

**Part 2A of Form ADV: Firm Brochure**



**Winch Advisory Services, LLC**

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**This brochure provides information about the qualifications and business practices of Winch Financial. If you have any questions about the contents of this brochure, please contact us at (920) 739-8577 or [info@winchfinancial.com](mailto:info@winchfinancial.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Winch Financial also 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. Our firm's CRD number is 110194.**

**References herein to Winch Financial as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.**

## **Item 2      Material Changes**

Since the Annual Amendment filed on January 23, 2023, the Disclosure Brochure has been updated to reflect a change in ownership of Winch Financial as outlined in Item 4.

**ANY QUESTIONS: Winch Financial's Chief Compliance Officer, Samuel Winch, remains available to address any questions that an existing or prospective client may have regarding this Brochure.**

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## **Item 4     Advisory Business**

Winch Advisory Services, LLC (hereinafter “Winch Financial”) is an SEC-registered investment adviser with its principal place of business located in Wisconsin. Winch Financial began conducting business in 1998.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Christina V. Winch
- Samuel R. Winch
- Adam Z. Winch
- Tanya C. Winch

**Winch Financial offers the following advisory services to our clients:**

### **INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT**

#### **Winch Advisory Services Management Program**

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background. Before engaging Winch Financial to provide such services, clients are required to enter into an applicable form of agreement with Winch Financial, setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the fee that is due from the client. After determining each client's investment objectives, Winch Financial will allocate investment assets consistent with the designated investment objectives. Once allocated, Winch Financial provides ongoing monitoring and review of account performance, asset allocation and client investment objectives.

We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Our annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under our management, generally between 0.50% and 2.00%. Winch Financial's annual investment advisory fee shall include investment advisory services, and, to the extent specifically requested by the client, financial planning and consulting services. As noted below at Item 5, clients may be charged a higher fee in connection with the inclusion of financial planning services. **Please Note:** We believe that it is important for the client to address financial planning issues on an ongoing basis. Our advisory fee, as set forth at Item 5 below, will remain the same regardless of whether or not the client

determines to address financial planning issues with us. In the event that the client requires extraordinary planning and/or consultation services (to be determined in the sole discretion of Winch Financial), Winch Financial may determine to charge for such additional services, the dollar amount of which shall be set forth in a separate written notice to, or agreement with, the client.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Open and closed end mutual fund shares
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Interests in partnerships investing in equipment leasing

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

**Legacy Holdings:** From time to time, advisory clients may have pre-existing investments that they do not want actively managed by Winch Financial. These clients may request that Winch Financial incorporate these holdings into a single account to facilitate future management and reporting.

Winch Financial will initially consolidate these unsupervised assets into a single account within the client's existing portfolio. These assets will not be actively managed by Winch Financial although they will be incorporated into the client's quarterly summary reports prepared by Winch Financial.

Winch Financial does have trading authority for these legacy holdings, although we typically do not trade in these accounts without client approval. To the extent applicable to these excluded assets, the client, and not Winch Financial, shall be exclusively responsible for any investment recommendations. The client maintains trading authority and shall be exclusively responsible for the investment performance of these excluded assets, not Winch Financial. Without limiting the above, Winch Financial shall not be responsible for any implementation error (timing, trading, etc.) relative to these excluded assets. In the

event the client desires that Winch Financial provide investment management services with respect to these legacy holdings, the client may engage Winch Financial to do so pursuant to the terms and conditions of the Agreement between Winch Financial and the client.

### **FINANCIAL PLANNING (Stand-Alone)**

We also provide financial planning services on a stand-alone basis. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives. Our planning and consulting fees are negotiable, but generally range from \$3,000 to \$20,000 on a fixed fee basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

In general, the financial plan can address any or all of the following areas:

1. **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
2. **EDUCATION:** Educational IRAs, financial aid, state savings plans (e.g., 529 Plans), grants and general assistance in preparing to meet dependent's continuing educational needs through development of an education plan.
3. **TAX & CASH FLOW:** We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
4. **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
5. **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
6. **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
7. **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
8. **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards

risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

Prior to engaging us to provide planning or consulting services, clients are generally required to enter into a *Financial Planning Agreement* with our firm setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to our commencing services. Typically, the financial plan is presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided. Neither Winch Financial, nor its investment adviser representatives, assist clients with the implementation of any financial plan, unless they have agreed to do so in writing. In addition, Winch Financial does not monitor a client's financial plan, and it is the client's responsibility to revisit the financial plan with us, if desired.

If requested by the client, Winch Financial may recommend the services of other professionals for implementation purposes, including certain of its representatives in their individual capacities licensed insurance agents. (See disclosure at Item 10.C). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Winch Financial. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. At all times, the engaged licensed professional[s] (i.e., attorney, accountant, etc.), and not Winch Financial, shall be responsible for the quality and competency of the services provided. **Please Also Note:** It remains the client's responsibility to promptly notify Winch Financial if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Winch Financial's previous recommendations and/or services.

## CONSULTING SERVICES

Clients can also receive investment advice on a more focused basis. This may include advice on only an isolated area of concern, such as estate planning, retirement planning, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client.

The consultation services include reviews on any or all of the following:

- **Portfolio Review** – Written or verbal portfolio reviews providing advice relating to topics including, but not limited to, investments and asset allocations. Additionally, Winch Financial provides advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, insurance and/or annuity advice.
- **Information Review** – An annual informal review of return on investments and standard

deviation for non-commissionable products and small accounts.

- Administrative Portfolio Services – Staff assistance for application processing and problem resolution to help the client meet their goals.

Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

## SEMINARS

Winch Financial sponsors educational seminars on general financial planning and investment matters. The investment information provided under this service does not purport to meet the objectives or needs of each individual client. The seminars will provide participants with discussions on asset allocation strategies, estate and retirement planning, and general educational topics. Winch Financial's seminars are open to the public and can be attended for a fee.

## MISCELLANEOUS

**Limitations of Financial Planning and Non-Investment Consulting/Implementation Services.** As indicated above, to the extent requested by the client, Winch Financial will generally provide financial planning and related consulting services regarding matters such as tax and estate planning, insurance, etc. Winch Financial will generally provide such consulting services inclusive of its advisory fee set forth at Item 5 below (exceptions could occur based upon assets under management, extraordinary matters, special projects, stand-alone planning engagements, etc. for which Firm may charge a separate or additional fee). **Please Note.** Winch Financial believes that it is important for the client to address financial planning issues on an ongoing basis. Winch Financial's advisory fee, as set forth at Item 5 below, will remain the same regardless of whether or not the client determines to address financial planning issues with Winch Financial. **Please Also Note:** Winch Financial **does not** serve as an attorney, accountant, or insurance agent, and no portion of our services should be construed as same. Accordingly, Winch Financial **does not** prepare legal documents or tax returns, nor does it offer or sell insurance products. To the extent requested by a client, we may recommend the services of other professionals for non-investment implementation purpose (i.e., attorneys, accountants, insurance, etc.). The client is not under any obligation to engage any such professional(s). The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Winch Financial and/or its representatives. If the client engages any professional (i.e., attorney, accountant, insurance agent, etc.), recommended or otherwise, and a dispute arises thereafter relative to such engagement, the engaged professional shall remain exclusively responsible for resolving any such dispute with the client. At all times, the engaged licensed professional[s] (i.e., attorney, accountant, insurance agent, etc.), and **not** Winch Financial, shall be responsible for the quality and competency of the services provided.

**Please Note: Planning Limitations.** Winch Financial believes that it is important for the client to address financial planning issues on an ongoing basis. Winch Financial's advisory fee, as set forth at Item 5 below, will remain the same regardless of whether or not the client determines to address financial planning issues with Winch Financial. It remains each client's responsibility to promptly notify Winch Financial if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising our previous recommendations and services.



**Trade Errors.** If a trade error is the responsibility of Winch Financial, any client transaction will be corrected and Winch Financial will be responsible for any client loss resulting from an inaccurate or erroneous order. If a trade error results in a gain, Winch Financial is entitled to keep the gain.

**Non-Investment Consulting Services.** To the extent requested by a client, we may recommend the services of other professionals for non-investment implementation purpose (i.e., attorneys, accountants, insurance, etc.), including Winch Financial's representatives in their separate individual capacities as licensed insurance agents. The client is under no obligation to engage the services of any such recommended professional. **Please Note-Conflict of Interest:** The recommendation that a client purchase an insurance commission product from a Winch Financial representative in his/her individual capacity as an insurance agent, presents a ***conflict of interest***, as the receipt of commissions may provide an incentive to recommend investment and/or insurance products based on commissions to be received, rather than on a particular client's need. **The fees charged and compensation derived from the sale of such insurance and/or securities products is separate from, and in addition to, Winch Financial's investment advisory fee.** No client is under any obligation to purchase any insurance commission products from any of Winch Financial's representatives. Clients are reminded that they may purchase securities and insurance products recommended by Winch Financial's representatives through other, non-affiliated insurance agents. **ANY QUESTIONS: Winch Financial's Chief Compliance Officer, Samuel Winch, remains available to address any questions that a client or prospective client may have regarding the above conflicts of interest.**

**For client accounts maintained with LPL.**

**Broker-Dealers/Custodians.**

As discussed below at Item 12 below, when requested to recommend a broker-dealer/custodian for client accounts, Winch Financial generally recommends that LPL Financial, LLC ("LPL") serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as LPL charge brokerage commissions, transaction, and/or other type fees for effecting certain types of securities transactions (i.e., including transaction fees for certain mutual funds, and mark-ups and mark-downs charged for fixed income transactions, etc.). The types of securities for which transaction fees, commissions, and/or other type fees (as well as the amount of those fees) shall differ depending upon the broker-dealer/custodian (while certain custodians, including LPL, do not currently charge fees on individual equity transactions, others do). These fees/charges are in addition to Winch Financial's investment advisory fee at Item 5 below. Winch Financial does not receive any portion of these fees/charges.

**Fee Dispersion.** As indicated below, as applicable Winch Financial shall receive an investment advisory fee based upon a percentage (%) of the market value of the assets placed under management (between 1.00% and 2.00% for the first \$1,000,000 in assets under management and between 0.50% and 0.99% on assets under management in excess of \$1,000,000). However, fees shall vary depending upon various objective and subjective factors, including but not limited to: the representative assigned to the account, the amount of assets to be invested, the complexity of the engagement, the anticipated number of meetings and servicing needs, related accounts, future earning capacity, anticipated future additional assets, and negotiations with the client. As a result, similar clients could pay different fees, which will

correspondingly impact a client's net account performance. Moreover, the services to be provided by Winch Financial to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly.

**Retirement Plan Rollovers – Potential for Conflict of Interest.** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Winch Financial recommends that a client roll over their retirement plan assets into an account to be managed by Winch Financial, such a recommendation creates a conflict of interest if Winch Financial will earn new (or additional) compensation as a result of the rollover. If Winch Financial provides a recommendation as to whether a client should engage in a rollover or not, Winch Financial is acting as a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. **No client is under any obligation to roll over retirement plan assets to an account managed by Winch Financial, whether it is from an employer's plan or an existing IRA. Winch Financial's Chief Compliance Officer, Samuel Winch, remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover recommendation.**

**Use of Mutual Funds and Exchange Traded Funds.** While Winch Financial may recommend allocating investment assets to mutual funds and exchange traded funds that are not available directly to the public, Winch Financial may also recommend that clients allocate investment assets to publicly available mutual funds that the client could obtain without engaging Winch Financial as an investment advisor. However, if a client or prospective client determines to allocate investment assets to publicly available mutual funds and exchange traded funds without engaging Winch Financial as an investment adviser, the client or prospective client would not receive the benefit of Winch Financial's initial and ongoing investment advisory services. **Please Note:** In addition to Winch Financial's investment advisory fee described below, and transaction and/or custodial fees discussed below, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g., management fees and other fund expenses). The mutual funds and exchange traded funds utilized by Winch Financial are generally available directly to the public. Thus, a client can generally obtain the funds recommended and/or utilized by Winch Financial independent of engaging Winch Financial as an investment advisor. However, if a prospective client does so, then they will not receive Winch Financial's initial and ongoing investment advisory services.

**Portfolio Activity.** Winch Financial has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Winch Financial will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, market conditions, fund manager tenure, style drift, account additions or withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Winch Financial determines that changes to a client's portfolio are unnecessary. Clients nonetheless remain subject to the fees described in Item 5 below during periods of account inactivity. Of course, as indicated below, there can be no assurance that

investment decisions made by Winch Financial will be profitable or equal any specific performance level(s).

**Bitcoin, Cryptocurrency, and Digital Assets:** For clients who want exposure to cryptocurrencies and digital assets, including Bitcoin, Winch Financial, will advise the client to consider a potential investment in corresponding exchange traded securities, or an allocation to separate account managers and/or private funds that provide cryptocurrency exposure. Cryptocurrencies are digital assets that can be used to buy goods and services and use an online ledger with strong cryptography (i.e., a method of protecting information and communications through the use of codes) to secure online transactions. Unlike conventional currencies issued by a monetary authority, cryptocurrencies are generally not controlled or regulated and their price is determined by the supply and demand of their market. Because cryptocurrency is currently considered to be a speculative investment, Winch Financial will not exercise discretionary authority to purchase a cryptocurrency investment for client accounts. Rather, a client must expressly authorize the purchase of the cryptocurrency investment. **Please Note:** Winch Financial **does not** recommend or advocate the purchase of, or investment in, cryptocurrencies. Winch Financial considers such an investment to be **speculative**. **Please Also Note:** Clients who authorize the purchase of a cryptocurrency investment must be prepared for the potential for **liquidity constraints, extreme price volatility and complete loss of principal**.

**Please Note: Socially Responsible Investing Limitations.** ***Socially Responsible Investing*** involves the incorporation of **Environmental, Social and Governance** (“ESG”) considerations into the investment due diligence process. ESG investing incorporates a set of criteria/factors used in evaluating [potential investments](#): Environmental (i.e., considers how a company safeguards the environment); Social (i.e., the manner in which a company manages relationships with its employees, customers, and the communities in which it operates); and Governance (i.e., company management considerations). The number of companies that meet an acceptable ESG mandate can be limited when compared to those that do not, and could underperform broad market indices. Investors must accept these limitations, including potential for underperformance. Correspondingly, the number of ESG mutual funds and exchange-traded funds are limited when compared to those that do not maintain such a mandate. As with any type of investment (including any investment and/or investment strategies recommended and/or undertaken by Winch Financial), there can be no assurance that investment in ESG securities or funds will be profitable or prove successful. Winch Financial does not maintain or advocate an ESG investment strategy, but will seek to employ ESG if directed by a client to do so. If implemented, Winch Financial shall rely upon the assessments undertaken by the unaffiliated mutual fund, exchange traded fund or separate account portfolio manager to determine that the fund’s or portfolio’s underlying company securities meet a socially responsible mandate.

**Please Note: Cash Positions.** Winch Financial continues to treat cash as an asset class. As such, unless determined to the contrary by Winch Financial, all cash positions (money markets, etc.) shall continue to be included as part of assets under management for purposes of calculating Winch Financial’s advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), Winch Financial may maintain cash positions for defensive purposes. In addition, while assets are maintained in cash, such amounts could miss market advances. Depending upon current yields, at any point in time, Winch Financial’s advisory fee could exceed the interest paid by the client’s money market

fund. **ANY QUESTIONS:** Winch Financial's Chief Compliance Officer, Samuel Winch, remains available to address any questions that a client or prospective may have regarding the above fee billing practice.

**Other Assets.** A client may:

- hold securities that were purchased at the request of the client or acquired prior to the client's engagement of Winch Financial. Generally, with potential exceptions, Winch Financial does not/would not recommend nor follow such securities, and absent mitigating tax consequences or client direction to the contrary, would prefer to liquidate such securities. **Please Note:** If/when liquidated, it should not be assumed that the replacement securities purchased by Winch Financial will outperform the liquidated positions. To the contrary, different types of investments involve varying degrees of risk, and there can be no assurance that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Winch Financial) will be profitable or equal any specific performance level(s). In addition, there may be other securities and/or accounts owned by the client for which Winch Financial does not maintain custodian access and/or trading authority; and,
- hold other securities and/or own accounts for which Winch Financial does not maintain custodian access and/or trading authority.

**Corresponding Services/Fees:** When agreed to by Winch Financial, Winch Financial shall: (1) remain available to discuss these securities/accounts on an ongoing basis at the request of the client; (2) monitor these securities/accounts on a regular basis, including, where applicable, rebalancing with client consent; (3) shall generally consider these securities as part of the client's overall asset allocation; (4) report on such securities/accounts as part of regular reports that may be provided by Winch Financial; and, (5) include the market value of all such securities for purposes of calculating advisory fee.

**ANY QUESTIONS:** Winch Financial's Chief Compliance Officer, Samuel Winch, remains available to address any questions regarding the above.

**Cybersecurity Risk.** The information technology systems and networks that Winch Financial and its third-party service providers use to provide services to Winch Financial's clients employ various controls, which are designed to prevent cybersecurity incidents stemming from intentional or unintentional actions that could cause significant interruptions in Winch Financial's operations and result in the unauthorized acquisition or use of clients' confidential or non-public personal information. Clients and Winch Financial are nonetheless subject to the risk of cybersecurity incidents that could ultimately cause them to incur losses, including for example: financial losses, cost and reputational damage to respond to regulatory obligations, other costs associated with corrective measures, and loss from damage or interruption to systems. Although Winch Financial has established processes to reduce the risk of cybersecurity incidents, there is no guarantee that these efforts will always be successful, especially considering that Winch Financial does not directly control the cybersecurity measures and policies employed by third-party service providers. Clients could incur similar adverse consequences resulting from cybersecurity incidents that more directly affect issuers of securities in which those clients invest, broker-dealers, qualified custodians, governmental and other regulatory authorities, exchange and

other financial market operators, or other financial institutions.

**Custodian Charges - Additional Fees.** As discussed below at Item 12 below, when requested to recommend a broker-dealer/custodian for client accounts, Winch Financial generally recommends that *LPL* serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *LPL* charge brokerage commissions, transaction, and/or other type fees for effecting certain types of securities transactions (i.e., transaction fees for certain mutual funds, and mark-ups and mark-downs charged for fixed income transactions, etc.). The types of securities for which transaction fees, commissions, and other type fees (as well as the amount of those fees) shall differ depending upon the broker-dealer/custodian. While certain custodians, including *LPL*, generally (with exceptions) do not currently charge fees on individual equity transactions (including ETFs), others do. **Please Note:** there can be no assurance that *LPL* will not change their transaction fee pricing in the future. **Please Also Note:** *LPL* may also assess fees to clients who elect to receive trade confirmations and account statements by regular mail rather than electronically. **Tradeaways:** When beneficial to the client, individual fixed-income and/or equity transactions may be effected through broker-dealers with whom Winch Financial and/or the client have entered into arrangements for prime brokerage clearing services, including effecting certain client transactions through other SEC registered and FINRA member broker-dealers (in which event, the client generally will incur both the transaction fee charged by the executing broker-dealer and a “trade-away” fee charged *LPL*). The above fees/charges are in addition to Winch Financial’s investment advisory fee at Item 5 below. Winch Financial does not receive any portion of these fees/charges. **ANY QUESTIONS: Winch Financial’s Chief Compliance Officer, Samuel Winch, remains available to address any questions that a client or prospective client may have regarding the above.**

**Client Obligations.** In performing its services, Winch Financial shall not be required to verify any information received from the client or from the client’s other professionals and is expressly authorized to rely thereon. Moreover, each client is advised that it remains their responsibility to promptly notify Winch Financial if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Winch Financial’s previous recommendations and/or services.

**Disclosure Brochure.** A copy of Winch Financial’s written Brochure as set forth in this Part 2 of Form ADV, along with Form CRS, shall be provided to each client prior to, or contemporaneously with, the execution of any advisory agreement.

Winch Financial shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client’s investment objective(s). Thereafter, Winch Financial shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on the Winch Financial’s services.

Winch Financial does not participate in a wrap fee program.

#### **AMOUNT OF MANAGED ASSETS**

As of 12/31/2023, Winch Financial managed \$420,199,081 of assets on a discretionary basis.

## Item 5 Fees and Compensation

### INVESTMENT SUPERVISORY SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT FEES

#### Winch Advisory Services Management Program

Our annual fees for Investment Supervisory Services are based upon a percentage of assets under management and complexity of each client and the client's account according to the following fee schedule:

| <u>Assets Under Management</u> | <u>Annual Fee</u> |
|--------------------------------|-------------------|
| Up to \$1 million              | 1.00% to 2.00%    |
| Assets over \$1 million        | 0.50% to 0.99%    |

Winch Financial will quote an exact fee to the client and will be agreed upon prior to entering into a contract with any client.

Winch Financial will charge Portfolio Management clients who want financial planning services an additional 0.25% annually to the fee they originally negotiated. This additional fee is reflected accordingly in the client agreement.

Our fees are billed quarterly, in advance, at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Fees will be debited from the account in accordance with the client authorization in the Client Agreement. On occasion, and based upon the client's request, we may bill a client annually or semi-annually.

We prefer a minimum of \$500,000 of assets under management for this service. However, this minimum is not mandatory and we may consider lesser amounts. Winch Financial may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Clients may elect to have Winch Financial's advisory fees deducted from their custodial account. Both Winch Financial's Investment Advisory Agreement and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of the Winch Financial's investment advisory fee and to directly remit that management fee to Winch Financial in compliance with regulatory procedures. In the limited event that Winch Financial bills the client directly, payment is due upon receipt of Winch Financial's invoice. Winch Financial shall deduct fees and/or bill clients quarterly in advance, based upon the market value of the assets on the last business day of the previous quarter.

**Limited Negotiability of Advisory Fees:** Although Winch Financial has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees and account minimums on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future

additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

If the client determines to engage Winch Financial to provide investment advisory services, Winch Financial's investment advisory fee shall vary (generally, up to 2.00%) based upon various factors, including the total amount of assets placed under management/advisement.

**Fee Dispersion.** Winch Financial, in its sole discretion, may charge a lesser or higher investment advisory fee, charge a flat fee, waive applicable minimum asset or minimum fee levels, waive its fee entirely, or charge fee on a different interval, based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, complexity of the engagement, anticipated services to be rendered, grandfathered fee schedules, employees and family members, courtesy accounts, competition, negotiations with client, etc.). **Please Note:** As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. **ANY QUESTIONS:** Winch Financial's Chief Compliance Officer, Samuel Winch, remains available to address any questions regarding advisory fees.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

### **FINANCIAL PLANNING FEES**

Winch Financial's Financial Planning fee will be determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

As noted above, our annual Financial Planning fee is 25 basis points (0.25%) based on the client assets managed by Winch Financial. Alternatively, clients can agree to pay a fixed fee typically ranging from \$3,000 to \$20,000, based on the nature and complexity of the client's circumstances. For clients paying fixed fees, we may require a retainer at the beginning of a new or renewed financial planning agreement. The amount of the retainer will be negotiated with the client.

As part of our services Winch Financial will meet with each client and conduct initial and on-going fact-finding discussions to determine client goals.

### **CONSULTING SERVICES FEES**

Winch Financial's Consulting Services fee will be determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Consulting Services fees are calculated and charged on an hourly basis, at a rate of up to \$300 per

hour. An estimate for the total hours is determined at the start of the advisory relationship.

Management personnel and other related persons of our firm are licensed as insurance agents or brokers. In their separate capacities, these individuals are able to implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend that a client purchase an insurance product which results in a commission being paid to the individuals. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

## SEMINARS

Winch Financial will offer investment related seminars which are open to the public and can be attended for a fee.

## GENERAL INFORMATION

***Termination of the Advisory Relationship:*** A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days' written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

***Mutual Fund Fees and ETFs:*** All fees paid to Winch Financial for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

***Additional Fees and Expenses:*** As discussed below, unless the client directs otherwise or an individual client's circumstances require, Winch Financial shall generally recommend that LPL serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as LPL charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds and for fixed income securities). In addition to Winch Financial's investment management fee, and mutual fund transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g., management fees and other fund expenses). This may also include, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.



**Grandfathering of Minimum Account Requirements:** Pre-existing advisory clients are subject to Winch Financial's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients. Thus, legacy clients may not be subject to minimum requirements.

**ERISA Accounts:** Winch Financial is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"). As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code.

**Limited Prepayment of Fees:** Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered. However, we do accept advisory fees of \$1,200 or more six months or more in advance of delivering advisory services for those clients that have asked us to accommodate them by billing them on an annual or bi-annual basis.

Neither Winch Financial, nor its representatives, accepts compensation from the sale of securities or other investment product.

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

Winch Financial is not a party to any performance or incentive-related compensation arrangements with its clients.

## **Item 7 Types of Clients**

Winch Financial provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Investment Companies (including mutual funds)
- Pension and profit sharing plans (other than plan participants)
- Other pooled investment vehicles (e.g., hedge funds)
- Charitable organizations

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the services being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service. Winch Financial, in its sole discretion, may charge a lesser investment management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.). As a result, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees.

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

### METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Fundamental Analysis.** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis.** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

**Risks for all forms of analysis.** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

**Other:** Winch Financial may utilize data from various sources, obtained on a subscription basis, to track performance of mutual fund and money managers. These sources may use fundamental and technical analysis in their research. Model mutual fund asset allocation portfolio programs provided by a number of institutional investment managers and strategists may also be used when managing client assets.

### INVESTMENT STRATEGIES

We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations.

**Long-term purchases.** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term purchases.** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

**Trading/Rotational Purchases.** We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

Utilizing a trading strategy creates the potential for sudden losses if the anticipated price swing does not materialize. Moreover, under those circumstances, we are left with few options:

- having a long-term investment in a security that was designed to be a short-term purchase, or
- the potential of having to taking a loss.

In addition, because this strategy involves more frequent trading than does a longer-term strategy, there will be a resultant increase in brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

**Risk of Loss.** Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Winch Financial) will be profitable or equal any specific performance level(s).

## **Item 9     Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

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

Neither Winch Financial, nor its representatives, are registered or have an application pending to

register, as a broker-dealer or a registered representative of a broker-dealer.

Neither Winch Financial nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

Winch Financial is an SEC-registered investment adviser. However, the principal executive officers and other employees are separately licensed as insurance agents or brokers for Winch & Associates, LLC, an affiliated insurance agency. Winch & Associates, in conjunction with Johnson & Weinaug (see below) also offers tax preparation services. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing insurance product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client. No client is under any obligation to purchase any insurance commission products from Winch Financial representatives. Clients are reminded that they may purchase insurance products recommended by Winch Financial through other, non-affiliated broker-dealers and/or insurance agencies.

Clients should be aware that the receipt of additional compensation by Winch Financial and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations.

We take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

#### Tax and Accounting Service

Certain members of Winch Financial are accountants and shareholders of Johnson & Weinaug Accounting Inc. ("Johnson"). Winch Financial, in conjunction with Winch & Associates, LLC and Johnson & Weinaug, also offers tax preparation services to Winch Financial clients. To the extent that said owners provide accounting and/or tax preparation services to any clients, including clients of Winch Financial,

all such services shall be performed by Johnson, in its individual professional capacity, independent of Winch Financial, for which services Winch Financial shall not receive any portion of the fees charged by Johnson, referral or otherwise. It is expected that the shareholders of Johnson, solely incidental to their respective practices as accountants, shall recommend Winch Financial's services to certain of its clients. Johnson does not get involved in providing investment advice on behalf of Winch Financial, nor does Johnson hold itself out as providing advisory services on behalf of Winch Financial.

If a client determines to engage Johnson or Winch & Associates, LLC, he/she does so per the terms and conditions of a separate written agreement between the respective firm and the client, to which Winch Financial is not a party. There is no fee-sharing arrangement between the Johnson or Winch & Associates, LLC and Winch Financial. The recommendation by Winch Financial that a client engage Winch Financial for tax preparation and/or accounting-related services, presents a ***conflict of interest*** because Winch Financial's affiliate will derive additional compensation from such engagement. Clients are reminded that they may engage other, non-affiliated, providers. Winch Financial will work with the tax professional of the client's choosing. No client of Winch Financial is under any obligation to use the services of Johnson or Winch & Associates, LLC.

**Conflict of Interest.** The recommendation by Winch Financial that a client engage Johnson, Winch & Associates, or its representatives in their capacities as Accountants presents a conflict of interest, as Winch Financial could have the incentive to make such a recommendation based on funds received, rather than on a particular client's need. No client is under any obligation to engage Johnson, Winch & Associates, or its representatives in such a capacity and clients are reminded that they may engage other non-affiliated accountants or tax preparers.

**Transition Assistance.** A conflict of interest also exists between our firm and LPL Financial. In November 2022, LPL provided certain of our advisors with initial transition assistance capital in the form of a seven-year forgivable loan in the amount of approximately \$169,000 to each advisor.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Winch Financial and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access 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. Our code also provides for oversight, enforcement and recordkeeping provisions.

Winch Financial's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public

information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [info@winchfinancial.com](mailto:info@winchfinancial.com), or by calling us at (920) 739-8577.

Winch Financial and individuals associated with our firm are prohibited from engaging in principal transactions.

Winch Financial and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory 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. This practice may create a situation where Winch Financial and/or its representatives are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest.

Practices such as “scalping” (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if we did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, “front-running” (i.e., personal trades executed prior to those of Winch Financial’s clients) and other potentially abusive practices.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

Winch Financial has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of its “Access Persons.” Winch Financial’s securities transaction policy requires that its Access Person must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person’s current securities holdings at least once each twelve (12) month period thereafter on a date selected by Winch Financial.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as insurance agents of Winch & Associates, an affiliated insurance agency. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

## Item 12 Brokerage Practices

### INDIVIDUAL PORTFOLIO MANAGEMENT, FAMILY OFFICE, FINANCIAL PLANNING & CONSULTING

In the event that the client requests that Winch Financial recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct Winch Financial to use a specific broker-dealer/custodian), Winch Financial generally recommends that investment management accounts be maintained at LPL or Interactive Brokers LLC, member FINRA/SIPC. Prior to engaging Winch Financial to provide investment management services, the client will be required to enter into an *Investment Advisory Agreement* with Winch Financial setting forth the terms and conditions under which Winch Financial shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that Winch Financial considers in recommending LPL (or another broker-dealer/custodian, investment platform and/or mutual fund sponsor) include historical relationship with Winch Financial, financial strength, reputation, execution capabilities, pricing, research, and service. To the extent that commissions or transaction fees are paid by Winch Financial's clients, such commissions or transaction fees shall comply with Winch Financial's duty to obtain best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Winch Financial determines, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Winch Financial will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Winch Financial's investment management fee. Winch Financial's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

#### Research and Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Winch Financial received from LPL (or another broker-dealer/custodian, investment platform, unaffiliated investment manager, vendor, unaffiliated product/fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist Winch Financial to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by Winch Financial may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Winch Financial in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that are received may assist Winch Financial in managing and administering client accounts. Others do not directly provide such assistance, but rather assist Winch Financial to manage and further develop its business enterprise.

Winch Financial's clients do not pay more for investment transactions effected and/or assets maintained at LPL as a result of this arrangement. There is no corresponding commitment made by Winch Financial to LPL or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

**Winch Financial's Chief Compliance Officer, Samuel Winch, remains available to address any questions that a client or prospective client may have regarding the above arrangement and the corresponding conflict of interest created by such arrangement.**

Winch Financial does not receive referrals from broker-dealers.

Winch recommends that its clients utilize the brokerage and custodial services provided by LPL. Winch Financial may accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Winch Financial will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Winch Financial. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

**Please Note:** In the event that the client directs Winch Financial to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Winch Financial. Higher transaction costs adversely impact account performance. **Please Also Note:** Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

**Winch Financial's Chief Compliance Officer, Samuel Winch, remains available to address any questions that a client or prospective client may have regarding the above arrangement.**

To the extent that Winch Financial provides investment management services to its clients The transactions for each client account generally will be effected independently, unless Winch Financial decides to purchase or sell the same securities for several clients at approximately the same time. Winch Financial may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to allocate equitably among Winch Financial's clients the differences in prices that might have been obtained had such orders been placed independently. Under this procedure, clients will continue to pay transaction costs based on their custodial/brokerage agreement. Winch Financial shall not receive any additional compensation or remuneration as a result of such aggregation.



## **Item 13    Review of Accounts**

### **INVESTMENT SUPERVISORY SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT**

#### **Winch Advisory Services Management Program**

**REVIEWS:** While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. These accounts are reviewed by Samuel Winch as Chief Compliance Officer and Investment Adviser Representative, and the following Investment Adviser Representatives: Christina Winch, Adam Winch, Tanya Winch, Fred Hubley, Christian Peterson, and Matthew Weyers.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we offer quarterly reports upon request summarizing account performance, balances and holdings.

### **FINANCIAL PLANNING SERVICES/FAMILY OFFICE SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

**REPORTS:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

### **CONSULTING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative.

**REPORTS:** These client accounts will receive reports as contracted for at the inception of the advisory engagement.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian Winch Financial may also provide a written periodic report summarizing account activity and performance.

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

As referenced in Item 12 above, Winch Financial receives an economic benefit from LPL Financial including support services and/or products without cost or at a discount.

There is no corresponding commitment made by Winch Financial to LPL or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

**Transition Assistance**. A conflict of interest also exists between our firm and LPL Financial. In November 2022, LPL provided certain of our advisors with initial transition assistance capital in the form of a seven-year forgivable loan in the amount of approximately \$169,000 to each advisor.

## **CLIENT REFERRALS**

Neither Winch Financial nor our representatives maintain promoter arrangements or pay referral fee compensation to non-employees for new client introductions.

### **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Winch Financial may also provide a written periodic report summarizing account activity and performance. To the extent that we provide clients with periodic account statements or reports, the client is urged to compare any statement or report provided by Winch Financial with the account statements received from the account custodian. The account custodian does not verify the accuracy of our advisory fee calculation.

Our firm does not have actual or constructive custody of client accounts.

### **Item 16 Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- Determine the security to buy or sell; and/or
- Determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may

limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

## **Item 17 Voting Client Securities**

As a matter of firm policy, we do not vote proxies on behalf of individual clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients will receive their proxies or other solicitations directly from their custodian. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

## **Item 18 Financial Information**

Winch Financial has no additional financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement. However, we do accept advisory fees of \$1,200 or more six months or more in advance of delivering advisory services for those clients that have asked us to accommodate them by billing them on an annual or bi-annual basis.

Winch Financial has not been the subject of a bankruptcy petition at any time during the past ten years.

Winch Financial is unaware of any financial condition that is reasonably likely to impair our ability to meet our contractual commitments relating to our discretionary authority over certain client accounts.

**ANY QUESTIONS:** Winch Financial's Chief Compliance Officer, Samuel Winch, remains available to address any questions regarding this Part 2A.