



Main Office

521 5th Ave, 12th Floor
New York, NY 10175
Phone: (212) 953-4951
info@laidlawwm.com
www.laidlawwealthmanagement.com

February 2, 2024

FORM ADV PART 2A DISCLOSURE BROCHURE

This disclosure brochure provides clients with information about the qualifications and business practices of Laidlaw Wealth Management LLC, a registered investment adviser ("LWM"). It describes the services LWM provides as well as background information on those individuals who provide investment advisory services on behalf of LWM. Please contact LWM at (212) 953-4951 or info@laidlawwm.com if you have any questions about the contents of this disclosure brochure.

The information in this disclosure brochure has not been approved or verified by the U.S. Securities and Exchange Commission (SEC) or any state securities authority. Registration does not imply that LWM or any individual providing investment advisory services on behalf of LWM possess a certain level of skill or training. Information on the disciplinary history and the registration of LWM and its associated persons is available on the Internet at www.adviserinfo.sec.gov/IAPD/. You can search this site by a unique identifying number, known as a CRD number. The CRD number for LWM is 150040.

Item 2 – Material Changes

This item discusses specific material changes to the Laidlaw Wealth Management LLC (“LWM”) disclosure brochure. LWM will ensure that clients receive a summary of any material changes to this and subsequent brochures within 120 days of the close of its fiscal year which occurs at the end of the calendar year. LWM may further provide other ongoing disclosure information about material changes as necessary. LWM will also provide clients with a new brochure as necessary based on changes or new information, at any time, without charge.

Since the date of LWM’s last annual filing (February 28, 2023), LWM has made the following material change:

Item 10 – Other Financial Industry Activities and Affiliations

Naples Insurance Strategies, LLC is no longer affiliated with LWM.

Item 3 – Table of Contents

Item 4 - Advisory Business	1
Item 5 - Fees And Compensation	4
Item 6 - Performance-Based Fees and Side-By-Side Management	10
Item 7 - Types of Clients	10
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss	11
Item 9 - Disciplinary History	24
Item 10 - Other Financial Industry Activities and Affiliations	24
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	25
Item 12 - Brokerage Practices	26
Item 13 - Review Of Accounts	30
Item 14 - Client Referrals And Other Compensation	31
Item 15 - Custody	32
Item 16 - Investment Discretion	33
Item 17 - Voting Client Securities	33
Item 18 - Financial Information	34
Item 19 – Additional Information	34

Item 4 - Advisory Business

A. The Company

Laidlaw Wealth Management LLC (“LWM”) (previously Laidlaw Asset Management LLC) is a New York limited liability company formed in June 2008. LWM became registered as an investment adviser with the State of New York in September 2009 and transitioned to registration with the SEC in March 2018.

Laidlaw Holdings, LTD is the sole principal owner of LWM.

LWM has established a network of partner offices that will provide advisory services under local “doing business as” names. A complete list of approved “doing business as” names can be found by searching for Laidlaw Wealth Management, LLC (CRD# 150040) at www.adviserinfo.sec.gov.

The investment advisory services of LWM are provided to clients through an appropriately licensed and qualified individual who is an investment adviser representative of LWM. A client’s investment adviser representative may either be an employee of LWM or an independent contractor.

Investment adviser representatives have the authority, within the parameters set by LWM (as disclosed in Item 5 – Fees and Compensation), to negotiate the investment management, financial planning, and consulting services fees charged. Therefore, it is possible that different investment adviser representatives may charge different fees for providing the same service to clients. The specific level of services the client will receive, the fees the client will be charged and manner of payment will be specified in the client’s advisory services agreement.

Throughout this brochure LWM and its investment adviser representatives may be collectively referred to as “LWM.”

B. Advisory Services

LWM offers the following investment advisory services:

Investment Management Services

LWM offers ongoing investment management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Investment management services include, but are not limited to, the following:

- Asset Allocation – LWM will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each client. LWM will allocate the client's assets among various asset classes based on the client’s risk tolerance. LWM primarily recommends portfolios consisting of no-load, institutional class mutual funds or exchange traded funds in addition to structured products and individual fixed income securities.
- Portfolio Construction – LWM will develop a customized portfolio for the client based on the client’s risk profile and investment guidelines and that is intended to meet the stated goals and objectives of the client.

- Investment Management and Supervision – LWM will provide investment management and ongoing oversight of the client's portfolio and overall account.

Investment management services will be offered on both a discretionary and non-discretionary basis. For those clients for which LWM has discretion, clients will be required to give LWM authority to manage the client's assets in accordance with what LWM deems to be in the client's best interest based on the client's investment objectives and guidelines. Clients will retain individual ownership of all securities in their account.

Financial Planning Services

LWM provides a variety of financial planning services to individuals and families, pursuant to a written financial plan. Financial planning services are offered in several areas of a client's financial situation, depending on their goals, objectives and financial situation. This planning may encompass one or more areas of need, including, but not limited to, investment planning, retirement planning, insurance needs, personal savings, education savings, lending/liabilities planning and/or other areas of a client's financial situation.

A financial plan will usually include general recommendations for a course of activity or specific actions to be taken. For example, recommendations may be made that to start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs. LWM may also refer to an accountant, attorney or other specialist, as appropriate for their unique situation. For certain financial planning engagements, LWM will provide a written summary of client's financial situation, observations, and recommendations. Plans are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

Should a client choose to implement the financial planning recommendations contained in the plan, LWM may recommend its own services or that of other professionals (*i.e.*, attorney, accountant, and/or insurance agent). Clients are advised that a conflict of interest exists if LWM recommends its own services or that of an affiliated entity. The client is under no obligation to act upon any of the recommendations made by LWM under a financial planning engagement and/or engage the services of any such recommended professional, including LWM or any of its related persons. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of LWM's recommendations.

Consulting Services

Clients can also receive financial advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, reviewing a client's existing portfolio, or any other specific topic. LWM also provides specific consultation and administrative services regarding investment and financial concerns of the client. Additionally, LWM provides advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, insurance and/or annuity advice.

For consulting engagements, LWM generally does not provide a written summary. Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. The client is under no obligation to act upon any of the recommendations made by LWM or engage the services of any such recommended professional, including LWM or any of its related persons. Clients are advised that a conflict of interest exists if LWM recommends its own services or that of an affiliated entity. The

client retains absolute discretion over all such implementation decisions and is free to accept or reject any of LWM's recommendations.

Independent Money Managers

LWM may also recommend that certain clients delegate the active discretionary management of a portion of their assets to unaffiliated, independent money managers. Clients will invest directly with the independent money manager. The terms and conditions under which the client shall engage the independent money manager is set forth in a written agreement between the client, LWM and the designated independent money manager. LWM shall continue to render advisory services to the client relative to the ongoing monitoring and review of account performance.

Factors that LWM will consider in recommending an independent money manager include the client's stated investment objective(s) and the management style, performance, reputation, financial strength, reporting and fee schedule of the independent money manager. LWM will verify that all recommended independent money managers are properly licensed, notice filed, or exempt in the states where LWM is recommending the independent money manager to clients. In addition to LWM's firm brochure, the client shall also receive a copy of the designated independent money manager's firm brochure.

Pontera (formerly FeeX)

LWM is engaged with Pontera (formerly FeeX), an unaffiliated entity, to offer service to our clients. Pontera is the third-party service provider whereby LWM provides an additional service for accounts not directly held with LWM's recommended custodian; but where LWM's team has discretion and leverages an Order Management System to implement asset allocation or rebalancing strategies on behalf of the client. These are primarily 401(k) accounts, 403(b) accounts, 529 plans, variable annuities, and other assets not held with the recommended custodian. LWM, through its investment adviser representatives, regularly reviews the current holdings and available investment options in these accounts, monitors the account, rebalances, and implements LWM's strategies, in the same way LWM does other accounts, though using different tools as necessary.

The platform allows LWM to avoid being considered to have custody of Client funds since LWM does not have direct access to client log-in credentials to affect trades. LWM is not affiliated with Pontera in any way and receives no compensation from Pontera for using its platform. Pontera charges LWM 25 bps for each managed account. Clients do not pay any additional fee to Pontera or to LWM in connection with platform participation. A link will be provided to the client, allowing them to connect an account(s) to the platform. Once the client account(s) is connected to the platform, LWM will review the current account allocations and investment options. When deemed necessary, LWM will rebalance the account considering the client's investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. The client's account(s) will be reviewed at least quarterly, and allocation changes will be made as deemed necessary.

Investment management fees are generally directly debited on a pro-rata basis from client accounts. The exception for this is directly-managed held-away accounts, such as 401(k)s. As it is impossible to directly debit the fees from these accounts, those fees will be assigned to the client's taxable accounts on a pro-rata basis. If the client does not have a taxable account, those fees will be billed directly to the client.

C. Client Tailored Services and Client Imposed Restrictions

LWM's investment management services are tailored to meet the specific needs of each client. In order to provide appropriately individualized services, LWM will work with the client to obtain information regarding the client's financial circumstances, investment objectives, overall financial condition, income and tax status, personal and business assets, risk profile and other information regarding the client's financial and investment needs.

At least annually, LWM will review with clients their financial circumstances, investment objectives and risk profile. In order for LWM to provide effective investment management services, it is critical that clients provide accurate and complete information to LWM and inform LWM anytime such information needs to be updated or anytime there is a change in their financial circumstances, investment objectives and/or risk profile.

Generally, clients are permitted to impose reasonable restrictions on investing in certain securities or types of securities in their advisory accounts, provided, however, that some restrictions may not be accommodated when utilizing exchange traded funds, mutual funds or with respect to certain independent money managers. In addition, a restriction request may not be honored if it is fundamentally inconsistent with LWM's investment philosophy, runs counter to the client's stated investment objectives, or would prevent LWM from properly servicing client accounts. Whether clients will be able to place reasonable restrictions on the types of investments which will be made on the client's behalf is at the sole discretion of LWM.

D. Wrap Fee Programs

LWM does not manage or place client assets into wrap fee programs (*i.e.*, programs that offer services for one, all-inclusive fee).

E. Assets Under Management

As of December 31, 2023, LWM had a total of \$530,409,798 in assets under management, of which \$522,301,165 were discretionary assets under management and \$8,108,633 non-discretionary assets under management.

Item 5 - Fees And Compensation

A. Advisory Fees

This section details the fee structure and compensation methodology for LWM's investment advisory services. Each client will sign the appropriate type of investment advisory agreement (*i.e.*, either an investment management, financial planning, consulting services or independent money manager agreement) that details the responsibilities of LWM to the client as well as the fees to be paid.

Investment Management Services

Fees for investment management services (the "Management Fee") are paid monthly in advance pursuant to the specific terms of the client's investment management agreement. The Management Fee is based on the average daily balance of assets under management for the preceding month. The annual Management Fee will not exceed 2.5% of assets under

management. The specific Management Fee to be paid and the terms of such payment by a particular client is set forth in that client's investment management agreement.

Financial Planning and Consulting Services

LWM offers the following fee options for financial planning and consulting services:

- **Hourly Engagement.** Client will pay LWM an hourly fee between \$150 and \$300 per hour. For hourly engagements, this arrangement shall continue in effect until the earlier of (i) LWM's delivery of the financial planning or consulting services to client or (ii) termination of the financial planning or consulting services agreement by either party.
- **Fixed Fee Engagement.** Client will pay LWM a fixed fee ranging from \$300 to \$3,000. For fixed fee engagements, this arrangement shall continue in effect until the earlier of (i) LWM's delivery of the financial planning or consulting services to client or (ii) termination of the financial planning or consulting services agreement by either party.
- **Ongoing Fixed Fee Retainer.** Client will pay LWM an annual financial planning or consulting services fee ranging from \$300 to \$3,000 each year. For annual fixed fee retainer engagements, the arrangement will automatically renew on an annual basis until terminated by either party.

The specific fees charged shall depend on the nature and complexity of each client's circumstances and will be set forth in the financial planning or consulting services agreement.

Independent Money Managers

LWM will be compensated via a fee share from the independent money managers to which it directs clients.

Each independent money manager used involves different custodial, administrative, and fee arrangements, and may require certain minimum initial account investments. These fees and expenses are described in each independent money manager's firm brochure. These fees will generally include a management fee and possible other fees. The actual management fees may be higher or lower for specific independent money manager employing similar strategies.

In certain circumstances, a client could invest with an independent money manager directly, without the services of LWM. In that case, the client would not receive the services provided by LWM which are designed, among other things, to assist the client in determining which independent money managers are most appropriate to the client's financial condition and objectives.

B. Payment Method

Investment Management Services

The Management Fees will be automatically deducted from the client's account by the client's custodian (the "Custodian") in advance (as set forth in the client's investment management agreement). LWM shall send an invoice to the Custodian indicating the

amount of the Management Fees to be deducted from the client's account at the respective month's beginning date. The amount due is calculated on a monthly basis based on the client's average daily account balance of the total assets under management with LWM for the preceding month. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the applicable Management Fee. It is the responsibility of the client to verify the accuracy of these fees as listed on the Custodian's brokerage statement as the Custodian does not assume this responsibility.

Clients provide written authorization permitting LWM to be paid directly from their accounts held by the Custodian as part of the investment management agreement and separate account forms provided by the Custodian.

Financial Planning and Consulting Services

Hourly engagement fees for financial planning and/or consulting services are paid monthly in arrears. For hourly engagement, an estimate for total hours will be determined prior to the beginning of the engagement. For fixed-fee engagements, clients will pay 50% of the fixed fee in advance with the balance due upon completion of the service.

Independent Money Managers

The timing, frequency, and method of paying fees for selection of the independent money managers will depend on the specific independent money manager selected and will be disclosed to the client prior to entering into a relationship with such money manager.

C. Additional Information

Fees Negotiable

LWM retains the right to modify fees in its sole and absolute discretion, on a client-by-client basis. Factors considered include the complexity and nature of the advisory services provided, anticipated amount of assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, and account composition. LWM may combine related household accounts for fee calculation purposes.

Prior Fee Arrangements

Prior to December 5, 2022, LWM calculated its Management Fee using a quarter-end valuation.

Mutual Fund Fees and Exchange Traded Funds

All fees paid to LWM for investment advisory services are separate and distinct from the expenses charged by mutual funds and exchange-traded funds ("ETFs") to their shareholders, if applicable. These fees and expenses are described in each fund's or ETF's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A client could invest in these products directly, without the services of LWM, but would not receive the services provided by LWM which are designed, among other things, to (i) assist the client in determining which products or services are most appropriate to each client's financial situation and objectives and (ii) determining when such buying or selling is appropriate. Accordingly, the client should

review both the fees charged by the fund[s] and/or ETFs and the fees charged by LWM to fully understand the total amount of fees to be paid by the client.

Miscellaneous Expenses

The Management Fee does not include certain other charges and expenses, including (a) brokerage charges, which are paid on a transactional basis, (b) dealer mark-ups or mark-downs on securities purchased or sold for an account through third-party dealers and (c) taxes. Please see Item 12 – Brokerage Practices - for detailed information about LWM's brokerage practices.

Professional Fees

Fees do not include the services of any co-fiduciaries, accountants, or attorneys. Accordingly, the fees of any additional professionals engaged by a client will be billed directly by such professional(s).

D. Termination and Refunds

Investment Management Services

LWM is compensated for its investment management services in advance for the month in which the services are rendered. Clients may request to terminate their investment management agreement with LWM, in whole or in part, upon written notice. The client will be responsible for Management Fees up to and including the effective date of termination. Upon termination, LWM will refund any unearned, prepaid Management Fees on a pro-rata basis from the effective date of termination. For all asset-based Management Fees paid in advance, the amount of the Management Fee refunded will be equal to the balance of the Management Fees collected in advance minus the daily rate* times the number of days elapsed in the billing period up to and including the day of effective termination. (*The daily rate is calculated by dividing the annual asset-based Management Fee by 365.) Refunds for Management Fees paid in advance will be returned within sixty (60) days of notification of termination to the client via check to the client's address of record or return deposit back into the client's account.

Financial Planning and Consulting Services

In the event that a client should wish to cancel the financial planning or consulting services engagement under which any plan is being created or recommendation offered, the client shall be billed for actual hours logged on the planning project times the agreed upon hourly rate or in the case of an initial planning/consulting fee, the percentage of the engagement scope completed by LWM. Either party may terminate a financial planning or consulting services agreement at any time by providing written notice to the other party.

Independent Money Manager Services

Clients should review the disclosure brochure and investment advisory agreement of each independent money manager used for such money manager's termination and advisory fee refund provisions.

E. Additional Compensation

Registered Representatives

While LWM itself does not sell securities products to its investment advisory clients, LWM does permit certain persons that provide investment advice on behalf of LWM, in their individual capacities as registered representatives of both affiliated and non-affiliated broker-dealers, to sell securities and insurance products to its clients. In the event a client desires, the client can engage these related persons (but not LWM itself) to provide securities brokerage services under a commission arrangement. Under this arrangement, the client may implement securities transactions through these related persons in their respective capacities as registered representatives of these broker-dealers. Clients are free, however, to implement investment recommendations through any broker-dealer that they choose. The receipt of commissions for recommended products could represent an incentive for these individuals to recommend products that pay a commission over other products, therefore creating a conflict of interest. Additionally, if a client implements the recommendation through these individuals, the client may be limited to those products or services available through such broker-dealers. Prior to effecting any transactions, a client will be required to enter into a separate account agreement with the broker-dealer.

Commissions earned may be higher or lower at these broker dealers than other broker-dealers. Notwithstanding the fact that these individuals are registered representatives of such broker-dealers, each LWM investment adviser representative is solely responsible for the investment advice rendered. LWM's advisory services are provided separately and independently of these broker-dealers.

In addition, certain related persons, may also receive additional ongoing 12b-1 fees for clients' mutual fund purchases from the mutual fund company during the period that the client maintains the mutual fund investment.

Please see Item 10 – Financial Industry Activities and Affiliations – for more detailed information on these relationships.

Insurance Agents

Certain persons providing investment advice on behalf of LWM are also licensed as insurance agents with non-affiliated, insurance brokers. These related persons will earn commission-based compensation for selling insurance products, including insurance products they sell to clients. Insurance commissions earned by these related persons are separate and in addition to LWM's advisory fees. While these individuals endeavor at all times to put the interest of the clients first as part of their and LWM's fiduciary duty, clients should be aware that this practice presents a conflict of interest because individuals providing investment advice on behalf of LWM who are also insurance agents have an incentive to recommend insurance products to clients for the purpose of generating commissions, rather than solely based on client needs. However, clients are under no obligation, contractually or otherwise, to purchase insurance products through any individual or firm affiliated with LWM.

Please see Item 10 – Financial Industry Activities and Affiliations – for more detailed information on these relationships.

Trust Services

Certain persons providing investment advice on behalf of LWM may also act as trustees on certain client accounts that are organized as trusts. Because these individuals will be compensated for such services and because such services are being provided to clients of LWM, a conflict of interest does exist. LWM has enacted policies and procedures to mitigate any potential conflict of interest. In addition, all accounts where an individual associated with LWM also acts as a trustee for that client account, will be subject to a surprise examination by a public accounting firm subject to the rules of the Public Company Accounting Oversight Board ("PCAOB") in accordance with Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended.

IRA Rollover Considerations

As part of LWM's investment advisory services to you, LWM may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that LWM will manage on your behalf. If you elect to roll the assets to an IRA that is subject to LWM's management, LWM will charge you an asset based fee as set forth in the agreement you executed with LWM. This practice presents a conflict of interest because persons providing investment advice on LWM behalf have an incentive to recommend a rollover to you for the purpose of generating fee based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by LWM.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of each.

An employee will typically have four options:

1. Leaving the funds in your employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan.
3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for LWM to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
 - a) Employer retirement plans generally have a more limited investment menu than IRAs.
 - b) Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.

2. Your current plan may have lower fees than our fees.
 - a) If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
 - b) You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. LWM's strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 70.5.
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
10. Your plan may allow you to hire LWM as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you.

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

LWM does not accept performance-based fees or engage in side-by-side management.

Item 7 - Types of Clients

A. Clients

LWM may offer investment advisory services to individuals, including high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

B. Engaging the Services of LWM

All clients wishing to engage LWM for advisory services must enter into the applicable advisory agreement with LWM as well as any other document or questionnaire provided by LWM. The advisory agreement describes the services and responsibilities LWM to the client. It also outlines LWM's advisory fees in detail. In addition, clients must complete certain broker-dealer/custodial documentation. Upon completion of these documents, LWM will be considered engaged by the client.

Each client engagement will entail some level of review of the client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a client's account. LWM shall rely on the financial and other information provided by the client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the client to inform LWM of any changes in financial condition, goals or other factors that may affect this analysis.

C. Conditions for Managing Accounts

As a condition for starting and maintaining a relationship, LWM imposes a minimum portfolio size of \$25,000. LWM, in its sole discretion, may accept clients with smaller portfolios based upon certain criteria including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and *pro bono* activities. LWM will only accept clients with less than the minimum portfolio size if, in the sole opinion of LWM, the smaller portfolio size will not cause a substantial increase of investment risk beyond the client's identified risk tolerance. LWM may aggregate the portfolios of family members to meet the minimum portfolio size.

Third-party money managers used by LWM may have different minimum account sizes than does LWM. Please consult the specific third-party manager's disclosure documents or investment advisory agreements for any account size minimum requirements.

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

A. Methods of Analysis and Investment Strategies

Methods of Analysis

The security analysis methods that may be used by LWM and its investment adviser representatives include Modern Portfolio Theory, fundamental analysis, technical analysis, mutual fund and/or ETF analysis and independent money manager analysis.

Modern Portfolio Theory

Modern Portfolio Theory is a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets. Modern Portfolio Theory assume that investors are risk adverse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns.

Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better-expected returns.

Fundamental Analysis

Fundamental analysis is a method of evaluating securities by attempting to measure the intrinsic value of a stock. Fundamental analysts study the overall economy and industry conditions, the financial condition of a company, details regarding the company's product line, and the experience and expertise of the company's management. The resulting data is used to measure the true value of the company's stock compared to the current market value.

Technical Analysis

Technical analysis involves the examination of past market data rather than specific company data in determining which securities to buy/sell. Technical analysis may involve the use of various quantitative-based calculations, variation metrics and charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of a company. These trends may include put/call ratios, pricing trends, moving averages, volume, changes in volume, among many others. These trends, both short and long-term, are used for determining specific trade entry and exit points and broad economic analysis.

Mutual Fund and ETF Analysis

Mutual Fund and ETF analysis looks at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest successfully over a period of time and in different economic conditions. It also includes looking at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in a client's portfolio. The mutual funds and ETFs are also monitored in an attempt to determine if they are continuing to follow their stated investment strategy.

Independent Money Manager Analysis

Independent money manager analysis examines the experience, expertise, investment philosophies and past performance of independent money managers in an attempt to determine if those managers have demonstrated an ability to invest successfully over a period of time and in different economic conditions. It includes monitoring the manager's underlying holdings, strategies, concentrations and leverage as part of an overall risk assessment.

Investment Strategies

LWM will use all or some of 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

Securities are purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Short-Term Purchases

Securities are purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Trading

Securities are purchased with the expectation that they will be sold within a very short period of time, generally less than 30 days, in an effort to capture significant market gains and avoid significant market losses during a volatile market.

Short Sales

A securities transaction in which an investor sells borrowed securities in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future. A short seller will profit if the stock goes down in price.

Margin Transactions

A securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.

Option Writing

An option is the right, but not the obligation, to buy or sell a particular security at a specified price before the expiration date of the option. An investment strategy utilizing option writing involves selling (writing) an option. When an investor sells (writes) an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller receives from the buyer a premium (the market price of the option at a particular time) in exchange for writing the option.

Sources of Information

In conducting its securities analysis, LWM may utilize all or some of the following sources of information: financial newspapers and magazines, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the U.S. Securities and Exchange Commission, data services, and company press releases.

Types of Investments

Investment advice may be offered on any investments held by a client at the start of the advisory relationship. Recommendations for new investments will typically include domestic and foreign equity securities, exchange traded funds (ETFs), rights and warrants, corporate debt securities, fixed-income securities, commercial paper and certificates of deposit, federal agency securities, municipal bonds, high yield securities, options, private equity, mutual funds, alternative investments (i.e., hedge funds), real estate investment trusts (REITS) and various types of private investments.

Investing Involves Risk

Investing in securities involves risk of loss that each client should be prepared to bear. The value of a client's investment may be affected by one or more of the following risks, any of which could cause a client's portfolio return, the price of the portfolio's shares or the portfolio's yield to fluctuate:

- *Market Risk.* The value of portfolio assets will fluctuate as the stock or bond market fluctuates. The value of investments may decline, sometimes rapidly and unpredictably, simply because of economic changes or other events that affect large portions of the market.
- *Interest Rate Risk.* Changes in interest rates will affect the value of a portfolio's investments in fixed-income securities. When interest rates rise, the value of investments in fixed-income securities tend to fall and this decrease in value may not be offset by higher income from new investments. Interest rate risk is generally greater for fixed-income securities with longer maturities or durations.
- *Credit Risk.* An issuer or guarantor of a fixed-income security, or the counterparty to a derivatives or other contract, may be unable or unwilling to make timely payments of interest or principal, or to otherwise honor its obligations. The issuer or guarantor may default causing a loss of the full principal amount of a security. The degree of risk for a particular security may be reflected in its credit rating. There is the possibility that the credit rating of a fixed-income security may be downgraded after purchase, which may adversely affect the value of the security. Investments in fixed-income securities with lower ratings tend to have a higher probability that an issuer will default or fail to meet its payment obligations.
- *Allocation Risk.* The allocation of investments among different asset classes may have a significant effect on portfolio value when one of these asset classes is performing more poorly than the others. As investments will be periodically reallocated, there will be transaction costs which may be, over time, significant. In addition, there is a risk that certain asset allocation decisions may not achieve the desired results and, as a result, a client's portfolio may incur significant losses.
- *Foreign (Non-U.S.) Risk.* A portfolio's investments in securities of non-U.S. issuers may involve more risk than those of U.S. issuers. These securities may fluctuate more widely in price and may be less liquid due to adverse market, economic, political, regulatory or other factors.
- *Emerging Markets Risk.* Securities of companies in emerging markets may be more volatile than those of companies in developed markets. By definition, markets, economies and government institutions are generally less developed in emerging market countries. Investment in securities of companies in emerging markets may entail special risks relating to the potential for social instability and the risks of expropriation, nationalization or confiscation. Investors may also face the imposition of restrictions on foreign investment or the repatriation of capital and a lack of hedging instruments.
- *Currency Risk.* Fluctuations in currency exchange rates may negatively affect the value of a portfolio's investments or reduce its returns.
- *Derivatives Risk.* Certain strategies involve the use of derivatives to create market exposure. Derivatives may be illiquid, difficult to price and leveraged so that small changes may produce disproportionate losses for a client's portfolio and may be subject to counterparty risk to a greater degree than more traditional investments.

Because of their complex nature, some derivatives may not perform as intended. As a result, a portfolio may not realize the anticipated benefits from a derivative it holds or it may realize losses. Derivative transactions may create investment leverage, which may increase a portfolio's volatility and may require the portfolio to liquidate portfolio securities when it may not be advantageous to do so.

- *Capitalization Risk.* Investments in small- and mid-capitalization companies may be more volatile than investments in large-capitalization companies. Investments in small-capitalization companies may have additional risks because these companies have limited product lines, markets or financial resources.
- *Liquidity Risk.* Liquidity risk exists when particular investments are difficult to purchase or sell, possibly preventing an investment manager from selling out of such illiquid securities at an advantageous price. Derivatives and securities involving substantial market and credit risk also tend to involve greater liquidity risk.
- *Issuer Specific Risk.* The value of an equity security or debt obligation may decline in response to developments affecting the specific issuer of the security or obligation, even if the overall industry or economy is unaffected. These developments may comprise a variety of factors, including, but not limited to, management issues or other corporate disruption, political factors adversely affecting governmental issuers, a decline in revenues or profitability, an increase in costs, or an adverse effect on the issuer's competitive position.
- *Reinvestment Risk.* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Concentrated Portfolios Risk.* Certain investment strategies focus on particular asset classes, countries, regions, industries, sectors or types of investments. Concentrated portfolios are an aggressive and highly volatile approach to trading and investing. Concentrated portfolios hold fewer different stocks than a diversified portfolio and are much more likely to experience sudden dramatic prices swings. In addition, the rise or drop in price of any given holding is likely to have a larger impact on portfolio performance than a more broadly diversified portfolio.
- *Legal or Legislative Risk.* Legislative changes or court rulings may impact the value of investments or the securities' claim on the issuer's assets and finances.
- *Infrastructure Risks.* Infrastructure-related investments are subject to a number of unique risks. These investments may be concentrated into a small number of projects, resulting in a high degree of risk with respect to each project. Further, these investments are often subject to foreign and emerging market risks.
- *Socially Responsible Investing.* Investments may focus on "low carbon" or other areas of socially responsible investing. This investment category represents a relatively new area of investment with a relatively limited performance track record. Due to the consideration of non-monetary factors in investment decisions, these investments may experience a lower rate of return. There may be a relatively limited number of investments to consider in this investment category, and available investments may be subject to increased competition.
- *Large Investment Risks.* Clients may collectively account for a large portion of the assets in certain investments. A decision by many investors to buy or sell some or all of a particular investment where clients hold a significant portion of that investment may negatively impact the value of that the investment.

- Cybersecurity Risk.* The information and technology systems of LWM and its affiliates, as well as of key service providers, including third-party vendors, central agents, exchanges, clearing houses, and other financial institutions (including the custodian), are vulnerable to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks may cause losses to clients by interfering with the processing of transactions, affecting the ability to calculate net asset value or impeding or sabotaging trading. Clients may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose LWM to civil liability as well as regulatory inquiry and/or action. In addition, clients could be exposed to additional losses as a result of unauthorized use of their personal information. While LWM has established business continuity plans, incident responses plans and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cybersecurity risks also are present for issuers of securities in which LWM invests, which could result in material adverse consequences for such issuers, and may cause a client's investment in such securities to lose value.
- Limitations of Disclosure.* The foregoing list of risks does not purport to be a complete enumeration or explanation of the risks involved in investing in investments. As investment strategies develop and change over time, clients may be subject to additional and different risk factors. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.

B. Risks Associated with Investment Strategies and Methods of Analysis

Risks Associated with Investment Strategies

Long-Term Purchases

Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that the client is invested in or the client's particular investments will decrease in value even if the overall financial markets advance. Purchasing investments long-term may also create an opportunity cost (e.g., "locking-up" assets that may be better utilized in the short-term in other investments).

Short-Term Purchases

Using a short-term purchase strategy generally assumes that the performance of the financial markets can be accurately predicted over the short-term. The risk associated with a short-term purchase strategy is that there are many factors that may affect market performance in the short-term including interest rate fluctuations, cyclical earnings, etc. Such factors may have a smaller impact over the longer-term. In addition, short-term trading may incur a disproportionately higher amount of transaction costs compared to long-term trading.

Trading

Strategies involving frequent trading of securities can affect investment performance through increased brokerage and other transaction costs and taxes.

Short Sales

Short selling is very risky. The primary risk associated with selling a security that was borrowed in anticipation of a price decline is that if the price of those borrowed shares *increases*, the potential losses are *unlimited*.

Margin Transactions

When buying stocks on margin, you are employing leverage as an investing strategy. Leverage allows an investor to extend their financial reach by investing using borrowed funds while limiting the amount of their own cash they expend. This can involve a high degree of risk, including, but not limited to:

- Losing more money than you have invested;
- Paying interest on your loan;
- Being required to deposit additional cash or securities in your account on short notice to cover market losses;
- Being forced to sell some or all of your securities when falling stock prices reduce the value of your securities; and/or
- Having your brokerage firm sell some or all of your securities without consulting you to pay off the loan it made to you.

Option Writing

There are numerous risks associated with transactions in options on securities or securities indexes and therefore, are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss of principal. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events. For example, as the writer of covered call options, the client forgoes, during the option's life, the opportunity to profit from increases in the market value of the underlying security or the index above the sum of the option premium received and the exercise price of the call, but has retained the risk of loss, minus the option premium received, should the price of the underlying security decline. In the case of index options, the client incurs basis risk between the performance of the underlying portfolio and the performance of the underlying index (e.g., the underlying portfolio may decline in value while the underlying index may increase in value, resulting in a loss on the call option while the underlying portfolio declines as well).

Risk Associated with Methods of Analysis

The analysis of securities requires subjective assessments and decision-making by experienced investment professionals, however, there is always the risk of an error in judgment. LWM's securities analysis methods rely on the assumption that the companies whose securities LWM purchases and sells, the rating agencies that review these securities,

and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While LWM is alert to indications that data may be incorrect, there is always the risk that LWM's analysis may be compromised by inaccurate or misleading information.

Modern Portfolio Theory

The primary inherent risk in using the Modern Portfolio Theory is the fact that theory is built on the assumption that over time, historic relationships between investments remain relatively consistent. If a fundamental shift in relationships among the various asset classes/sectors should occur, historical data will no longer accurately represent what can be expected going forward. More volatility can occur if these relationships prove to be incorrect or (for a time) are inconsistent. If asset class relationships do shift, short-term greater than anticipated declines in the value of portfolios can be seen - which can at times be dramatic. As a result, the Modern Portfolio Theory investment philosophy is best suited for investors who desire a buy and hold strategy for a substantial portion of their funds with a long-term investment time horizon.

Fundamental Analysis

Fundamental analysis, when used in isolation, has a number of risks:

- Information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.
- The data used may be out of date.
- It ignores the influence of random events such as oil spills, product defects being exposed, acts of God and so on.
- It assumes that there is no monopolistic power over markets.
- The market may fail to reach expectations of perceived value.

Technical Analysis

The primary risk in using technical analysis is that spotting historical trends may not help predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that LWM will be able to accurately predict such a reoccurrence.

Mutual Fund and ETF Analysis

A risk of mutual fund and ETF analysis is that the past performance of the mutual fund or ETF does not guarantee future results. In addition, LWM's subjective judgment may prove incorrect.

Independent Money Manager Analysis

A risk of independent money manager analysis is that the past performance of the independent money manager does not guarantee future results. In addition, LWM's subjective judgment may prove incorrect.

C. Risks Associated with Specific Securities Utilized

Common Stocks

The major risks associated with investing in common stocks relate to the issuer's capitalization, quality of the issuer's management, quality and cost of the issuer's services, the issuer's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk and the issuer's ability to create shareholder value (i.e., increase the value of the company's stock price).

Preferred Stocks

Preferred stock dividends are generally fixed in advance. Unlike requirements to pay interest on certain types of debt securities, the company that issues preferred stock may not be required to pay a dividend and may stop paying the dividend at any time. Preferred stock may also be subject to mandatory redemption provisions and an issuer may repurchase these securities at prices that are below the price at which they were purchased by the investor. Under these circumstances, a client account holding such preferred securities could lose money.

Convertible Stocks

The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value."

The investment value of a convertible security is influenced by changes in interest rates, the credit standing of the issuer and other factors. The conversion value of a convertible security is determined by the market price of the underlying common stock. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. A convertible security will generally be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible is called for redemption, a client will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Any of these actions could have an adverse effect on a client's ability to achieve their investment objective.

Warrants and Rights

Warrants are securities, typically issued with preferred stocks or bonds, that give the holder the right to purchase a given number of shares of common stock at a specified price and time. The price of a warrant usually represents a premium over the applicable market value of the common stock at the time of the warrant's issuance. Warrants have no voting rights with respect to the common stock, receive no dividends and have no rights with respect to the assets of the issuer.

Investments in warrants and rights involve certain risks, including the possible lack of a liquid market for the resale of the warrants and rights, potential price fluctuations due to adverse market conditions or other factors and failure of the price of the common stock to rise. If the warrant is not exercised within the specified time period, it becomes worthless.

Fixed-Income Securities

Different forms of fixed-income instruments, such as bonds, money market funds, and certificates of deposit may be affected by various forms of risk, including:

- *Interest Rate Risk.* The risk that the value of the fixed-income holding will decrease because of an increase in interest rates.
- *Liquidity Risk.* The inability to readily buy or sell an investment for a price close to the true underlying value of the asset due to a lack of buyers or sellers. While certain types of fixed-income securities are generally liquid (e.g., corporate bonds), there are risks which may occur such as when an issue trading in any given period does not readily support buys and sells at an efficient price. Conversely, when trading volume is high, there is also the risk of not being able to purchase a particular issue at the desired price.
- *Credit Risk.* The potential risk that an issuer would be unable to pay scheduled interest or repay principal at maturity, sometimes referred to as “default risk.” Credit risk may also occur when an issuer’s ability to make payments of principal and interest when due is interrupted. This may result in a negative impact on all forms of debt instruments.
- *Reinvestment Risk.* With declining interest rates, investors may have to reinvest income or principal at a lower rate.
- *Duration Risk.* Duration is a measure of a bond’s volatility, expressed in years to be repaid by its internal cash flow (interest payments). Bonds with longer durations carry more risk and have higher price volatility than bonds with shorter durations.

High-Yield Securities

High-yield corporate debt securities with credit rating below investment grade (commonly referred to a “junk bonds”) may be subject to potentially higher risks of default and volatility than other debt securities, including risks that the issuer may not be able to meet its obligations to repay principal or interest. These types of debt securities are more susceptible to credit risk than investment grade securities and are considered to be more speculative in nature than higher-quality fixed-income securities. In addition, issuers of high-yield securities may not be as strong financially as those issuing debt securities with higher credit ratings.

Municipal Bonds

In addition to the risks set forth under “Fixed-Income Securities” above, municipal bonds are susceptible to events in the municipality that issued the bond or the security posted for the bond. These events may include economic or political policy changes, changes in law, tax base erosion, state constitutional limits on tax increases, budget deficits or other financial difficulties and changes in the credit rating assigned to municipal issues.

Commercial Paper and Certificates of Deposit

Commercial Paper and Certificates of Deposit are generally considered safe instruments, although they are subject to the level of general interest rates, the credit quality of the issuing bank and the length of maturity. With respect to certificates of deposit, depending on the length of maturity, there can be prepayment penalties if the client needs to convert the certificate of deposit to cash prior to maturity.

Federal Agency Securities

Although the issuer may be chartered or sponsored by an Act of Congress, the issuer is not funded by Congressional appropriations and its debt and equity securities are neither guaranteed nor insured by the U.S. Government. Without a more explicit commitment, there can be no assurance that the U.S. Government will provide financial support to such issuers or their securities.

Exchange Traded Funds (ETFs)

An ETF holds a portfolio of securities designed to track a particular market segment or index. Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV.

ETFs are subject to risks similar to those of stocks. Investment returns will fluctuate and are subject to market volatility, so that when shares are sold they may be worth more or less than their original cost. ETF shares are bought and sold at market price (not Net Asset Value) and are not individually redeemed from the fund. There is also the risk that a manager may deviate from the stated investment mandate or strategy of the ETF which could make the holdings less suitable for a client's portfolio. ETFs may also carry additional expenses based on their share of operating expenses and certain brokerage fees, which may result in the potential duplication of certain fees. In addition, while many ETFs are known for their potential tax efficiency and higher "qualified dividend income" (QDI) percentages, there are asset classes within these ETFs or holding periods that may not benefit. Shorter holding periods, as well as commodities and currencies that may be part of an ETF's portfolio, may be considered "non-qualified" under certain tax code provisions.

There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Mutual Funds - Equity Funds

The major risks associated with investing in equity mutual funds is similar to the risks associated with investing directly in equity securities, including market risk, which is the risk that investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Other risks include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification and the type and amount of sector diversification within specific industries.

In addition, there is the risk that a manager may deviate from the stated investment mandate or strategy of the mutual fund which could make the holdings less suitable for a client's portfolio. Also, mutual funds tend to be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold their shares in the fund. Mutual funds may also carry additional expenses based on their share of operating

expenses and certain brokerage fees, which may result in the potential duplication of certain fees.

Mutual Funds - Fixed-Income Funds

In addition to the risks associated with investing in equity mutual funds, fixed-income mutual funds also have the same risks as set forth under “Fixed-Income Securities” listed above.

Mutual Funds - Index Funds

Index Funds have the potential to be affected by “tracking error risk” which means a deviation from a stated benchmark index. Since the core of a portfolio may attempt to closely replicate a benchmark, the source of the tracking error (deviation) may come from a “sample index” that may not closely align the benchmark. In addition, while many index mutual funds are known for their potential tax efficiency and higher “qualified dividend income” (QDI) percentages, there are assets classes within these funds or holding periods that may not benefit. Shorter holding periods, as well as commodities and currencies that may be part of a fund’s portfolio, may be considered “non-qualified” under certain tax code provisions.

Alternative Investments

The performance of alternative investments (e.g., commodities, futures, hedge funds; funds of hedge funds, private equity or other types of limited partnerships) can be volatile. Alternative investments generally involve various risk factors and liquidity constraints, a complete discussion of which is set forth in the offering documents of each specific alternative investment. Due to the speculative nature of alternative investments a client must satisfy certain income or net worth standards prior to investing.

Real Estate Related Securities

Investing in real estate related securities includes, among others, the following risks: possible declines in the value of real estate; risks related to general and local economic conditions, including increases in the rate of inflation, possible lack of availability of mortgage funds, overbuilding, extending vacancies of properties, increases in competition, property taxes and operating expenses, changes in zoning laws, costs resulting from clean up of, and liability to third-parties for damages resulting from, environmental problems, casualty and condemnation losses, uninsured damages from floods, earthquakes or other natural disasters, limitations on and variations in rents and changes in interest rates. Investing in Real Estate Investment Trusts (“REITs”) involves certain unique risks in addition to those risks associated with investing in real estate in general. REITs are dependent upon the skills of management, are not diversified and are subject to cash flow dependency, default by borrowers and self-liquidation.

Options

There are numerous risks associated with transactions in options on securities or securities indexes. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events. As the writer of covered call options, the client forgoes, during the option’s life, the opportunity to profit from increases in the market value of the underlying security or the index above the sum of the option premium received and the exercise price of the call, but has retained the risk of loss, minus the option premium

received, should the price of the underlying security decline. In the case of index options, the client incurs basis risk between the performance of the underlying portfolio and the performance of the underlying index. For example, the underlying portfolio may decline in value while the underlying index may increase in value, resulting in a loss on the call option while the underlying portfolio declines as well.

Private Equity Funds

Private Equity Funds may be affected by various forms of risk, including:

- *Long-term Investment.* Unlike mutual funds, which generally invest in publicly traded securities that are relatively liquid, private equity funds generally invest in large amounts of illiquid securities from private companies. Depending on the strategy used, private real estate funds will have illiquid underlying investments that may not be easily sold, and investors may have to wait for improvements or development before any redemption. Given the illiquid nature of the underlying purchases made by private equity and private real estate managers, private equity and private real estate funds are considered long-term investments. Private equity funds are generally set up as 10- to 15-year investments with little or no provision for investor redemptions. Private real estate funds are generally seven- to ten-year investments and also have limited provisions for redemptions. With long-term investments, clients should consider their financial ability to bear large fluctuations in value and hold these investments over a number of years.
- *Difficult Valuation Assessment.* The portfolio holdings in private equity and private real estate funds may be difficult to value, because they are not usually quoted or traded on any financial market or exchange. As such, no easily available market prices for most of a fund's holdings are available. Additionally, it may be hard to quantify the impact a manager has had on underlying investments until those investments are sold.
- *Lack of Liquidity.* Private equity and private real estate funds are not "liquid" (they can't be sold or exchanged for cash quickly or easily), and the interests are typically non-transferable without the consent of a fund's managing member. As a result, private equity and private real estate funds are generally only suitable for sophisticated investors who have carefully considered their financial capability to hold these investments for the long term.
- *Capital Call Default Consequences.* Answering capital calls to provide managers with the pledged capital is a contractual obligation of each investor. Failure to meet this requirement in a timely manner could elicit significant adverse consequences, including, without limitation, the forfeiture of the defaulting investor's interest in the fund.
- *Leverage.* Private equity and private real estate funds may use leverage in connection with certain investments or participate in investments with highly leveraged capital structures. Although the use of leverage may enhance returns and increase the number of investments that can be made, leverage also involves a high degree of financial risk and may increase the exposure of such investments to factors such as rising interest rates, downturns in the economy or deterioration in the condition of the assets underlying such investments.
- *Lack of Transparency.* Private equity and private real estate funds are not required to provide investors with information about their underlying holdings or provide periodic pricing and valuation information. Therefore, investors are often putting their complete trust in the managers' abilities to meet their funds' objectives, without

the benefit of knowing their investment selections. This lack of information may make it more difficult for investors to evaluate the risks associated with the funds.

- *Manager Risk.* Private equity and private real estate fund managers have total investment authority over their funds, and the managers' skill is normally responsible for the investment returns. Therefore, if the founder or key person departs, the returns of the fund may be impacted. Investors have no control or influence in the management of the fund, although they will receive periodic reports from the fund manager. Also, investment in one fund that uses a generally similar investment strategy as another fund could lessen overall diversification, and consequently, increase investment risk.
- *Regulation.* Private equity and private real estate funds are subject to fewer regulatory requirements than mutual funds and other registered investment company products and thus may offer fewer legal protections than an investor would have if they invested in more traditional investments.

Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each client should understand and be willing to bear. Clients are encouraged to discuss these risks with their LWM investment adviser representative.

Item 9 - Disciplinary History

Neither LWM nor its management personnel have any reportable disciplinary history.

Item 10 - Other Financial Industry Activities and Affiliations

A. Broker-Dealer Registration and Registered Representatives

LWM is not registered, nor does it have an application pending to register, as a broker-dealer.

Laidlaw & Company (UK) Ltd.

Certain LWM investment adviser representatives are also registered representatives of Laidlaw & Company (UK) Ltd., an affiliated broker-dealer. As registered representatives of Laidlaw & Company (UK) Ltd., these individuals are permitted to receive commissions on securities transactions.

To the extent that clients wish one or more of these individuals to implement any recommendations made by LWM, the purchase or sale of any securities in conjunction with the implementation of such recommendations is made through Laidlaw & Company (UK) Ltd. Clients are free, however, to implement LWM's recommendations through any broker-dealer that they choose. The receipt of commissions for recommended products could represent an incentive for these individuals to recommend products that pay a commission over other products, therefore creating a conflict of interest. Additionally, if a client implements the recommendation through these individuals, the client may be limited to those products or services available through Laidlaw & Company (UK) Ltd.

Commissions earned may be higher or lower at Laidlaw & Company (UK) Ltd. than other broker-dealers. LWM has established a variety of restrictions, procedures, and disclosures

designed to address conflicts of interest arising between advisory accounts on one hand and the firm's affiliated businesses on the other. It is LWM's policy that LWM personnel involved in decision-making for advisory accounts must act in the best interests of their advisory clients and generally (but not exclusively) without knowledge of the interests of other operations of LWM and/or LWM personnel. LWM's advisory services are provided separately and independently of Laidlaw & Company (UK) Ltd.

B. Futures and Commodity Registration

LWM is not registered, nor does it have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor. No management person is registered, nor does any management person have an application pending to register, as an associated person of a futures commission merchant, commodity pool operator or a commodity trading advisor.

C. Financial Industry Affiliations

All material conflicts, if applicable, are disclosed to each client in writing before entering or renewing an advisory agreement with that client regarding LWM, its representatives or any of its personnel, which could be reasonably expected to impair the rendering of unbiased and objective advice.

Laidlaw & Company (UK) Ltd.

LWM has an agreement with its affiliated broker-dealer, Laidlaw & Company (UK) Ltd., for the registered representatives of Laidlaw & Company (UK) Ltd. to refer clients to LWM for investment advisory services. LWM will compensate Laidlaw & Company (UK) Ltd. for the referrals and Laidlaw & Company (UK) Ltd. will, in turn, compensate the individual registered representatives. At the time of the referral, clients will receive disclosure of the arrangement including the nature of the compensation.

D. Selection of Other Advisers

As disclosed in Item 4 (Advisory Business) and Item 5 (Fees and Compensation) above, LWM may direct clients to various independent money managers. LWM will be compensated via a fee share from the money managers to which it directs those clients. The total fees charged will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in that LWM has an incentive to direct clients to the independent money managers that provide LWM with a larger fee split. LWM will always act in the best interests of the client, including when determining which independent money managers to recommend to clients. LWM will verify that all recommended money managers are properly licensed, notice filed, or exempt in the states where LWM is recommending the independent money manager to clients.

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

A. Code of Ethics

LWM has adopted a Code of Ethics to prevent violations of the securities laws. The Code of Ethics is predicated on the principle that LWM owes a fiduciary duty to its clients. Accordingly, LWM expects all personnel to act with honesty, integrity and professionalism

and to adhere to federal securities laws. All personnel are required to adhere to the Code of Ethics. At all times, LWM and its personnel must (i) place client interests ahead of LWM's; (ii) engage in personal investing that is in full compliance with LWM's Code of Ethics; and (iii) avoid taking advantage of their position. Clients and prospective clients may request a copy of the LWM Code of Ethics by contacting LWM at (212) 953-4951 or by email at: info@laidlawwm.com.

B. Material Financial Interests

LWM allows its personnel to purchase or sell the same securities that may be recommended to and purchased on behalf of clients. LWM does not act as principal in any transactions. In addition, LWM does not act as the general partner of any private fund or advise an investment company (mutual fund). LWM does not have a material interest in any securities traded in client accounts.

C. Investing in Same Securities as Clients

From time to time, representatives of LWM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of LWM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. However, the size of personal trades and the types of investments (ETFs or open-end mutual funds) that are likely to be transacted in by LWM personnel would not have a practical impact on prices in those securities. LWM will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when securities other than mutual funds or ETFs are being bought or sold.

D. Participation or Interest in Client Transactions

While LWM allows its personnel to purchase or sell the same securities that may be recommended to and purchased on behalf of clients, these trades are either block-traded with client accounts or they are placed after client orders. At no time, will LWM or any associated person of LWM, transact in any security to the detriment of any client.

Item 12 - Brokerage Practices

A. Brokerage Selection

LWM does not have discretionary authority to select the broker-dealer/custodian for custodial and execution services or the administrator for defined contribution accounts. The client will have the ultimate authority to select the broker-dealer or custodian (herein the "Custodian") to safeguard client assets and will authorize, through the client's investment management agreement, LWM to direct trades to the Custodian. Further, LWM does not have the discretionary authority to negotiate commissions on behalf of clients on a trade-by-trade basis.

While LWM does not exercise discretion over the selection of the custodian, it may recommend certain custodian[s] to clients for execution and/or custodial services. Clients are not obligated to use the recommended custodian and will not incur any extra fee or cost associated with using a broker not recommended by LWM. LWM may recommend a custodian based on criteria such as, but not limited to, reasonableness of commissions

charged to the client and services made available to the client. LWM does not receive research services, other products, or compensation as a result of recommending a particular broker that may result in the client paying higher commissions than those obtainable through other brokers.

LWM will recommend that clients utilize the brokerage and custodial services of Charles Schwab & Co., Inc., a broker-dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC (“Schwab”) and/or and StoneX Financial, Inc., also a broker-dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC (“StoneX”), for investment management accounts.

Best Execution

Best execution has been defined as the “execution of securities transactions for clients in such a manner that the client’s total cost or proceeds in each transaction is the most favorable under the circumstances.” The best execution responsibility applies to the circumstances of each particular transaction and an investment adviser must consider the full range and quality of a broker-dealer’s services, including, among other things, execution capability, commission rates, the value of any research, financial responsibility and responsiveness.

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 among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while LWM will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

Broker Analysis

LWM evaluates a wide range of criteria in seeking the most favorable price and market for the execution of transactions. These include the broker-dealer’s trading costs, efficiency of execution and error resolution, financial strength and stability, capability, positioning and distribution capabilities, information in regard to the availability of securities, trading patterns, statistical or factual information, opinion pertaining to trading and prior performance in serving LWM.

LWM is responsible for continuously monitoring and evaluation the performance and execution capabilities of brokers that transact orders for client accounts to ensure consistent quality executions. In addition, LWM periodically reviews its transaction costs in light of current market circumstances and other relevant information.

Research/Soft Dollar Benefits

Soft dollars are revenue programs offered by broker-dealers whereby an advisor enters into an agreement to place security trades with the broker in exchange for research and other services. LWM does not participate in soft dollar programs sponsored or offered by any broker-dealer but does receive economic support from the custodian as noted below (please see Item 14 below for more detailed information).

Directed Brokerage

Company Directed Brokerage

LWM does not have the discretionary authority to determine the broker-dealer to be used. As stated above, clients in need of brokerage will have Schwab and/or StoneX recommended to them. While there is no direct linkage between the investment advice given and usage of either Schwab or StoneX, economic benefits are received which would not be received if LWM did not give investment advice to clients (please see additional disclosures in Item 14 below). LWM does not participate in any transaction fees or commissions paid to the broker dealer or custodian and does not receive any fees or commissions for the opening or maintenance of client accounts at recommended brokers.

Not all investment advisers require their clients to direct brokerage. LWM is required to disclose that by directing brokerage, LWM may not be able to achieve most favorable execution of client transactions and this practice may cost clients more money.

Client Directed Brokerage

Certain clients may direct LWM to use particular brokers-dealers for executing transactions in their accounts. With regard to client directed brokerage, LWM is required to disclose that LWM may be unable to negotiate commissions, block or batch orders or otherwise achieve the benefits described above, including best execution. Directed brokerage commission rates may be higher than the rates LWM might pay for transactions in non-directed accounts. Therefore, directing brokerage may cost clients more money. LWM reserves the right to decline acceptance of any client account that directs the use of a broker-dealer if LWM believes that the broker-dealer would adversely affect LWM's fiduciary duty to the client and/or ability to effectively service the client portfolio.

As a general rule, LWM encourages each client to compare the possible costs or disadvantages of directed brokerage against the value of custodial or other services provided by the broker-dealer to the client in exchange for the directed brokerage designation.

B. Trade Aggregation and Allocation

Transactions for each client generally will be made independently, unless LWM decides to purchase or sell the same securities for several clients at approximately the same time. LWM may (but is not obligated to) combine or "batch" such orders to:

- obtain best execution;
- negotiate more favorable commission rates; or
- allocate equitably among LWM's clients, differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently.

Under this procedure, transactions will generally be averaged as to price and allocated among LWM's clients pro rata. When aggregating client trade orders, LWM will not receive any additional compensation or remuneration as a result of the aggregation. In the event that LWM determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include:

- The accounts of related persons (i.e., LWM personnel, family members and proprietary accounts), shall only receive shares after the orders of all unrelated accounts have been filed.

- When only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates;
- Allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts;
- If an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed);
- With respect to sale allocations, allocations may be given to accounts low in cash;
- In cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, LWM may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or
- In cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

C. Trade Errors

LWM generally considers a compensable error to be an error that results from its action or omission that does not meet the applicable standard of care and that results in a loss to the client. Not all mistakes or errors that are caused by LWM will be considered compensable errors and the calculation of the amount of any gain or loss will depend on the particular facts surrounding the error, and the methodology used by LWM to calculate gain or loss may vary. Compensation is generally expected to be limited to direct and actual out-of-pocket monetary losses (in certain circumstances, net of any associated gains) and will not include any amounts that LWM deems to be uncertain or speculative, nor will it include investment losses not caused by the error or other opportunity costs. We typically notify clients as soon as practical of any errors that violate client guidelines, or that result in a material loss in the client's account. As appropriate, LWM will follow these resolution procedures:

- If LWM caused the error and the error resulted in a loss to the client's account, LWM corrects the error to place the client in the same position as if the error had not occurred.
- If LWM caused the error and the error resulted in a profit to the client account, the client will keep the profit.
- If LWM did not cause the error, the party that caused the error is responsible for correcting the results of the error.
- If LWM shares responsibility for an error with another party, LWM pays the portion of any loss associated with its error.

LWM may net gains and losses related to trade errors within a single account when it is (i) consistent with applicable law, and (ii) the gain or loss results from a single trading decision or represents a single and consistent application of a guideline or restriction. LWM will not net the gains and losses of separate clients and will not net the gains and losses of a single client that resulted from multiple errors (for example, trade errors resulting from more than one investment decision for the same client).

LWM may prevent certain client accounts from trading in a particular security while it reviews and interprets relevant law or contractual limitations or, where necessary, obtains client consent. This delay could cause some client accounts to miss investment opportunities. When LWM is unable to confirm with confidence that a particular client account is permitted to invest in a particular opportunity, or where client discussion and consent is needed, but cannot practically be arranged in a timely manner, the client will be unable to buy or sell that investment, even if other clients do participate. Because any such delay or missed investment opportunity arises from the need to ensure guideline compliance, LWM does not regard these situations as errors.

Item 13 - Review Of Accounts

A. Periodic Reviews

Investment Management Services

While the underlying securities within investment management services accounts are continuously monitored, these accounts are reviewed no less frequently than annually. Accounts are reviewed in the context of each client's stated investment objectives and guidelines, ensuring that the structure of the portfolio is coordinated with these objectives. In addition, investment returns will be measured against the appropriate benchmarks in each asset class.

Financial Planning Services

While reviews may occur at different stages of the financial planning process depending on the nature and terms of the specific engagement, typically, no formal reviews will be conducted for financial planning services clients unless otherwise contracted for at the inception of the advisory relationship.

Consulting Services

These client accounts will be reviewed as contracted for at the inception of the advisory relationship.

Independent Money Managers

Client accounts that are managed by an independent money manager are subject to the review policies of the independent money manager, as disclosed in such manager's disclosure brochure. Clients should refer to the disclosure brochure of each independent money manager for information regarding the nature and frequency of reviews provided by those independent money managers. LWM will review the performance of a client's independent money manager to ensure that investment returns and investment style are within expected parameters.

Accounts are reviewed by a designee of the LWM Compliance Department.

B. Other Reviews

Reviews may be triggered by material market, economic or political events, cash inflow or outflow to/from the portfolio or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Regular Reports

Investment Management Services

Clients will receive statements from their custodian at least quarterly. Additionally, monthly statements will be generated as a result of investment activity by the client's custodian. Confirmation statements will be issued for all trading activity. Monthly and/or quarterly statements will include portfolio holdings, dates and amounts of transactions, cost basis and current and prior statement value.

In addition to reports issued by the client's custodian, LWM will provide written reports on at least an annual basis summarizing account performance, balances and holdings managed by LWM.

Financial Planning Services

Financial planning services clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for at the inception of the advisory relationship.

Consulting Services

Consulting services clients will receive reports as contracted for at the inception of the advisory relationship.

Independent Manager Program

Client accounts that are managed by an independent money manager are subject to the reporting policies of the independent money manager, as disclosed in such manager's disclosure brochure. Clients should refer to the disclosure brochure of each independent money manager for information regarding the nature and frequency of reports provided by those independent money managers.

Item 14 - Client Referrals And Other Compensation

A. Economic Benefits

Independent Money Managers

As detailed in Item 5 (Advisory Fees and Compensation), LWM receives compensation from independent money managers to which it directs clients.

Schwab Advisor Services

LWM uses Charles Schwab & Co.'s ("Schwab"), Schwab Advisor Services ("Schwab Advisor Services"). While there is no direct link between LWM's use of Schwab Advisor Services and the investment advice it gives to its clients, LWM does receive economic benefits through its

participation in the Schwab Advisor Services program that are typically not available to Schwab retail investors.

As a user of Schwab Advisor Services, Schwab makes available to LWM other products and services that benefit LWM but may not benefit its clients' accounts. Some of these other products and services assist LWM in managing and administering clients' accounts, including:

- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk serving Schwab Advisor Services participants exclusively;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts;
- Ability to have investment advisory fees deducted directly from client accounts;
- Access, for a fee, to an electronic communication network for client order entry and account information;
- Receipt of compliance publications; and
- Access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors.

Schwab Advisor Services also makes available to LWM other services intended to help LWM manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, Schwab Advisor Services may make available, arrange and/or pay for these types of services rendered to LWM by independent third parties.

Additional benefits received because of LWM's use of Schwab Advisor Services may depend upon the amount of transactions directed to, or amount of assets custodied by, Schwab. LWM is required to maintain a minimum level of client assets with Schwab Advisor Services to avoid a quarterly service fee. While as a fiduciary LWM endeavors to act in its clients' best interests, LWM's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to LWM of the availability of some of the foregoing products and services and not solely on the nature cost or quality of custody and brokerage provided by Schwab which may create a conflict of interest.

Schwab is also providing reimbursement to LWM for fees incurred by it for the transfer of clients account to LWM from other broker-dealer/custodians together with any attendant exit fees.

B. Client Referrals

LWM compensates Laidlaw & Company (UK) Ltd., an affiliated broker-dealer, for client referrals. Please see Item 10 – Other Financial Industry Activities and Affiliations – for additional information.

Item 15 - Custody

Custody of client assets will be maintained with the independent custodian selected by the client. LWM will not have physical custody of any assets in the client's account except as

permitted for direct deduction of advisory fees. Clients will be solely responsible for paying all fees or charges of the custodian. Clients will authorize LWM to give the custodian instructions for the purchase, sale, conversion, redemption, exchange or retention of any security, cash or cash equivalent or other investment for the client's account.

Clients will receive directly from the custodian at least quarterly a statement showing all transactions occurring in the client's account during the period covered by the account statement, and the funds, securities and other property in the client's account at the end of the period. The account statement will also indicate the amount of advisory fees deducted from your account(s) for each billing period.

Client may also receive periodic account statements directly from LWM summarizing account allocations, balances and holdings. Clients are urged to carefully review the account statement sent by the broker-dealer/custodian and to compare the account statement provided by the broker-dealer/custodian with any statements provided by LWM. LWM's account statements may vary from those sent by the broker-dealer/custodian based on accounting procedures, reporting dates and valuation methodologies of certain securities.

Item 16 - Investment Discretion

For those client accounts over which LWM has discretion, LWM requests that it be provided with written authority (*e.g.*, limited power of attorney contained in LWM's investment management agreement) to determine the types and amounts of securities that are bought or sold. LWM's authority in making investment related decisions may be limited by account guidelines, investment objectives and trading restrictions, as agreed between LWM and the client. Any limitations on LWM's discretionary authority shall be included in this written authority statement. Clients may change or amend these limitations as required. All such amendments are required to be submitted in writing.

Item 17 - Voting Client Securities

Proxy Voting

LWM does not vote proxies on behalf of its clients. Therefore, although LWM may provide discretionary investment advisory services relative to client investment assets, it is the client that maintains exclusive responsibility for: (i) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted and (ii) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceeding or other type events pertaining to the client's investment assets. LWM and/or the client shall correspondingly instruct each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

Clients can contact LWM about a particular solicitation by calling 212-953-4956 or by email at: LAM@laidlawltd.com.

Legal Proceedings

Although LWM may have discretion over client accounts, LWM will not be responsible for handling client claims in class action lawsuits, bankruptcies or similar settlements involving securities owned by the client. Clients will receive the paperwork for such claims directly from their account custodians. Each client should verify with their custodian or other account

administrator whether such claims are being made on the client's behalf by the custodian or if the client is expected to file such claims directly.

Item 18 - Financial Information

A. Prepayment of Fees

Because LWM does not require or accept prepayment of more than \$1,200 in fees six months or more in advance, LWM is not required to include a balance sheet with this disclosure brochure.

B. Financial Condition

LWM does not have any adverse financial conditions to disclose.

C. Bankruptcy

LWM has never been the subject of a bankruptcy petition.

Item 19 – Additional Information

A. Privacy Notice

LWM views protecting its clients' private information as a top priority and has instituted policies and procedures to ensure that client information is private and secure. LWM does not disclose any nonpublic personal information about its clients or former clients to any nonaffiliated third parties, except as permitted or required by law. In the course of servicing a client's account, LWM may share some information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers, etc. LWM restricts internal access to nonpublic personal information about the client to those persons who need access to that information in order to provide services to the client and to perform administrative functions for LWM. As emphasized above, it has always been and will always be LWM's policy never to sell information about current or former clients or their accounts to anyone. It is also LWM's policy not to share information unless required to process a transaction, at the request of a client, or as required by law. For the full text of the LWM's Privacy Policy please contact LWM by calling (212) 953-4951 or by email at: info@laidlawwm.com.

B. Requests for Additional Information

Clients may contact LWM by calling (212) 953-4951 or by email at: info@laidlawwm.com to request additional information or to submit a complaint.