You. Other products and services are available to us that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. This includes investment research that is both proprietary to the QC and that of third parties. We use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at the QC. In addition to investment research, the QC also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

Services That Generally Benefit Only Us. QCs also offer other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

The QC provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. The QCs also discount or waive fees for some of these services or pay all or a part of a third party's fees. From time to time, each QC also provides us with other benefits, such as occasional business entertainment of our personnel.

Our Interest in a QC's Services. The availability of these services benefits us because we do not have to produce or purchase them. We don't have to pay for services so long as our clients collectively keep a minimum dollar amount of their assets in accounts at the QC. That minimum dollar amount varies with each QC. Beyond that, these services are not contingent upon our committing any specific amount of business to a QC in trading commissions or assets in custody. The applicable minimum gives us an incentive to recommend that you maintain your account with a particular QC, based on our interest in receiving services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. In addition, it is a benefit to us that representatives of O'Rourke & Company are also registered representatives of Cetera. These are potential conflicts of interest. We believe, however, that our selection of the QCs listed above as custodians and brokers is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of services and not by the services that benefit only us.

Soft dollar benefits are not limited to those clients who have generated a particular benefit although certain soft dollar allocations are connected to particular clients or groups of clients. Soft dollar benefits are not proportionally allocated to accounts that generate different amounts of soft dollar benefits.

#### *Trade Errors*

If we make a trade error and the trade error occurs in a client account, we will correct the error so the client's account does not suffer a loss. The client is generally not permitted to profit from the error, even if the correction results in a profit. For example, certain custodians keep all trade profits on an error regardless of how the error was caused.

#### *Block Trading and Trade Allocations*

When placing trades in the same security for multiple clients, some investment advisers "bunch," or aggregate, all client orders in that security into one transaction, and then allocate the order based on pre-determined (usually pro-rata) allocation. This ensures no client transaction is favored over another, as all transactions are executed at the same price. We do not engage in this practice. Since we do not participate in order aggregation practices, in the event that we place orders for more than one client in the same individual security, on the same day, and on the same side of the market, these transactions will be placed individually, and clients should be aware that one client will probably pay more or less than another client for the same security on the same day. These considerations do not apply to mutual funds, which trade at the same price for all investors each trading day.

#### *Directed Brokerage*

In directing O'Rourke and Company to use a specific custodian and/or broker/dealer (other than those recommended by us) clients should understand that we will not have the authority to negotiate commissions among various custodians or obtain volume discounts. This could also affect our ability to achieve best execution.

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

We supervise and manage our clients' portfolios continuously and regularly. In addition, we conduct a quarterly review of all clients' portfolios and accounts and provide clients with quarterly written reports from Morningstar and other sources that consolidate the client's custodial statements and provide information relating to the performance of the clients' assets. Additional reviews can be triggered by client request, by material market, economic or political events, or by changes in the client's financial situation (such as retirement, termination of employment, inheritance, etc.). We offer each client a review meeting at least annually to discuss the client's portfolio.

In addition, each QC provides clients with written trade confirmations and monthly or quarterly account statements.

Clients are urged to compare any reports provided by us to those received from the qualified custodian and immediately report any unexplained differences to the firm and/or the qualified custodian, as appropriate.

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

We receive an economic benefit from QCs in the form of support products and services made available to us and to other independent investment advisors whose clients maintain accounts with the QC. These products and services, how they benefit us, and the related conflicts of interest, are described in Item 12, above. The availability to us of products and services is not based on our giving particular investment advice, such as buying particular securities, for our clients.

Additionally, discussed above, representatives of O'Rourke & Company are also licensed insurance agents, and/or registered representatives of Cetera. In their capacities as insurance agents or registered representatives, these individuals are paid separately for insurance sales and brokerage activities. For more information on the conflicts of interest this presents, and how we address these conflicts, refer to the *Fees and Compensation* section.

We have no arrangements under which we or any of our employees are compensated by another person or entity for client referrals.

## **Item 15 Custody**

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct a QC to deduct our advisory fees directly from your account or if you grant us authority to move your money to another person's account. The QC maintains actual custody of your assets. You will receive account statements directly from the QC at least quarterly. They will be sent to the email or postal mailing address you provided to the QC. You should carefully review those statements promptly when you receive them.

In addition, as part of our financial planning services, clients may grant us authority to log into client accounts for purposes of viewing or rebalancing client assets. These login privileges provide us only with limited view-only access and do not allow us to disburse funds to third parties or make withdrawals from these accounts.

### *Standing Letter Of Authorization*

O'Rourke and Company, or persons associated with the firm, are permitted to effect wire transfers from client accounts to one or more third parties designated, in writing, by the client without obtaining written client consent for each separate, individual transaction, as long as the client has provided us with written authorization to do so. This kind of written authorization is known as a standing letter of authorization. An adviser with authority to conduct these third party transfers is deemed to have custody of the client's assets in the account(s) subject to the standing letter of authorization. We rely on and comply with SEC guidance relating to this type of custody.

## **Item 16 Investment Discretion**

We offer investment advisory services on a non-discretionary and discretionary basis.

For discretionary engagements, we obtain written authorization from the client to select the identity, amount, and timing of securities to be bought or sold. The client's written authorization is in the advisory agreement with the firm.

For non-discretionary engagements, we obtain client approval prior to effecting transactions for the account. Limited trading authorization is obtained from the client allowing us to execute trades on the client's behalf.

The firm cannot effect any transactions in non-discretionary accounts without obtaining prior consent from you. Thus, if you are unavailable during a market event, we will not be able to effect any account transactions (as we would for our discretionary clients) because we are unable to obtain your consent.

## **Item 17 Voting Client Securities**

We do not vote, or advise clients on how to vote, proxies for securities held in client accounts. The client maintains the authority and responsibility for voting proxies, as provided in the advisory agreement. Clients are

permitted to contact us if they have questions about a particular solicitation.

## **Item 18 Financial Information**

This Item requires certain disclosures if the firm requires certain advance payments or has been the subject of a bankruptcy petition. The firm has no disclosures in response to this Item.